

Prepared by and return to:

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**5 MIN. RETURN**

**DECLARATION OF COVENANTS, CONDITIONS,  
RESTRICTIONS, LIMITATIONS AND EASEMENTS**

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A	Property Owned by Rolling Hills Venture, L.L.C.
B	Articles of Incorporation
C	Bylaws

## ROLLING HILLS

THIS DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS, LIMITATIONS AND EASEMENTS, made this \_\_\_\_\_ day of March, 2007 by **ROLLING HILLS VENTURE, L.L.C.**, a Virginia limited liability company, whose address is 1880 Eagle Harbor Parkway, Orange Park, Florida 32003 ("Declarant") and **ROLLING HILLS AT LAKE ASBURY HOME OWNERS' ASSOCIATION, INC.**, a Florida corporation, whose address is 1880 Eagle Harbor Parkway, Orange Park, Florida 32003 ("Association") with respect to certain property owned by Declarant in the County and described hereinafter,

### WITNESSETH:

**WHEREAS**, Declarant owns the land described in **EXHIBIT "A"** attached hereto and by this reference made a part hereof, consisting of approximately 562.38 acres located in Clay County, Florida;

**WHEREAS**, Declarant is developing a residential community known as Rolling Hills at Lake Asbury on such land;

**WHEREAS**, Declarant wishes to insure that the community will be subdivided, developed, improved, occupied, used and enjoyed with consistently high architectural, ecological, environmental and aesthetic standards so as to create within the community a pleasant, attractive, safe and harmonious physical environment which will contribute to and enhance the quality of life for all residents;

**WHEREAS**, in furtherance of the foregoing, Declarant wishes to subject the Property to certain covenants, conditions, restrictions, easements and reservations; and

**WHEREAS**, the Association has been formed by Declarant to serve as the owners' association for the community, and wishes to join herein to agree to be bound by the provisions hereof.

**NOW, THEREFORE**, Declarant hereby declares that the Property shall be held, sold and conveyed subject to the easements, restrictions, covenants, limitations, conditions, and reservations set forth herein and the provisions hereof.

### ARTICLE I.

#### Statement of Purpose; Run with the Land

The purposes of this Declaration are to provide a framework for the development of the Project as a community which is both aesthetically appealing and functionally practical and generally to preserve and enhance the value of the Property and the Project. Accordingly, certain objective standards are included where it is felt they will enhance and protect the community environment. However, Declarant recognizes that objective standards cannot be all-inclusive and has reserved to the entities having jurisdiction over the Property and itself certain discretionary authority as described hereinafter. Declarant intends that such discretion be exercised by such entities and it to promote and preserve the purposes of this Declaration and the common welfare of the Owners, Designees and Interested Parties. Except where expressly stated to the contrary, this

Declaration shall run with the land burdened thereby and be binding upon all parties having any right, title or interest in such land or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

## **ARTICLE II. Definitions**

“Additional Property” means the property, if any, to which the provisions of this Declaration are extended pursuant to Article III, Section 1.

“Applicant” means any party seeking approval of proposed improvements pursuant to Article IV.

“ARC” means the architectural review committee established pursuant to Article IV, Section 1.

“ARC Guidelines” means the standards for design and construction of all Improvements on the Property, including guidelines for landscaping and other matters related to Improvements, promulgated by the ARC from time to time, as the same may be supplemented or amended, pursuant to Article IV, Section 2.

“Articles” means the Articles of Incorporation of the Association, as the same may be amended from time to time, a copy of which is attached hereto as **EXHIBIT “B”**.

“Assessments” means Regular Assessments and Special Assessments levied by the Board, if any.

“Association” means the Rolling Hills at Lake Asbury Home Owners’ Association, Inc., its successors and assigns.

“Board” means the board of directors of the Association.

“Bylaws” means the Bylaws of the Association, as the same may be amended from time to time, a copy of which is attached hereto as **EXHIBIT “C”**.

“CDD” means The Rolling Hills Community Development District established by the County Board of Commissioners through ordinance 2006-9, effective March 14, 2006, under the terms of the Uniform Community Development District Act of 1980 (Chapter 190, Florida Statutes), as the same may be amended from time to time.

“Class A Member” means those Owners identified as such in Article VIII, Subsection 3(a).

“Class B Member” means Declarant, as set forth in Article VIII, Subsection 3(b).

“Conservation Areas” means all portions of the Property burdened by the Conservation Easement.

“Conservation Easement” means that certain Conservation Easement dated November 2, 2006 by and between Declarant and the SJRWMD recorded November 15, 2006 in the Official Records at Book 2818, Page 1540.

“County” means Clay County, Florida.

“Declarant” means Rolling Hills Venture, L.L.C., a Virginia limited liability company, those successors or assigns to whom such company or any due successor or assignee thereof expressly assigns all or any portion of its rights and/or obligations hereunder (whether revocably or irrevocably) pursuant to an instrument of assignment recorded in the Official Records, and the Board at such time as any of such rights and/or obligations are deemed to have been transferred to it in whole or in part pursuant to the provisions of Article XI, Section 16.

“Declaration” means this Declaration of Covenants, Conditions, Restrictions, Limitations and Easements, as the same may be supplemented or amended from time to time.

“Department” means the Florida Department of Business and Professional Regulation or any successor department or agency thereto.

“Designee” means a natural person designated by an Owner (that itself is not a natural person) as the person to be deemed Owner of the Lot, owned by such non-natural person for the purposes set forth herein.

“Dwelling Unit” means an Improvement constructed on a Lot for which a certificate of occupancy for has been issued by the County for use as a single-family residence.

“Improvement” means any improvement duly approved or deemed approved pursuant to Article IV, Section 5.

“Interested Party” means (i) in the case of an Owner who is a natural person, a tenant, immediate family member, guest, invitee, licensee or agent of such Owner; immediate family member, guest, invitee, licensee or agent of such a tenant; domestic partner, parent, and/or grandchild residing with such Owner or tenant; or any other bona fide resident of such Owner’s Dwelling Unit; (ii) in the case of any other Owner, the Designee; a tenant of such Owner; an immediate family member, guest, invitee, licensee or agent of such Designee; immediate family member, guest, invitee, licensee or agent of such a tenant; domestic partner, parent and/or grandchild residing with such Designee or tenant; or any other bona fide resident of such Owner’s Dwelling Unit; and (iii) until the Ownership Termination Date, employees, guests, invitees and agents of Declarant.

“IRS Rate” means the rate charged by the Internal Revenue Service on delinquent taxes from time to time.

“Lot” means a portion of the Property shown on a Plat on which is constructed or is intended to be constructed one (1) detached Dwelling Unit intended primarily for owner occupancy.

“Master Plan” means the conceptual plan prepared by Declarant for overall development of the Project, as the same may be amended from time to time.



“Members” means the Class A Members and, for so long as there is such a membership, the Class B Member.

“Official Records” means the official land records of the County.

“Other Land” means all portions of the Property other than Lots and Conservation Areas.

“Owner” means (i) with respect to a Lot,, the record owner of fee simple title thereto; and (ii) until the Ownership Termination Date, Declarant; but does not mean or refer to (y) a mortgagee unless such mortgagee has acquired fee simple title pursuant to foreclosure or a proceeding or deed in lieu of foreclosure; or (z) any other party having an interest in any Lot or Other Land solely as security for the performance of an obligation.

“Ownership Termination Date” means the date upon which Declarant no longer owns or controls development of any portion of the Property upon which, pursuant to the Master Plan, it is anticipated that Lots will be created.

“Plat” means any subdivision or resubdivision plat for a portion of the Property recorded in the Official Records.

“Project” means the community being developed on the Property by Declarant to be known as Rolling Hills at Lake Asbury.

“Property” means (i) the property more particularly described in EXHIBIT “A”, plus (ii) the Additional Property, less and except any portion thereof (iii) duly dedicated for public use pursuant to a Plat or (iv) dedicated to the CDD pursuant to a Plat or otherwise conveyed by Declarant to the CDD.

“PUD” means the application for rezoning of the Property from “AG” to “PUD” approved by the Clay County Board of Supervisors September 28, 2004, as such approval may have been or may be supplemented or amended from time to time, the terms of which are specifically incorporated herein by reference.

“Recognized Holiday” means any day upon which commercial banks in the County are not open for business (other than via automatic teller machines or any other form of conducting business without direct customer-to-natural person interaction).

“Regular Assessment” means an Assessment levied pursuant to Article IX, Section 5.

“Rules and Regulations” means the rules and regulations promulgated by Declarant pursuant to Article V, Section 42, as such rules and regulations may be modified or amended from time to time.

“SJRWMD” means the St. Johns River Water Management District.

“Special Assessment” means an Assessment levied pursuant to Article IX, Section 8.

“Statutes” means the Florida general laws in effect as of the date hereof, as subsequently modified or amended.

“Waterways” means all lakes, ponds, rivers, creeks, streams and other waters and watercourses located within or contiguous to the Property or any portion thereof.

**ARTICLE III.  
Addition or Withdrawal  
of Property**

Until the Class B Membership terminates, the Class B Member may (but shall not be obligated to) subject additional property to this Declaration by recordation of a supplemental declaration in the Official Records without jointure or the consent of any other party, and with such modifications of the provisions hereof or additional provisions as Declarant may elect, provided no such modifications or additional provisions are materially inconsistent with Article I.

Until the Class B Membership terminates, the Class B Member may (but shall not be obligated to) remove or withdraw any unimproved portion of the Property or Additional Property from the restrictions or coverage of this Declaration by amending the Declaration. The term “unimproved” means that no structure has yet been built on the Property or Additional Property. Such amendment shall not require the consent of any person other than the Owner(s) of the Property or Additional Property to be withdrawn, if not the Declarant. If such Property or Additional Property is owned by the CDD or by the Association, the CDD or the Association’s consent is required for such withdrawal.

**ARTICLE IV.  
Architectural Control; Construction**

**Section 1. Architectural Review Committee.**

Declarant, until the Ownership Termination Date, and, thereafter, the Board, shall appoint an architectural review committee for the purposes set forth in this Article IV. Such committee shall consist of at least three (3) persons, who need not be Members and who shall serve at the pleasure of Declarant or the Board, as the case may be. A majority of such committee shall constitute a quorum to transact business. The action of such majority shall constitute the action of the committee.

**Section 2. Approval Required for All Proposed Improvements; ARC Guidelines; Waiver.**

In order to ensure the development of the Property as a community of the highest quality in which all Improvements are harmonious in architectural design and aesthetic appearance, the exclusive power and discretion to approve all proposed improvements made on the Property is hereby reserved to the ARC. No improvements or modification or alteration affecting the exterior appearance of any previously approved Improvement (other than minor alterations in previously approved landscaping and vegetation) may be made on any part of the Property without the prior written consent of the ARC obtained pursuant to the procedures set forth in this Article IV. The ARC Guidelines shall be made available by the ARC to all Applicants and shall be binding upon all Applicants other than to the extent expressly waived by the ARC. The ARC shall not grant any waiver from the requirements of such Guidelines that is materially inconsistent with the provisions of Article I.

### **Section 3. Submission and Review of Plans.**

No residence, accessory building, fence, wall, walkway, drive or other structure or improvement or lighting or landscaping related thereto shall be erected or placed on any portion of the Property, nor, without the prior written approval of the ARC, shall any application for a building or other permit required for any of the foregoing be filed unless and until final plans and specifications therefore, including, without limitation, all materials required by Section 4 below or otherwise by the ARC, have been approved or deemed approved by the ARC. The ARC shall have the absolute right to refuse approval of any plans which in its opinion are not suitable or do not comply with the terms of this Declaration and the ARC Guidelines. The ARC shall evaluate each application for its total effect on the Property. This evaluation may involve matters of judgment and taste that cannot be reduced to an objective list of measurable criteria. It is possible that a proposed improvement that satisfies individual criteria delineated in this Article IV may be disapproved, if in the sole discretion of the ARC the proposed improvement is unacceptable. The approval of any proposed improvement shall not obligate the ARC to approve applications involving similar designs, aesthetic appearance or site plans for other proposed improvements.

### **Section 4. Plans and Specifications to be Submitted.**

Unless submission thereof is waived in writing by the ARC, each Applicant shall submit duplicate originals of the following documents (prepared by duly licensed builders, architects, engineers, landscape architects or similarly qualified professionals), accompanied by such additional information and materials which in the opinion of the ARC may be required for its review:

- (a) a site plan showing all property lines, the intended foundation footprint(s), building setbacks, location of easements of record, flood plain boundaries, Waterways and Conservation Areas burdening or contiguous to the site, if any, existing trees having a diameter of six (6) inches or more measured at a height three (3) feet above the ground, existing improvements, drives, and existing and proposed surface contours and elevations;
- (b) a scaled floor plan or plans;
- (c) elevation drawings of all sides of any contemplated residences and/or accessory buildings;
- (d) a summary specification list;
- (e) samples of proposed exterior finish, fencing, and screening wall materials, or photographs where samples are not available; and
- (f) landscaping plans (including plans for any related exterior lighting) showing existing vegetation to be retained and the location, quantity and species of plants, trees and other vegetation to be added.

One copy of each plan submitted shall become the sole property of the ARC.

### **Section 5. Approval Process.**

The ARC shall grant or withhold approval for proposed improvements within forty-five (45) days after confirming to an Applicant that his, her or its application has been received accompanied by all items required for review, each in form and substance acceptable to the ARC. If the ARC fails to grant or withhold approval by the end of such period and does not cure such failure within fifteen (15) days after receipt of notice thereof from the Applicant, the ARC shall be deemed to have granted approval, provided the ARC may grant conditional approval for proposed improvements, which shall be deemed a withholding of approval until such time as the Applicant satisfies all conditions to approval to the satisfaction of the ARC. If the ARC approves, or is deemed to have approved, any proposed improvements, the Applicant may construct such Improvements in strict conformance with the plans, specifications and other materials submitted and approved or deemed to have been approved by the ARC, subject to the obligation to comply with conditions to approval, if any, set forth by the ARC.

### **Section 6. Commencement and Completion of Construction.**

After commencing construction of Improvements, an Applicant shall diligently prosecute such construction to completion. The exterior of the structure, drives, walkways, fences, walls, landscaping and lighting for Dwelling Units shall be completed within twelve (12) months after commencement of construction.

### **Section 7. Failure to Complete Within Required Period.**

In the event of failure to commence and/or complete construction of Improvements within the time period required pursuant to Section 6 immediately above, except where such failure is due to strikes, fires, inability to obtain required materials, national emergency or natural calamities, and to cure such failure within thirty (30) days after receipt of notice thereof from Declarant or the ARC, or, if such failure cannot reasonably be completed within such thirty (30) day period, failure within such period to commence and diligently prosecute those actions necessary to complete such Improvements, Declarant may take any action necessary to complete such Improvements or, if in Declarant's opinion it is appropriate to do so, to demolish any uncompleted Improvements and restore the affected portion of the Property to its condition prior to the commencement of construction without any liability as a result thereof to the Applicant.

### **Section 8. Alterations to Completed Improvements; Approved Contractor.**

No alteration in the exterior appearance of any completed Improvement, including but not limited to exterior elevations, site plan, landscaping plan, lighting plan, parking plan and exterior color or finish (other than minor alterations in previously approved landscaping or vegetation), shall be made without prior written approval by the ARC. All such alterations shall be completed strictly in accordance with the approved plans therefore. Except as set forth below, the provisions of this Article IV shall apply with respect to proposed alterations to completed Improvements with the same force and effect as this Article IV applies to proposed improvements. Approved alterations in completed Improvements shall be completed within three (3) months after commencement of construction thereof. No alterations shall be undertaken other than by a licensed contractor approved by the ARC.

**Section 9.     Reconstruction.**

If any Improvements are destroyed or materially damaged by fire or other casualty, reconstruction or repair by the Owner thereof shall be subject to the provisions and procedures set forth in this Article IV.

**Section 10.    Consultation with Architects, Etceteras; Review Fee.**

The ARC may engage or consult with architects, engineers, planners, surveyors, attorneys and others in the performance of its responsibilities under this Article IV. Each Applicant agrees to pay all fees thus incurred and further agrees to pay a review fee to the ARC in such amount as the ARC may from time to time reasonably establish. The payment of all such fees is a condition to the approval of any proposed improvements, and the commencement of review of any proposal may be conditioned upon the payment of the ARC's estimate of such fees. Review fees established, levied and collected by the ARC shall be in amounts reasonably calculated to defray the costs of carrying out its responsibilities under this Article IV, including reasonable compensation for its members other than those appointed by and associated with Declarant. Subject to retention of a reasonable reserve for working capital purposes, any surplus administrative fees held by the ARC at the end of a given calendar year shall be disbursed to the Association.

**Section 11.    When Construction May Occur; Permitted Deliveries; Toilet Facilities.**

The following provisions govern when construction of Improvements (including approved alterations) and deliveries of building materials related thereto may take place, the responsibilities of Owners and their general contractors in connection therewith, and utilization of portable toilet facilities during construction:

- (a) no work or deliveries may take place on Sunday or a Recognized Holiday;
- (b) no noise audible from other portions of the Property may emanate from any Lot upon which construction of Improvements is underway other than on the days and during the hours set forth in the Rules and Regulations during which construction may take place;
- (c) each general contractor shall provide potable toilet facilities during any period of construction, use debris containment bins or cages approved prior to commencement of construction by the ARC or in compliance with the ARC Guidelines, and keep the Lot upon which construction is occurring in a clean and orderly condition, with a thorough Lot clean up occurring not less frequently than weekly throughout the construction period;
- (d) an Owner shall be responsible for compliance with the provisions of this Section 11 by his, her or its general contractor and all subcontractors and other parties engaged by such general contractor; and
- (e) if, in Declarant's sole and absolute judgment, repeated violations of the provisions of this Section 11 occur at a Lot upon which construction is underway, Declarant may require that construction (and deliveries related thereto) cease until such evidence as may be required by Declarant under the circumstances has been provided that appropriate steps have been taken to

assure that further violations will not occur once construction (and deliveries related thereto) is permitted to recommence.

Declarant may waive the above provisions on a case-by-case basis for due cause shown or modify such provisions from time to time in its sole discretion by provisions set forth in the Rules and Regulations.

**Section 12. Approval Not a Guarantee; Indemnity.**

No approval of proposed improvements or promulgation of ARC Guidelines related thereto by the ARC shall be construed as representing or implying that any proposed improvement has been properly designed, will comply with applicable building codes or other governmental requirements or will be constructed in a good and workmanlike manner. The ARC shall not be responsible for any defects in any plans or specifications or other materials submitted to it in connection with proposed improvements pursuant to this Article IV or in any construction undertaken pursuant thereto. No party shall have any claim against the ARC for any damage or expense incurred due to any act of or failure to act by the ARC pursuant to this Article IV. All Applicants shall indemnify and hold the ARC harmless against any such damage or expense, including, without limitation, attorney's fees at trial or on appeal, incurred by the ARC in the defense of any such claim.

**ARTICLE V.**

**Use and Other Restrictions and Requirements; Maintenance and Reconstruction**

**Section 1. Use of Lots.**

Lots shall only be used for Dwelling Units and ancillary Improvements. No more than one (1) Dwelling Unit shall be constructed on a Lot.

**Section 2. Use of Dwelling Units; Home Occupations.**

Dwelling Units shall be used for residential purposes only, provided that:

(a) With the prior approval of Declarant, but subject to the limitations set forth below, Dwelling Units may be used for home occupations by bona fide residents if:

- (i) such occupation is clearly incidental and secondary to the use of the Dwelling Unit for dwelling purposes;
- (ii) such use does not result in a change of the character of the Dwelling Unit;
- (iii) no external evidence of such use occurs; and
- (iv) such use complies with all permitting and other requirements of the County.

(b) notwithstanding the foregoing, the following home occupations are prohibited:

- (i) bed and breakfast establishments;

- (ii) major and minor auto or machinery repair or paint shops, including welding;
- (iii) carpentry, upholstery, and cabinet making;
- (iv) beauty shops and barber shops;
- (v) private schools with organized classes other than limited individual tutoring;
- (vi) electric machinery or appliance repair;
- (vii) day care centers for the care of more than six (6) unrelated children;
- (viii) medical or dental offices;
- (ix) psychological or psychiatric counseling offices;
- (x) direct consumer sales, retail or wholesale, of any good or commodity on the premises; and
- (xi) landscape/yard maintenance services.

**Section 3.     Division of Lots.**

No Lot other than two (2) or more contiguous Lots owned by the same Owner and Lots owned by Declarant may be resubdivided or have its boundaries changed without the consent of Declarant until the Ownership Termination Date. Two (2) or more contiguous Lots owned by the same Owner may not be further divided without such consent, but may be combined into one (1) site for one (1) Dwelling Unit. In such event, only the exterior boundary lines of the combined Lots shall be considered in the application of the provisions of this Declaration, provided such Lots shall be deemed to be separate rather than combined for purposes of Assessments.

**Section 4.     Lawful Use.**

No improper or unlawful use shall be made of any portion of the Property. All laws, ordinances, and regulations of all governmental bodies having jurisdiction over any portion of the Property shall be observed.

**Section 5.     Leasing; Timeshares.**

Except as set forth below, no Dwelling Unit shall be used or occupied for transient or hotel purposes or subjected to or used for any cooperative, licensing, timesharing or other arrangement that would entail weekly, monthly or any other revolving or periodic occupancy by more than two (2) multiple Owners, cooperators, licensees or timesharing participants, or, without Declarant's approval, leased for an initial period of less than seven (7) months. A Dwelling Unit may be leased on a month-to-month basis to the bona fide contract purchaser(s) of another Dwelling Unit. No portion of a Lot shall be leased for any period unless the entire Lot is being leased for such period to the same tenant. No Dwelling Unit shall be leased other than on a written form of lease that (i) requires the lessee to comply with this Declaration and the Rules and Regulations; (ii) provides that failure to comply herewith constitutes a default under the lease; (iii) permits the Association or

Declarant to terminate said lease in the event of an Owner's failure to do so upon the occurrence of such a default, which default is not cured within thirty (30) days after notice thereof from the Owner, the Association or Declarant, as the case may be; and (iv) prohibits assignment or subletting.

**Section 6. Garage or Yard Sales.**

"Garage sales" or "yard sales" shall be permitted only for disposal of the private property and personal effects of individual Owners, Designees and Interested Parties and only upon the occasion of a sale or change in tenancy of a Dwelling Unit or as otherwise permitted by the Rules and Regulations.

**Section 7. Nuisances.**

No nuisance shall be permitted to exist on any portion of the Property. Noxious, destructive, or offensive activity, or any activity constituting an unreasonable source of annoyance, shall not be conducted on any portion of the Property. Each Owner, Designee and Interested Party shall refrain and cause others to refrain from any act or use of any portion of the Property that could reasonably cause embarrassment, discomfort, or annoyance to any person lawfully on the Property.

**Section 8. Temporary, Movable Structures.**

Other than construction trailers, temporary construction sheds and toilet facilities approved by the ARC and used during actual construction of Improvements, no shed, shack, trailer, mobile home, recreational vehicle, tent or other temporary or movable building or structure of any kind shall be erected or permitted to remain on any portion of the Property. No such building or structure permitted to be on any portion of the Property shall be used for habitation at any time. Any such building or structure permitted to be on any portion of the Property shall be removed there from promptly following substantial completion of the related construction of Improvements.

**Section 9. Noise.**

Other than as may be permitted by the Rules and Regulations, from 12:00 midnight until 7:00 a.m. local prevailing time of each day, no noise, including without limitation, talking, singing, playing of musical instruments and/or operation of television, radio, recordings or computers, shall be audible from any Dwelling Unit or portion of the Property related thereto or Parcel, other than the Dwelling Unit from which it originates.

**Section 10. Pets and Animals.**

No animals except common domestic household pets shall be kept, maintained or cared for within the Property. No pet shall be allowed to make an unreasonable amount of noise or to become a nuisance. All pets shall be confined by fencing or similar barriers, on a leash or under strict voice control. No pet shall be allowed to run at large. No pet may be kept, cared for or boarded, in any such case for hire, on the Property and no kennels shall be allowed. No more than a total of four (4) domestic household pets may be kept by the occupants of any Dwelling Unit. Owners of pets shall clean up after their pets whenever such pets are upon any portion of the Property available for the general use and enjoyment of all Owners. Any Owner, Designee or



Interested Party who keeps or maintains or permits to be kept or maintained any pet agrees to indemnify and hold the Association, Declarant, and each other Owner, Designee and Interested Party claiming by, through or under such Owner or Designee free and harmless from any loss, claim or liability of any kind or character (including reasonable attorneys' fees and costs) arising by reason of keeping or maintaining such pet. All pets shall be registered and inoculated as required by law.

**Section 11. Hunting and Trapping; Firearms.**

Hunting, trapping and the discharge of firearms, including, without limitation, "B-B" guns or pellet guns, are prohibited anywhere on the Property.

**Section 12. General Vehicular Restrictions.**

Other than with respect to vehicles owned or operated by Declarant, the following vehicular restrictions apply:

(a) except in connection with construction activities or normal maintenance activities related to utilities serving any portion of the Property, no trailers, campers, recreational vehicles, commercial vehicles, boat trailers, travel trailers, motor homes or other large vehicles, including grounds maintenance equipment, may be parked on any portion of a Lot visible from any other Lot, unless expressly permitted by the Rules and Regulations, and then only in such parking areas and for such time periods (if any) as may be designated for such purpose;

(b) parking of all such vehicles and related equipment, other than on a temporary and non-recurring basis, shall be in garages or screened enclosures approved by the ARC or in areas designated in the Rules and Regulations;

(c) no vehicle of any size that transports inflammatory or explosive cargo may be kept or driven on the Property at any time other than commercial fuel trucks making deliveries in the ordinary course of business;

(d) no motorized vehicles, including, without limitation, all-terrain vehicles or "dirt bikes", may be operated on any Lot or off of paved roadways and drives;

(e) all vehicles must be parked so as not to impede traffic or damage vegetation;

(f) no junk, derelict or inoperative vehicle or vehicle on which current registration plates and current county and state inspection, personal property tax or other required permits or stickers, if any such permits or stickers are required, are not displayed shall be kept upon any portion of a Lot visible from another Lot;

(g) no vehicle repairs, vehicle overhauling, vehicle painting and storage of vehicles other than noncommercial repair of vehicles within enclosed structures are permitted on any Lot, except in the event of bona fide emergencies or in accordance with the Rules and Regulations; and

(h) any vehicle in violation of this Section 12 may be towed at the expense of the owner thereof if the vehicle remains in violation twenty-four (24) hours after a notice of violation is placed thereon by Declarant or the Association.

**Section 13. Open-Air Burning.**

The burning of trash, rubbish, leaves, trees or other materials in the open is prohibited.

**Section 14. Emissions.**

No emissions of dust, sweepings, dirt, cinders, odors, gases or other substances into the atmosphere (except for normal residential chimney emissions from any Dwelling Unit, emissions from outdoor grills and similar equipment and emissions resulting from normal construction practices) or discharges of liquid, solid wastes or other environmental contaminants into the ground or any Conservation Area or Waterway shall occur, if such any emission, production, storage or discharge may adversely affect the use or intended use of any portion of the Property or may adversely affect the health, safety or comfort of any person lawfully on the Property.

**Section 15. Mining.**

No portion of the Property shall be used for the purpose of boring, mining, quarrying, exploring for or removing oil or other hydrocarbons, minerals, gravel or earth.

**Section 16. Living Area.**

Each Dwelling Unit shall have the minimum square footage of enclosed, heated and air conditioned finished dwelling space (excluding garages, terraces, decks, open porches, screened porches, attached utility or storage areas, and similar areas), if any, required by Declarant in the sales contract related thereto and/or stipulated in Declarant's deed conveying the portion of the Property upon which such Dwelling Unit is to be constructed, and/or in the ARC Guidelines. In the event of any conflict between the requirements set forth in such deed and those in the ARC Guidelines, the provisions in the deed shall control.

**Section 17. Water Conservation.**

No improvement shall employ a tank-type water closet having a tank capacity or a shower head or faucet (except those manufactured for use in safety installations) that allows a flow that, when tested according to applicable standards of the American National Standard Institute, does not comply with the applicable requirements of Statutes, Chapter 553.

**Section 18. Energy Conservation.**

Energy conservation shall be encouraged in the design and construction of all proposed improvements through (i) building designs that provide overhangs at glassed areas to reduce heat gain, the use of tinted glass and insulation materials in walls and ceilings, installation of efficient heating and cooling systems and other similar measures; (ii) retention of natural vegetation to the extent possible, the planting of shade trees near Dwelling Units and the use of energy-efficient irrigation systems; and (iii) the use of high-intensity sodium or similar energy-efficient lamps for all outdoor lighting.

**Section 19. Dust Control.**

Subject to the requirements of the CDD and/or SJRWMD with respect to any portion of a Lot lying contiguous to the Waterways, the following fugitive dust control measures shall be undertaken during all construction activities: (i) moistening of soil and/or use of resinous adhesives with hydroseeding on all barren areas, including, at a minimum, all roads, parking lots and material stockpiles; (ii) use of mulch, liquid resinous adhesives with hydroseeding, hay bales or sod on all landscaped areas; and (iii) prompt removal of soil and other material deposited on paved streets by vehicular traffic, earth moving equipment or soil erosion.

**Section 20. Grading.**

No portion of the Property shall be graded and no changes in elevation of any portion of the Property shall be made which would adversely affect any adjacent portion of the Property.

**Section 21. Erosion Control.**

Subject to the requirements of the CDD and/or SJRWMD with respect to any portion of a Lot lying contiguous to the Waterways, every Owner shall take or cause to be taken such actions as may be necessary to maintain effective erosion control on his, her or its Lot. Provided that Declarant has given an Owner notice of action required to establish and maintain effective erosion control on such Lot, and the Owner has failed to take or cause such action to be taken within three (3) days after such notice, Declarant shall have the right to enter upon the Lot to perform the action required.

**Section 22. Control of Vegetation.**

Subject to the requirements of the CDD and/or SJRWMD with respect to any portion of a Lot lying contiguous to the Waterways, every Owner shall take such actions as may be necessary to remove underbrush, weeds or other unsightly growth from his, her or its Lot that detract from the overall beauty, setting and safety of the Property. Provided Declarant has given notice to an Owner of the presence of underbrush, weeds or other unsightly growth that in Declarant's opinion detracts from the overall beauty, setting and safety of the Property, and the Owner has failed within seven (7) days after such notice to correct such condition, the Declarant may enter upon the Lot to mow, remove, clear, cut or prune such underbrush, weeds, or other unsightly growth.

**Section 23. Screening of Structures and Objects.**

Houses for pets, hothouses, greenhouses, clothes racks and clothes lines, facilities for above ground storage, laundry rooms, tool shops, work shops, pool houses, equipment houses, or above ground exterior air conditioning, heating, gas tanks and pool equipment and other mechanical equipment shall be obscured, screened or designed in a manner permitted by the Rules and Regulations or approved by the ARC on a case-by-case basis.

**Section 24. Fences and Walls.**

No fence or wall may be higher than six (6) feet from the normal surface of the ground. No fence or wall or decorative fencing material of any kind may be located in front yards other than driveway "knee walls" or "wing walls" as approved by the ARC. On corner Lots, such

improvements shall be allowed only as approved by the ARC. On any portion of a Lot abutting or highly visible from the Waterways or any main roadway artery, no such improvements shall be greater than four (4) feet in height. Invisible fencing for animals shall not encroach on any portion of the Conservation Areas and Waterways, adjoining Lots or Other Land. All fencing approvals by the ARC shall be processed on a case-by-case basis.

**Section 25. Driveways.**

All driveways and walkways shall be paved with materials and in a design approved by the ARC.

**Section 26. Signs.**

Except as set forth below, no signs, advertisements or billboards of any kind may be placed on any portion of the Property without the approval of the ARC as to size, design, materials, content and location. The following signage is permitted:

- (a) an Owner may display a sign of reasonable size provided by a contractor for security services within ten (10) feet of any entrance to a Dwelling Unit;
- (b) an Owner or Designee of a Dwelling Unit may display election signs in accordance with the provisions of the applicable County ordinance; and
- (c) an Owner may display one (1) "for sale" or "for rent" sign on a Lot in accordance with applicable ARC Guidelines.

**Section 27. Trash Containers; Trash Collection.**

All garbage, trash, recycling materials and yard waste shall be stored in closed containers hidden from view from any portion of the Property either within a garage or within an enclosure specifically designed for such storage. Disposal of garbage, trash, recycling materials and yard waste shall be governed by the Rules and Regulations.

**Section 28. No Window Air Conditioners.**

No window or in-wall air conditioner unit shall be installed in any structure.

**Section 29. Antennas.**

Subject to the rule adopted by the Federal Communications Commission effective October 14, 1996 pursuant to the Telecommunications Act of 1996, as heretofore or hereafter supplemented or amended, no exterior radio or television aerial, antenna satellite dish or similar structure shall be located within the Property without the prior consent of the ARC.

**Section 30. Recreational and Play Structures.**

Except as set forth below, all recreational and play structures, including but not limited to swimming pools, spas, play forts and swing sets, shall be located at the rear or side of Dwelling

Units or on the inside portion of corner Lots. Basketball backboards and goals may only be installed in accordance with the ARC Guidelines. Portable basketball goals shall not be left in the roadways or cul-de-sacs when not in use. No platform, playhouse or structure of a similar kind or nature shall be constructed on any Lot in front of the front building line of the Dwelling Unit located thereupon or related thereto. Any play forts, swing sets or similar apparatus must be approved by the ARC for size, color, placement and necessary screening prior to installation. Large, brightly colored play equipment is discouraged, and will only be approved if additional landscaping material is adequate to screen the apparatus from adjacent Lots, Waterways and main roadways and, if constructed of metal, solid in color. The base of all wooden play forts, swing sets and similar apparatus shall be dark wood. No trampolines are allowed on any portion of the Property abutting or visible from the Waterways.

**Section 31. Wells and Sewage.**

No well of any kind shall be dug on the Property other than by Declarant. All sewage must be disposed of through approved sewage lines. No septic tanks shall be permitted.

**Section 32. Window Coverings.**

No reflective window coverings or treatments shall be permitted in any Dwelling Unit or other structure. All window coverings shall have linings or other treatment so that the exterior appearance of the window appears neutral. No unsightly objects shall be placed in windows visible from adjoining portions of the Property. Prior to installation of permanent window coverings, temporary window coverings of any kind may not be utilized for a period in excess of thirty (30) consecutive days.

**Section 33. Mailboxes.**

No mailbox, paperbox or receptacle of any kind for use in the delivery of mail, newspapers, magazines or similar material shall be erected on any portion of the Property other than in compliance with the ARC Guidelines.

**Section 34. Garage Doors to be Closed.**

Except when in operation or on a temporary basis, all garage doors shall be maintained in a closed position, so that the interior of the garage is not visible from any portion of the Property.

**Section 35. Flags.**

Except as set forth below, no Owner, Designee or Interested Party may display or permit to be displayed any flag on any Lot other than in accordance with the Rules and Regulations relating to such display and in compliance with all County ordinances regulating flag display. An Owner, Designee or Interested Party may display one (1) portable, removable United States flag or official flag of the State of Florida in a respectful manner through the use of a wall-mounted bracket, and on Armed Forces Day, Memorial Day, Flag Day, Independence Day, and Veterans Day may display in a respectful manner portable, removable official flags, not larger than four-and-one-half (4 1/2) feet by six (6) feet, which represent the United States Army, Navy, Air Force, Marine Corps, or Coast Guard, provided no such flag shall be displayed via attachment to any tree, landscaping, or mailbox.

**Section 36. Exterior Decorations.**

Declarant may set forth such criteria as it deems appropriate in its sole discretion in the Rules and Regulations to govern the use of exterior decorations on any portion of the Property, which Rules and Regulations, without limiting the generality of the foregoing, may govern the time frames within which such decorations may be displayed, the locations at which such decorations may be displayed, the size, color, number and nature of such decorations, and the provision and operation (including days and hours of operation) of any artificial lighting utilized in connection with any such decorations.

**Section 37. House Number Plaques.**

House number plaques are required on all Dwelling Units and must comply with the ARC Guidelines.

**Section 38. Exterior Lighting.**

No exterior lighting shall be directed outside the boundaries of any Lot.

**Section 39. Exterior Clotheslines; Deck and Porch Railings.**

No exterior clotheslines, wooden or metal racks, or other apparatus suited or intended to be used for air-drying of wet garments may be erected by any Owner, Designee or Interested Party unless approved by the ARC and screened so as not to be visible from any portion of the Property other than such Owner's Lot. Deck and porch railings shall not be used for the purpose of drying any linens or garments of any kind by any Owner, Designee or Interested Party.

**Section 40. Access Ramps.**

Any Owner may construct an access ramp if an occupant of a Dwelling Unit has a medical necessity or disability that requires a ramp for egress and ingress provided (i) the ramp is as unobtrusive as possible, designed to blend in aesthetically as practicable, and reasonably sized to fit the intended use; and (ii) plans for the ramp are submitted to and approved by the ARC, which may make reasonable requests to modify the design to achieve architectural consistency with surrounding structures and surfaces.

The Owner must submit to the ARC an affidavit from a physician attesting to the medical necessity or disability of the Owner, Designee or Interested Party requiring the access ramp. The certificate of disability must include, but need not be limited to (i) a statement of the disability of the Owner, Designee or Interested Party, as the case may be; (ii) the certifying physician's name and address; (iii) a statement of the anticipated duration of the disability described; (iv) the signature of the certifying physician; and (v) the signature of the Owner, Designee or Interested Party or of such person's guardian.

**Section 41. Maintenance.**

Each Owner shall maintain his, her or its portion of the Property and all Improvements located thereupon in good condition at all times, ordinary wear and tear excepted, including during any period of construction. No trash, garbage, rubbish, debris or other unsightly objects shall be placed or allowed to remain anywhere on the Property, unless stored as provided herein or placed for pick-up and removal in accordance herewith or with the Rules and Regulations. Maintenance responsibilities shall include but not be limited to periodic mowing of lawns, trimming of hedges and trees, removal of dead vegetation, trees and weeds, fertilization, pest control, exterior repainting, cleaning of gutters and downspouts, window washing, upkeep of paved areas, steps and fences, and such other activities as may be necessary to prevent unsightly conditions on any portion of the Property. All repairs and replacements shall be substantially similar to the original construction and installation and shall be of comparable quality, but may be made with contemporary materials, provided any material change in the materials used shall be subject to the approval of the ARC. If an Owner fails to so maintain its portion of the Property, Declarant or the Board, after not less than ten (10) days' written notice to such party, may authorize its agents to enter upon such portion of the Property and perform any necessary maintenance.

**Section 42. Reconstruction and Repair.**

If all or any part of any Improvements are damaged or destroyed by fire or other casualty, the Owner thereof shall either (i) arrange for and supervise the prompt repair and restoration thereof subject to the availability of insurance proceeds; or (ii) clear away the debris and restore the affected portion of the Property to an acceptable condition, which condition, in the event of destruction of any such Improvements, shall be compatible with the condition of unimproved portions of the Property. Unless the ARC agrees to the contrary, any such work must be commenced within six (6) months after the casualty and substantially completed within twelve (12) months after having commenced.

**Section 41. Declarant's Activities.**

Notwithstanding any provision to the contrary elsewhere herein, Declarant expressly reserves the right to take all such actions as it deems appropriate in connection with development, construction, operation and sale of the Project, including without limitation, the construction and use of temporary or permanent sales offices and/or model homes and related parking areas, signs, flags or other promotional aids on any portion of the Property owned by it, for marketing, promotion and other activities.

**Section 42. Rules and Regulations.**

Declarant may promulgate rules and regulations at any time and from time to time and from time to time thereafter modify, amend, or rescind such rules and regulations, all of which shall govern all persons lawfully on the Property.

**Section 43. Waivers.**

Declarant may grant such waivers or make such modifications in the application of the foregoing restrictions as it, in its sole discretion, deems appropriate, provided no such waiver or modification is materially inconsistent with the provisions of Article I. The ARC may grant such

waivers or make such modifications in the application of the ARC Guidelines as it, in its sole discretion deems appropriate, provided no such waiver or modification is materially inconsistent with the provisions of Article I.

**Section 44. Sidewalk Easement.**

Declarant hereby reserves a perpetual, non-exclusive easement ten (10) feet in width on, over and across each Lot abutting any portion of the Property dedicated by Declarant as a right-of-way along the common boundary line between such Lot and such right-of-way for the installation, maintenance, repair, and replacement of sidewalks pursuant to the PUD and all other applicable requirements of governmental agencies with jurisdiction.

**ARTICLE VI.**

**Conservation Area; Waterways**

**Section 1. Conservation Areas.**

Except as authorized by SJRWMD Permit Number 40-019-81625-2 the following uses are prohibited within the Conservation Areas:

- (a) construction or placing of buildings, roads, signs, billboards or other advertising, utilities or other structures on or above the ground;
- (b) dumping or placing of soil or other substances or materials as landfill or dumping or placing of trash, waste or unsightly or offensive materials;
- (c) removal or destruction of trees, shrubs or other vegetation;
- (d) excavation, dredging or removal of loam, peat, gravel, soil, rock, or other material substances in such a manner as to affect the surface;
- (e) surface use, except for purposes that permit the land or water area to remain predominantly in its natural condition;
- (f) activities detrimental to drainage, flood control, water conservation, erosion control, soil conservation or fish and wildlife habitat preservation;
- (g) acts or uses detrimental to such retention of land or water area; and

acts or uses detrimental to the preservation of the structural integrity or physical appearance of sites or properties of historical, architectural, archeological, or cultural significance.

**Section 2. Water Management and Drainage Control.**

The CDD intends to construct storm and surface water management and drainage systems within the Property as a part of its master plan for such facilities throughout the Project. The CDD shall have the power to control the water level and water quality of the Waterways, irrespective of the fee ownership of such Waterways. To the extent that the CDD elects not to



exercise such power, Declarant shall have such power. The maintenance, repair and operation of the water management and drainage systems, including without limitation, all Waterways comprising any part of such systems, shall be conducted at all times in compliance with the rules and regulations of the SJRWMD and any other governmental authority having jurisdiction over such systems. The power to control the Waterways shall include, without limitation, the right to approve all docks, bulkheads, bridges or similar structures built upon, adjacent to or affecting the Waterways, to control and eradicate plants, fowl, reptiles, animals, fish and fungi in and on any Waterway, and to maintain any drainage or water level devices so as to insure compliance with applicable governmental regulations as they exist from time to time. Declarant hereby reserves to itself and grants to the CDD a non-exclusive perpetual easement for ingress and egress over all Waterways and non-exclusive perpetual easements wherever shown on the Plats as "drainage easement".

### **Section 3. Embankment Management.**

All Owners of Lots adjacent to a Waterway shall maintain the embankment to the water's edge as such level shall rise and fall from time to time. Maintenance of the embankment shall be conducted so that the grass, planting or other lateral support of the embankment shall exist in a clean and safe manner and so as to prevent erosion.

### **Section 4. Docks; Motorized Boats.**

No docks shall be installed and no motorized or power boats shall be operated on any Waterway except docks and similar facilities, if any, installed by Declarant or the CDD and boats used for inspection or maintenance thereof by Declarant, the CDD, or any governmental agency having jurisdiction.

### **Section 5. Trash.**

No bottles, trash, cans, garbage or debris of any kind or description shall be placed in any Waterway.

### **Section 6. Withdrawal of Water.**

No person or entity except Declarant and the CDD shall have the right to pump or otherwise remove any water from any Waterway for irrigation or any other use.

### **Section 7. Enforcement by SJRWMD.**

The SJRWMD shall have the right to enforce, by a proceeding at law or in equity, the provisions contained in this Declaration which relate to the maintenance, operation and repair of the storm and surface water management systems, provided however, that no such proceeding for enforcement shall be instituted by it until it has provided the CDD, Declarant for so long as the Class B Membership exists and, thereafter, the Board with written notice of any failure to comply with SJRWMD's rules and regulations and a reasonable opportunity to cure such failure.

**Section 8. Limitations on Amendments.**

No amendment of this Article VI affecting the provisions concerning the surface water or storm water management systems or the responsibility for operation or maintenance thereof may be made without the written consent of the SJRWMD.

**Section 9. Reservation of Lake Water Drainage and Use Easement Rights.**

Declarant hereby reserves a perpetual non-exclusive easement and right for its benefit and that of the CDD to drain water on, over and across the Property into all Waterways and use the water within all Waterways for irrigation or any other use permitted pursuant to applicable governmental regulations.

**Section 10. Access, Utility and Drainage Easement.**

Declarant hereby reserves a perpetual non-exclusive easement for its benefit and that of the CDD for ingress and egress and for installation, replacement, repair and maintenance of drainage and erosion control facilities and utility lines and service systems on, over, and across the Property subject to the following:

(a) except as set forth in Subsection 10(c) below, such easement shall be five (5) feet in width along each side of the common boundary line between any Lot and any other Lot;

(b) except as set forth in Subsection 10(c) below, such easement shall be ten (10) feet in width and lie entirely within such Lot along the common boundary line in the case of any common boundary line between any Lot and (i) any portion of the Property dedicated by Declarant as a public right-of-way; or (ii) any property not owned by Declarant as of the date hereof;

(c) where, but for the provisions of this Subsection 10(c), the easement reserved in this Section 10 would intrude into the Conservation Area or any Waterway, such easement shall be ten (10) feet in width extending landward from the boundary of the Conservation Area or such Waterway; and

(d) upon the request of an Applicant for approval of proposed Improvements, Declarant may execute an instrument further limiting the location of such easement on a particular Lot.

**Section 11. Disclaimers as to Waterways and Natural Areas.**

DECLARANT, THE ASSOCIATION, THE CDD AND ANY OF THEIR SUCCESSORS, ASSIGNS, MEMBERS, OFFICERS, DIRECTORS, COMMITTEE MEMBERS, EMPLOYEES, MANAGEMENT AGENTS, CONTRACTORS OR SUB-CONTRACTORS SHALL NOT BE LIABLE OR RESPONSIBLE FOR MAINTAINING OR ASSURING THE WATER QUALITY OR LEVEL IN ANY WATERWAY, EXCEPT AS SUCH RESPONSIBILITY MAY BE SPECIFICALLY IMPOSED BY AN APPLICABLE GOVERNMENTAL OR QUASI-GOVERNMENTAL AGENCY OR AUTHORITY. FURTHER, ALL OWNERS OF ANY PORTION OF THE PROPERTY LOCATED ADJACENT TO OR HAVING A VIEW OF ANY WATERWAY, THEIR DESIGNEES, AND INTERESTED PARTIES CLAIMING BY, THROUGH OR UNDER THEM SHALL BE DEEMED BY VIRTUE OF THEIR ACCEPTANCE

OF THE DEED TO OR USE OF SUCH PROPERTY TO HAVE AGREED TO HOLD HARMLESS THE PARTIES IDENTIFIED ABOVE FOR ANY AND ALL CHANGES IN THE QUALITY AND LEVEL OF THE WATER IN SUCH WATERWAYS.

ALL OWNERS, THEIR DESIGNEES, INTERESTED PARTIES AND OTHER PERSONS LAWFULLY UPON THE PROPERTY ARE HEREBY NOTIFIED THAT (I) FROM TIME TO TIME ALLIGATORS, POISONOUS SNAKES AND OTHER WILDLIFE MAY INHABIT OR ENTER INTO WATERWAYS AND NATURAL AREAS WITHIN THE PROPERTY AND MAY POSE A THREAT TO PERSONS, PETS AND PROPERTY; AND (II) THE PARTIES IDENTIFIED IN THE PRECEDING PARAGRAPH ARE UNDER NO DUTY TO PROTECT AGAINST, AND DO NOT IN ANY MANNER WARRANT AGAINST, ANY DEATH, INJURY OR DAMAGE CAUSED BY SUCH WILDLIFE. ALL OWNERS, THEIR DESIGNEES, INTERESTED PARTIES AND OTHER PERSONS ARE HEREBY NOTIFIED THAT WATERWAY BANKS AND SLOPES WITHIN CERTAIN AREAS OF THE PROPERTY MAY BE STEEP AND THAT DEPTHS NEAR SHORE MAY DROP OFF SHARPLY.

BY ACCEPTANCE OF A DEED TO, OR USE OF, ANY LOT OR OTHER PORTION OF THE PROPERTY, ALL OWNERS, THEIR DESIGNEES AND INTERESTED PARTIES SHALL BE DEEMED TO HAVE AGREED TO HOLD HARMLESS THE PARTIES IDENTIFIED IN THE FIRST PARAGRAPH OF THIS SECTION 11 FROM ANY AND ALL LIABILITY OR DAMAGES ARISING FROM THE DESIGN, CONSTRUCTION, OR TOPOGRAPHY OF THE WATERWAYS OR ANY PORTION THEREOF.

**Section 12. Jurisdictional Areas and Permits.**

THE PROPERTY WILL BE DEVELOPED IN ACCORDANCE WITH REQUIREMENTS OF PERMIT NUMBER SAJ-2005-6779-JJS ISSUED BY THE UNITED STATES ARMY CORPS OF ENGINEERS AND PERMIT NUMBER 40-019-81625-2 ISSUED BY THE SJRWMD, AS SUCH PERMITS MAY BE AMENDED FROM TIME TO TIME. TO THE EXTENT APPLICABLE TO THE PROPERTY, THE PERMITS ARE OR WILL BE OWNED BY THE CDD, WHICH HAS OR WILL HAVE THE OBLIGATION TO ASSURE THAT ALL TERMS AND CONDITIONS THEREOF ARE ENFORCED. THE CDD SHALL HAVE THE RIGHT TO BRING AN ACTION, AT LAW OR IN EQUITY, AGAINST ANY OWNER, DESIGNEE OR INTERESTED PARTY VIOLATING ANY PROVISION OF THE PERMITS.

EACH OWNER OF A LOT OR OTHER PORTION OF THE PROPERTY THAT CONTAINS OR IS ADJACENT TO JURISDICTIONAL WETLANDS BY ACCEPTANCE OF TITLE THERETO IS DEEMED TO HAVE ASSUMED THE OBLIGATION TO COMPLY WITH THE REQUIREMENTS OF THE PERMITS AS THE SAME RELATE TO SUCH OWNER'S LOT OR OTHER PORTION OF THE PROPERTY, TO HAVE ASSUMED THE OBLIGATION TO ASSURE THAT ALL DESIGNEES AND INTERESTED PARTIES CLAIMING BY, THROUGH OR UNDER HIM, HER OR IT SO COMPLY, AND, WHERE SUCH WETLANDS LIE UPON THE OWNER'S LOT OR OTHER PORTION OF THE PROPERTY, TO HAVE AGREED TO MAINTAIN SUCH JURISDICTIONAL WETLANDS IN THE CONDITION REQUIRED UNDER THE PERMITS IDENTIFIED ABOVE. IN THE EVENT THAT AN OWNER, AN OWNER'S DESIGNEE OR AN INTERESTED PARTY CLAIMING BY, UNDER OR THROUGH SUCH OWNER VIOLATES THE TERMS AND

CONDITIONS OF THE PERMITS AND FOR ANY REASON ANY OTHER OWNER, DECLARANT, THE ASSOCIATION OR THE CDD IS CITED THEREFORE, THE OWNER AGREES TO INDEMNIFY AND HOLD SUCH OTHER OWNER, DECLARANT, THE ASSOCIATION AND/OR THE CDD HARMLESS FROM ALL COSTS ARISING IN CONNECTION THEREWITH, INCLUDING WITHOUT LIMITATION REASONABLE ATTORNEYS' FEES AND COSTS, AS WELL AS ALL COSTS OF CURING SUCH VIOLATION. NO OWNER, DESIGNEE, INTERESTED PARTY OR OTHER PERSON SHALL ALTER THE DRAINAGE FLOW OF THE SURFACE WATER OR STORM WATER MANAGEMENT SYSTEM OR ANY PORTION OF THE JURISDICTIONAL WETLANDS, INCLUDING WITHOUT LIMITATION, ANY BUFFER AREAS, TREATMENT BERMS OR SWALES, WITHOUT THE PRIOR WRITTEN APPROVAL OF THE PERMITTING AUTHORITY OR AUTHORITIES, AS APPLICABLE.

## **ARTICLE VII. The Association**

### **Section 1.     Duties.**

The Association, acting through the Board, shall have the following duties:

- (a)     establish, levy and collect Assessments;
- (b)     to the extent, if any, Declarant's right to do so has been assigned to it or is otherwise expressly set forth herein, administer and enforce this Declaration and assume responsibility for any obligations that are incident thereto;
- (c)     keep complete books and records of all its acts and corporate affairs, which, to the extent required by the Statutes, shall be open to inspection by appointment during normal business hours by any Owner;
- (d)     comply with the financial statement preparation and distribution requirements of Statutes, Chapter 720.303(7);
- (e)     commencing with fiscal 2008, at least thirty (30) days prior to the first day of each fiscal year, prepare or cause to be prepared and make available to all Members a budget outlining anticipated receipts and expenses for the following fiscal year and the estimated surplus or deficit as of the end of the current year; and
- (f)     do or cause to be done all things reasonably necessary to assure compliance by the Association with the provisions of Statutes, Chapter 720 governing owners' associations.

### **Section 2.     Declarant Responsibility for Deficits.**

For so long as there is a Class B Member, if Regular Assessments are insufficient to fund the costs incurred by the Association in carrying out its responsibilities under this Article VII, Declarant shall advance funds to the Association to cover the resulting deficit. Such advances, if any, shall be made within ten (10) days after receiving a statement from the Board setting forth the deficit amount and providing reasonable substantiation of such costs.

**Section 3. Classes of Members; Voting Rights.**

The Association shall have the following classes of Members with the following vote allocations:

- (a) each Owner of a Lot other than Declarant shall be a Class A Member. Each Class A Member shall have one (1) vote for each Lot owned;
- (b) Declarant shall be the Class B Member, and, for so long as the Class B membership exists, shall have the number of votes equal to the total votes of Class A Members, plus one (1) vote; and
- (c) If there are two (2) or more Owners of a Lot, such Owners shall designate in writing to the Secretary of the Association the identity of the person or entity entitled to vote all of the votes attributable to such Owners prior to the commencement of any meeting of the Members at which a vote of the Members, whether as a whole or by Class, is to occur, failing which such Owners shall not be eligible to vote at such meeting.

**Section 4. Termination of Class B Membership; Subsequent Voting Rights of Declarant.**

The Class B Membership shall terminate three (3) months after the date upon which closing has occurred on the sale of ninety percent (90%) of the total number of Dwelling Units Declarant intends in good faith to develop within the Project. Upon termination of the Class B Membership, Declarant shall become a Class A Member with respect to Lots owned by it, with its voting rights determined pursuant to Subsection 3(a) immediately above.

**ARTICLE VIII  
Assessments**

**Section 1. Authority to Levy; Purpose.**

Commencing for 2007, the Association may levy Assessments against all Members to defray the expenses incurred in fulfilling its duties under this Declaration, the Articles, the Bylaws and the Statutes (including but not limited to the amounts required to fund all reserves established by the Association).

**Section 2. Member's Personal Obligation.**

Each Member shall be personally obligated to pay all Assessments levied against him, her or it, together with any interest, costs, and attorney's fees accrued thereon. No Member may waive or otherwise limit liability for Assessments by non-use of his, her or its Lot. No sale or transfer at foreclosure or in lieu of foreclosure shall relieve any Member from liability for any Assessment attributable to the period of time that such Member owned a Lot. All Assessments shall become delinquent if not paid within fifteen (15) days after their due date, be subject to a late fee as determined by the Board and bear interest at the IRS Rate from the date of delinquency until paid.

**Section 3. Lien.**

Each Assessment shall be secured by a lien upon the Lot against which such Assessment is levied. Such lien shall attach as of the date a notice of lien is filed with the Clerk of the Circuit Court of the County, and may be enforced as any other lien in Florida by foreclosure or by any other proceeding in equity or at law. The Association shall be entitled to recover all costs in such proceedings, including attorney's fees. Each Assessment lien shall be subordinate and inferior to any mortgage lien arising prior to the date such Assessment lien attaches.

**Section 4. Failure to Adopt Budget.**

The failure or delay of the Board to prepare or adopt a budget for any fiscal year when required shall not constitute a waiver or release in any manner of a Member's obligation to pay Assessments. In the absence of any such budget other than with respect to 2007, each Member shall continue to pay Regular Assessments at the rate in effect for the fiscal year immediately preceding the fiscal year to which such budget, if prepared and adopted, would have appertained until notified of any change in the amount thereof. If a budget for a fiscal year is adopted during such fiscal year that includes an increase in the amount of the Regular Assessment, and Members are being billed for Regular Assessments on an installment basis, with the result that Members have paid Regular Assessments at the rate in effect for the fiscal year immediately preceding such fiscal year, the amount of such increase shall be paid by prorating such amount over the remaining number of installment payments due. If such a budget is adopted after Members have completed paying their Regular Assessments at the rate in effect for the fiscal year immediately preceding the fiscal year to which such budget appertains, the increase in the amount of the Regular Assessment shall be billed to Members promptly following adoption of such budget, and the amount billed shall be due and payable within thirty (30) days after the date of the bill.

**Section 5. Regular Assessments.**

Each Class A Member is subject to Regular Assessments, payable on an annual or more frequent basis as determined by the Board, beginning the date of conveyance of the Lot owned by such Member to such Member.

**Section 6. Determination of Amount of Regular Assessment.**

Other than with respect to 2007, for which fiscal year it is not anticipated that a Regular Assessment will be levied, the amount of the Regular Assessment for a given fiscal year shall be determined in the following manner:

- (a) the total number of votes of the Class A Members as of the first day of the calendar month in which the Board adopts a budget for the fiscal year in question shall be determined;
- (b) the aggregate amount of revenue identified in such budget required to be derived from Regular Assessments for such fiscal year shall be divided by the total number of votes determined pursuant to Subsection 5(a) immediately above in order to determine the amount of the Regular Assessment per vote for such fiscal year; and the Regular Assessment for such fiscal year for each Class A Member shall be the product of (i) the number of votes to which such Member is

entitled, times (ii) the amount of the Regular Assessment per vote for such fiscal year determined pursuant to Subsection 5(b) immediately above.

**Section 7. Increases in Regular Assessments.**

Commencing the fiscal year following the fiscal year with respect to which a Regular Assessment is first levied, the Board may increase the amount of the Regular Assessment per vote annually by an amount not to exceed the greater of (i) a ten percent (10%) cumulative annual amount from the Regular Assessment for the first fiscal year with respect to which a Regular Assessment was first levied; or (ii) the percentage increase over the previous twelve (12) calendar months (if any) in the Consumer Price Index, U.S. City Average, all items (1982 = 100) as published by the United States Government, Department of Labor. Any greater increase in the amount of the Regular Assessment must be approved by a majority of the votes cast by Class A and Class B Members present in person or by proxy and voting at a duly called meeting of the Association at which a quorum exists.

**Section 8. Special Assessments.**

The Board may levy Special Assessments if the Regular Assessment for a given year is insufficient to fund the Association's actual expenses for such year to make up the shortfall, to meet expenses of an extraordinary or emergency nature or as provided elsewhere herein.

**Section 9. Determination of Amount of Special Assessment.**

The amount of any Special Assessment other than those against less than all Class A Members shall be determined in the following manner:

- (a) the total number of votes of the Class A Members as of the first day of the calendar month in which the Board or the Members approve a Special Assessment shall be determined;
- (b) the aggregate amount of revenue to be derived from the Special Assessment shall be divided by the total number of votes determined pursuant to Subsection 9(a) immediately above in order to determine the amount of the Special Assessment per vote; and
- (c) the Special Assessment amount levied against each Class A Member shall be the product of (i) the number of votes to which such Member is entitled, times (ii) the amount of the Special Assessment per vote determined pursuant to Subsection 9(b) immediately above.

**Section 10. Capitalization of Association.**

Upon conveyance of a Lot by the first Owner thereof other than Declarant, such Owner shall make a contribution to the working capital of the Association equal to one hundred and no/100 dollars (\$100.00).

**Section 11. Estoppel Certificate.**

For a reasonable charge, the Association shall furnish a certificate to any interested party signed by an officer of the Association setting forth whether the Assessments for a specified Member have been paid. Such certificate shall be binding upon the Association as of the date of its

issuance. If a contract purchaser of a Lot obtains such a certificate and then acquires such Lot, the prior Owner's personal obligation to pay Assessments, including Assessments revealed by the certificate to be delinquent, shall be deemed to have been assumed by the successor in title.

**Section 12. Third Party Services.**

The Board may use third party billing, collection or management services as it determines to be necessary.

**Section 13. Funding of Deficits.** For so long as it is not required to pay Annual Assessments levied hereunder or Special Assessments levied hereunder the purpose of which is to fund any shortfall in Annual Assessments, Declarant agrees to pay operating expenses of the Association to the extent, if any, that such expenses exceed the Annual Assessments and Special Assessments levied against and collected from Class "A" Members for a given fiscal year of the Association.

**ARTICLE IX.  
Insurance**

**Section 1. Liability Insurance.**

The Association shall maintain a policy of general liability insurance with coverage in the amount of at least one million and no/100 dollars (\$1,000,000) for bodily injury, including deaths of persons and property damage arising out of a single occurrence, which shall include, without limitation, legal liability of the insureds for property damage, bodily injuries and deaths of persons. The amount of such coverage shall be reexamined not less than every five (5) years during the term of this Declaration and adjusted appropriately in light of then then-current practices for organizations such as the Association in connection with communities such as the Project.

**Section 2. Fidelity Bonds.**

The Association shall maintain appropriate fidelity bond coverage for all of their employees and agents authorized to exercise control over its funds.

**Section 3. Directors' and Officers' Liability Insurance.**

The Association shall maintain appropriate directors' and officers' liability insurance coverage for its directors and officers.

**Section 4. Failure to Obtain Insurance.**

The Association shall not be liable for failure to obtain the insurance coverage required by this Article IX or for any loss or damage resulting from such failure if (i) such failure is due to the unavailability of such coverage from a reputable insurance company; (ii) such coverage is available only at demonstrably unreasonable cost; or (iii) the associated insurance advisors advise that such coverage is unnecessary.



## ARTICLE X. General Provisions

### Section 1. Duration.

This initial term of this Declaration shall be forty (40) years from the date of recordation in the Official Records. Unless this Declaration is duly terminated at the end of such term or any extension term hereof, this Declaration shall be automatically extended for successive terms of ten (10) years each.

### Section 2. Termination of Declaration; Effect of Termination.

This Declaration may be terminated at the end of the then-current term by the affirmative vote of three-fourths (3/4ths) of the votes cast by Members present in person or by proxy at a duly called meeting held during the final year of such term. All easements reserved or granted herein shall survive termination of this Declaration.

### Section 3. Declarant's Unilateral Right to Amend.

Subject to the provisions of Article III, Declarant shall have the unilateral right to amend this Declaration under the following circumstances:

- (a) at any time prior to the date upon which there is an Owner other than Declarant;
- (b) until the Class B Membership terminates, at any time to correct a mathematical mistake, an inconsistency or a scrivener's error, or clarify an ambiguity; or
- (c) until the Class B Membership terminates, in order to comply with the requirements of HUD, Fannie Mae, Freddie Mac, the Veterans Administration or the Statutes.

### Section 4. Other Amendments.

Any amendment to this Declaration other than an amendment that Declarant has the unilateral right to effect pursuant to Section 3 immediately above must be approved by at least a majority of the votes entitled cast by all Members present in person or by proxy at a duly called meeting of the Association at which a quorum is present.

### Section 5. Notice of Termination or Amendment.

If this Declaration is terminated or amended, a certificate of termination or an addendum to this Declaration, as the case may be, shall be recorded in the Official Records by the Class B Member, if any, and, otherwise, by the Association. Such instrument shall set forth the date of the meeting at which action was taken, the nature of the action taken, the effective date of the action, the date that notice of such meeting was given, the total number of votes of Members entitled to vote on such action, the total number of votes required to constitute a quorum, the total number of votes present in person or by proxy, the total number of votes necessary to approve such action, the total number of votes cast in favor of such action, and the total number of votes cast against such action.

**Section 6. Additional Restrictive Covenants.**

Declarant may add additional restrictive covenants affecting the Property or any portion thereof prior to or at the time of initial conveyance of fee simple title thereto to any third party, or limit the application of these covenants thereto prior to or at the time of such conveyance, provided no such covenants or limitations are materially inconsistent with Article I.

**Section 7. Remedy for Monetary Breach.**

If an Owner defaults in any monetary obligation imposed by or pursuant to this Declaration, the Association and, until the Ownership Termination Date, Declarant, shall independently have the right to proceed at law or in equity to compel compliance to the terms hereof and recover sums due and/or money damages, including but not limited to reasonable attorneys' fees, other costs of collection and interest at the IRS Rate from the due date thereof until paid. In the event of such a default and the failure of the Association and/or Declarant to so proceed within thirty (30) days after notice from any Owner of a demand that it or they do so, such Owner shall independently have such right to proceed, with any sums due that are recovered and/or money damages that are awarded being for the account of the Association.

**Section 8. Remedy for Non-Monetary Breach.**

Subject to the dispute resolution provisions set forth in Section 9 immediately following, if an Owner, Designee or Interested Party claiming by, through or under such Owner breaches any non-monetary obligation imposed by or pursuant to this Declaration, Declarant, until the Ownership Termination Date, and thereafter the Association, shall have the right to enter upon the portion of the Property involved and take such actions as are necessary in Declarant or Association's sole and absolute discretion, as the case may be, to remedy the same at the expense of Owner thereof. If (i) the nature of such breach is such, in the opinion of Declarant or Association, as the case may be, as to require immediate corrective action; (ii) any required notice was given in a prior instance and Declarant or the Association, as the case may be, took corrective action thereafter upon the failure of such Owner to cure such breach or (iii) such notice was given in two (2) or more prior instances and such Owner thereafter cured such breach, Declarant or the Association, as the case may be, shall have such right to take corrective action after written notice to such Owner and such Owner's failure to take satisfactory immediate corrective action; in any other event, except as otherwise expressly set forth herein, Declarant or Association, as the case may be, shall have such right if, within ten (10) days' after notice of such violation or breach, it shall not have been corrected. Subject to the dispute resolution provisions set forth in Section 9 immediately following, in the event of a threatened breach by an Owner, Designee or such an Interested Party in performance of any non-monetary obligation imposed by or pursuant to this Declaration, Declarant, until the Ownership Termination Date, and thereafter the Association, shall be entitled to bring an action against such Owner in equity for injunctive and other relief provided it first gives such Owner ten (10) days' notice of its intention to do so unless, in the opinion of Declarant or Association, as the case may be, the nature of the threatened breach is such as to require immediate legal action. If Declarant fails to exercise the rights granted in this Section 8 within thirty (30) days after receipt of notice from the Association of a demand that it do so, the Association shall be entitled to exercise such rights. If neither Declarant nor the Association exercises such right within forty-five (45) days after notice from any Owner of a demand that it or they do so, such Owner shall be entitled to do so.

**Section 9. Dispute Resolution.**

Disputes between the Association and an Owner regarding use of or changes to a Lot and other covenant enforcement disputes, disputes regarding amendments to the Articles, Bylaws or this Declaration, disputes regarding meetings of the Board and committees appointed by the Board, membership meetings not including election meetings, and access to the official records of the Association shall be filed with the Department for mandatory mediation before the dispute is filed in court. Mediation proceedings must be conducted in accordance with the applicable Florida Rules of Civil Procedure, and such proceedings are privileged and confidential to the same extent as court-ordered mediation. An arbitrator or judge may not consider any information or evidence arising from the mediation proceeding except in a proceeding to impose sanctions for failure to attend a mediation session. Persons who are not parties to the dispute may not attend the mediation conference without the consent of all parties, except for counsel for the parties and a corporate representative designated by the Association. When mediation is attended by a quorum of the Board, such mediation is not a Board meeting for purposes of notice and participation set forth in Statutes, Chapter 720.311. The Department shall conduct the proceedings through the use of Department mediators or refer the disputes to private mediators who have been duly certified by the Department. The parties shall share the costs of mediation equally, including the fee charged by the mediator, if any, unless the parties agree otherwise. If a Department mediator is used, the Department may charge such fee as is necessary to pay expenses of the mediation, including, but not limited to, the salary and benefits of the mediator and any travel expenses incurred. The petitioner shall initially file with the Department upon filing the disputes, a filing fee in the amount set forth in Statutes, Chapter 720.311, which shall be used to defray the costs of the mediation. At the conclusion of the mediation, the Department shall charge to the parties, to be shared equally unless otherwise agreed by the parties, such further fees as are necessary to fully reimburse the Department for all expenses incurred in the mediation.

If such mediation is not successful in resolving all issues between the parties, the parties may file the unresolved dispute in a court of competent jurisdiction or elect to enter into binding or nonbinding arbitration pursuant to the procedures set forth in Statutes, Chapter 718.1255 and rules adopted by the Department, with the arbitration proceeding to be conducted by a Department arbitrator or by a private arbitrator certified by the Department. If all parties do not agree to arbitration proceedings following an unsuccessful mediation, any party may file the dispute in court. A final order resulting from nonbinding arbitration is final and enforceable in the courts if a complaint for trial de novo is not filed in a court of competent jurisdiction within thirty (30) days after entry of the order.

**Section 10. Certain Rights of Association.**

Subject to the provisions of Section 11 immediately following, the Association may:

- (a) suspend the voting rights of any Member during the period when a Regular Assessment is delinquent for more than ninety (90) days, but, upon payment of such Assessment and all related costs incurred which the Association is entitled to recover from such Member, such rights shall be restored;

(b) assess reasonable fines against any Member for any monetary breach of this Declaration, which fines shall constitute a Special Assessment against the Lot owned by such Member; and/or

(c) assess reasonable fines against any Member for any non-monetary breach of this Declaration or the Rules and Regulations for which such Member is responsible, including an offense by a Designee or Interested Party claiming by, through or under such Member, the amount which shall not exceed the maximum amounts for a single offense or per day for any offense of a continuing nature permitted pursuant to Statutes, Section 720.305(2), and which, for a breach of a continuing nature, shall not be assessed for a period exceeding ninety (90) days [which amounts as of the date hereof are a maximum of one hundred and no/100 dollars (\$100.00) per violation, with a maximum of one thousand and no/100 dollars (\$1,000.00) for any violation of a continuing nature], provided no such charge shall be a lien upon any Lot.

**Section 11. Due Process Rights.**

A fine or suspension arising out of or in connection with a non-monetary breach of this Declaration may not be imposed without notice of at least fourteen (14) days to the Owner, Designee or Interested Party sought to be fined or suspended and an opportunity for a hearing before a committee of at least three (3) Members appointed by the Board who are not officers, directors, or employees of the Association, or the spouse, parent, child, brother, or sister of an officer, director, or employee of the Association.

**Section 12. Venue; Waiver of Trial By Jury; Service of Process.**

Every Owner, Designee and Interested Party agrees that any suit or proceeding brought pursuant to the provisions of this Declaration may be brought in the appropriate Court of the County, waives the right to trial by jury and consents to a trial without a jury. Should suit be instituted against an Owner, Designee or Interested Party other than by Declarant, and any such Owner, Designee or Interested Party shall not at the time be residing in the State of Florida or service cannot be accomplished in any other reasonable fashion, each such Owner, Designee and Interested Party hereby irrevocably appoints the Secretary of State of the State of Florida as his, her or its agent for the acceptance of service of process.

**Section 13. Costs of Corrective Action; Lien.**

Whenever any corrective action is taken pursuant to this Declaration, the costs thereof shall:

- (a) with respect to the Owner or Owners of the Lot, be a personal obligation of such Owner or Owners at the time such costs are incurred and constitute a Special Assessment against such Lot;
- (b) be billed at the completion of such corrective action, and all bills shall be due and payable thirty (30) days from the date of mailing of same; and
- (c) bear interest at the IRS Rate from the due date thereof until paid.

If the costs are not paid when due, Declarant, the Association or the Owner initiating corrective action, as the case may be, may sue for a judgment.

**Section 14. Failure No Waiver.**

Any party's failure to enforce any right, reservation, restriction or condition contained in this Declaration in any one or more instance, regardless of how long such failure shall continue, shall not constitute a waiver of or a bar to the right to enforce such right, reservation, restriction or condition in any other instance or to enforce any other right, reservation, restriction or condition contained herein.

**Section 15. Assignment.**

By written instrument recorded in the Official Records, Declarant may assign to the Association or any other third party in whole or in part, revocably or irrevocably, any or all of its rights and obligations in this Declaration, subject to any conditions, limitations, or restrictions that Declarant may elect to impose. Following any such assignment, the Association or such third party shall assume all of Declarant's obligations which are incident thereto (if any), and Declarant shall have no further obligation or liability with respect thereto. So long as Declarant is an Owner, no such assignment shall limit the rights of easement and other rights of entry reserved unto Declarant in this Declaration, or the right of Declarant to act to prevent a violation or breach of this Declaration as provided for herein. If (or to the extent that) Declarant has not already done so prior to the Ownership Termination Date, Declarant shall be deemed to have assigned all of its remaining rights and obligations in this Declaration to the Association as its agent at such time. If Declarant has not assigned all of its rights and obligations in this Declaration to the Association prior to the Ownership Termination Date, the Association may confirm as a matter of record that all of such rights and obligations are deemed to have been assigned to it by recording a certificate to that effect in the Official Records, in which certificate a representative of a title insurance company licensed to do and doing business in the State of Florida or an attorney licensed to practice law in the State of Florida and regularly engaged in a transactional real estate practice in the County joins in to certify that based upon a title examination of the Official Records, Declarant is no longer an Owner.

**Section 16. Notices.**

Any notice required or permitted under this Declaration shall be given in any manner permitted by the Statutes. Notice to one (1) of two (2) or more joint Owners shall constitute notice to all such joint Owners, notice to the Owner of a Lot shall constitute notice to any Designee thereof or Interested Party claiming by, through or under such Owner. It shall be the obligation of every Member to immediately notify the Secretary of the Association in writing of any change of address for notice purposes. Any person who becomes a Member following the first day in the calendar month in which said notice is delivered or mailed shall be deemed to have been given notice if notice was given to his, her or its predecessor in title.

**Section 17. Severability.**

Should any provision in this Declaration be declared to be void, invalid, illegal, or unenforceable for any reason by the adjudication of any court or other tribunal having jurisdiction over the parties hereto and the subject matter hereof, such adjudication shall in no way effect the other provisions hereof, which are hereby declared to be severable and which shall remain in full force and effect.

**Section 18. Interpretation.**

Subject to the provisions of Section 9 of this Article X, Declarant shall have the right to determine all questions arising in connection with this Declaration and to construe and interpret its provisions, and its determination, construction, or interpretation shall be final and binding.

**Section 19. Authorized Action.**

All actions which the Association is allowed to take under this Declaration shall be authorized actions if approved by the Board in the manner provided for in the Bylaws, unless the terms of this Declaration provide otherwise.

**Section 20. Other Agreements.**

In the event of any conflict between the provisions thereof, the order of precedence of this Declaration, the Articles, the Bylaws, the Rules and Regulations and the ARC Guidelines shall be the Articles, this Declaration, the ARC Guidelines, the Bylaws and the Rules and Regulations.

**Section 21. Limited Liability.**

In connection with all reviews, acceptances, inspections, permissions, determinations, consents or required approvals by or from Declarant, the ARC and/or the Association contemplated under this Declaration, Declarant, the ARC and/or the Association shall not be liable to an Owner, Designee, Interested Party, or any other person or entity on account of any claim, liability, damage, or expense suffered or incurred by or threatened against an Owner, Designee, Interested Party, or other person or entity and arising out of or in any way relating to the subject matter of any such review, acceptance, inspection, permission, consent or required approval, whether given, granted or withheld. Without limiting the generality of the foregoing, the approval by the ARC of any proposed improvements, any requirement by the ARC that proposed improvements or alterations be modified, and/or the approval by the ARC of any modifications to or alterations of Improvements shall not constitute a warranty or representation by Declarant or the ARC of the adequacy, technical sufficiency or safety of the proposed improvements, modifications or alterations, as the same may be modified, and Declarant and the ARC shall have no liability whatsoever for the failure of the proposed improvements or alterations to comply with applicable building codes, laws and ordinances, sound engineering, architectural or construction practices, or for the negligence of any party involved in construction of such improvements or alterations once approved. In addition, in no event shall Declarant or the ARC have any liability whatsoever to an Owner, Designee or Interested Party or any other person or entity for any costs or damages (consequential or otherwise) that may be incurred or suffered on account of the ARC's approval, disapproval or conditional approval of any proposed improvements or alterations. Any Owner, Designee, Interested Party, contractor or other person or entity asserting a claim against Declarant and/or the ARC in contravention of the provisions of this Section 21 shall reimburse Declarant and/or the ARC for all costs and expenses, including reasonable attorneys' fees and court costs, incurred by it or them in connection therewith. Such costs and expenses shall be a Special Assessment upon the Lot owned by the Owner asserting a claim or, in the event of a claim asserted by a Designee, Interested Party, contractor or other person or entity, upon the Lot owned by the Owner designating such Designee, by, through and under whom such Interested Party claims, or engaging such contractor or other person or entity and

the personal obligation of such Owner in order to secure payment thereof. No entry by Declarant or the Association upon the Property or any portion thereof pursuant to this Declaration shall be deemed a trespass. No reservation of rights by Declarant in this Declaration shall be construed to impose on Declarant a burden of affirmative action of any kind or nature whatsoever.

**Section 22. Exceptions.**

Declarant may issue variances exempting a particular portion of the Property from any of the provisions of this Declaration, provided no such variance is materially inconsistent with the provisions of Article I or adversely affects an adjoining Owner's use or enjoyment of his, her or its Lot, or the use and enjoyment of such Lot by any Designee or Interested Party.

**Section 23. Management and Contract Rights of Association.**

The Board may enter into a contract with a management company or manager for the purposes of fulfilling its duties hereunder. Any such contract entered into while there is a Class B Member shall contain or be deemed to contain a provision allowing the Association to terminate such contract without justification or penalty at such time as there no longer is such a Member.

**Section 24. Statutes, Chapter 720.**

In the event of any conflict between the provisions hereof and those of Statutes, Chapter 720, the provisions of such Chapter shall govern except in those cases where such Chapter expressly allows deviations from such provisions in a declaration such as this Declaration or in the governing documents of an association such as the Association. Any obligation imposed upon or right granted to any Owner, Designee, Interested Party, the Board, the Association or Declarant pursuant to such Chapter not fully set forth herein shall, except to the extent permitted to be limited hereby and in fact expressly limited hereby, nevertheless be binding upon and inure to the benefit of each Owner, Designee, Interested Party, the Board, the Association or Declarant, as the case may be.

**Section 25. Master Plan.**

The existence of the Master Plan shall not be deemed to constitute a representation by Declarant that the Project will be developed as depicted on such Plan. Such Plan may be modified or amended from time to time in the sole and absolute discretion of Declarant.

**Section 26. Use of Names.**

No Owner, Designee, Interested Party or other person or entity shall use or cause or permit the use of the words "Rolling Hills at Lake Asbury" or any variation thereof in connection with any retail, commercial or professional activity (however or wherever conducted or undertaken and expressly including any such activity occurring in whole or in part in Internet commerce) or use or cause or permit the use of the words "Rolling Hills at Lake Asbury" or any variation thereof in the name of an Internet website, whether for personal use or otherwise, without the prior consent of Declarant, which consent Declarant may grant or withhold in its sole and absolute discretion.

**Section 27. No Rights Vested in Public; Easements Personal to Declarant.**

No easement reserved or granted herein and no provision of this Declaration is intended or shall be construed to give rise to any rights for the benefit of any member of the general public who is not an Interested Party. Except as set forth below, all easements reserved by Declarant herein for Declarant's benefit are personal to Declarant and shall not run with the land, provided Declarant shall have the right to (i) assign such easements in whole or in part to third parties in order to more fully realize the purpose or purposes thereof, including to any provider of utility services, the Association, the CDD, the SJRWMD, or party to whom Declarant expressly assigns its rights and/or delegates its duties as Declarant, in whole or in part, revocably or irrevocably, pursuant to an instrument of assignment; or (ii) in lieu of such an instrument of assignment, enter into any easement, right-of-way or similar agreement with or for the benefit of any such party to grant such party substantially the same rights as are reserved by Declarant herein, in either of which case the easement rights so assigned or granted shall be deemed to run with the land from the time and date of recordation of the instrument of assignment or easement, right-of-way or similar agreement in the Official Records.

**Section 28. Execution by Association.**

Association joins herein to consent to the provisions hereof and agrees to be bound hereby.

**Section 29. References.**

All references to Articles, Sections, Subsections and Clauses herein are references to the articles, sections, subsections and clauses contained in this Declaration unless otherwise expressly noted to the contrary.

**Section 30. Applicability to CDD.**

Each Owner, Designee, Interested Party, and the Association acknowledge that with respect to portions of the Property conveyed by Declarant to the CDD, (i) the CDD, by virtue of ownership thereof, is not a member of the Association, (ii) the Association has no right to levy Assessments of any kind or nature whatsoever thereupon, and (iii) the provisions of Article VI, Section 8, and Article X, Sections 3 and 10 do not apply with respect thereto.



IN WITNESS WHEREOF, the undersigned have hereunto set their signatures and seals as of the 26 day of March, 2007.

Signed, sealed and delivered  
in the presence of:

**ROLLING HILLS VENTURE, L.L.C., a Virginia  
limited liability company, by EAST WEST  
(ROLLING HILLS) MANAGEMENT  
CORPORATION, a Virginia corporation, its  
Manager**

Marilyn D. Ayers  
Marilyn D. Ayers  
[Print or Type Name]

Nancy J. Klock  
NANCY J. KLOCK  
[Print or Type Name]

By: [Signature]  
Roger S. Arrowsmith  
Its President

STATE OF Florida  
COUNTY OF Clay

The foregoing instrument was acknowledged before me this 26 day of March, 2007, by Roger S. Arrowsmith, President of East West (Rolling Hills) Management Corporation, a Virginia corporation, on behalf of said corporation as Manager of Rolling Hills Venture, L.L.C., a Virginia limited liability company. Such person did not take an oath and: (notary must check applicable box)

- ☒ is/are personally known to me.  
☐ produced a current driver's license as identification.  
☐ produced \_\_\_\_\_ as identification.

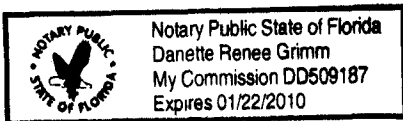
{Notary Seal must be affixed}

[Signature]  
Signature of Notary  
Danette Grimm

Name of Notary (Typed, Printed or Stamped)

Commission Number (if not legible on seal):

My Commission Expires (if not legible on seal):



Signed, sealed and delivered  
in the presence of:

**ROLLING HILLS AT LAKE ASBURY HOME  
OWNERS' ASSOCIATION, INC., a Florida  
corporation**

Marilyn D. Ayers  
Marilyn D. Ayers  
[Print or Type Name]

By:

R. S. Arrowsmith  
Roger S. Arrowsmith  
Its President

Nancy J. Flock  
NANCY J. FLOCK  
[Print or Type Name]

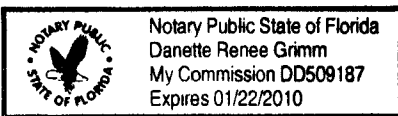
STATE OF Florida  
COUNTY OF Clay

The foregoing instrument was acknowledged before me this 26 day of March, 2007, by Roger S. Arrowsmith, President of Rolling Hills at Lake Asbury Home Owners' Association, Inc., a Florida corporation, on behalf of said corporation. Such person did not take an oath and: (notary must check applicable box)

- ☒ is/are personally known to me.  
☐ produced a current  
☐ produced \_\_\_\_\_

driver's license as identification.  
as identification.

{Notary Seal must be affixed}



Danette Grimm  
Signature of Notary  
Danette Grimm

Name of Notary (Typed, Printed or Stamped)  
Commission Number (if not legible on seal):  
My Commission Expires (if not legible on seal): \_\_\_\_\_

**EXHIBIT "A"****PROPERTY OWNED BY  
ROLLING HILLS VENTURE, L.L.C.**

A PARCEL OF LAND BEING A PORTION OF SECTION 22, TOWNSHIP 5 SOUTH, RANGE 25 EAST, TOGETHER WITH A PORTION OF SECTION 27, TOWNSHIP 5 SOUTH, RANGE 25 EAST, ALL IN CLAY COUNTY, FLORIDA, SAID PARCEL OF LAND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

FOR A POINT OF BEGINNING, BEGIN AT THE SOUTHWESTERLY CORNER OF SAID SECTION 27; THENCE NORTH 02°03'33" EAST, ALONG AND WITH THE WESTERLY LINE OF SAID SECTION 27, A DISTANCE OF 2305.40 FEET TO THE SOUTHWESTERLY CORNER OF "SILVERCREEK": AS RECORDED IN PLAT BOOK 44, PAGE 52 THROUGH 72, INCLUSIVE, OF THE PUBLIC RECORDS OF SAID CLAY COUNTY, FLORIDA; THENCE ALONG AND WITH THE MOST SOUTHERLY, SOUTHEASTERLY AND EASTERLY LINES OF SAID "SILVERCREEK", THE FOLLOWING FOUR COURSES AND DISTANCES: COURSE NUMBER ONE: SOUTH 87°55'48" EAST, 367.75 FEET; COURSE NUMBER TWO: NORTH 52°37'10" EAST, A DISTANCE OF 1643.63 FEET; COURSE NUMBER THREE: NORTH 36°21'14" EAST, A DISTANCE 1331.32 FEET; COURSE NUMBER FOUR: NORTH 25°59'27" EAST, A DISTANCE OF 3026.59 FEET TO THE NORTHEASTERLY CORNER OF SAID "SILVERCREEK", SAID POINT ALSO BEING ON THE SOUTHERLY RIGHT OF WAY LINE OF COUNTY ROAD C-739-B (FORMERLY STATE ROAD NO. S-739-B)(ALSO KNOWN AS SANDRIDGE ROAD, AN 80 FOOT PUBLIC ROAD RIGHT OF WAY AS PER STATE ROAD DEPARTMENT RIGHT OF WAY MAP SECTION NO. 71523-2601); THENCE SOUTH 89°40'51" EAST, ALONG AND WITH SAID SOUTHERLY RIGHT OF WAY LINE, A DISTANCE OF 1464.27 FEET TO THE INTERSECTION OF SAID SOUTHERLY RIGHT OF WAY LINE WITH THE EASTERLY LINE OF SAID SECTION 22; THENCE SOUTH 02°30'53" WEST, ALONG AND WITH SAID EASTERLY LINE OF SECTION 22, A DISTANCE OF 1648.91 FEET TO THE SOUTHEASTERLY CORNER OF SAID SECTION 22, SAID POINT ALSO BEING THE NORTHEASTERLY CORNER OF SAID SECTION 27; THENCE SOUTH 02°42'38" WEST, ALONG AND WITH THE EASTERLY LINE OF SAID SECTION 27, A DISTANCE OF 5468.50 FEET TO THE SOUTHEASTERLY CORNER OF SAID SECTION 27; THENCE NORTH 89°34'48" WEST, A DISTANCE OF 5005.34 FEET TO THE POINT OF BEGINNING.

THE ABOVE DESCRIBED LANDS ALSO BEING THE SAME LANDS AS DESCRIBED IN OFFICIAL RECORDS BOOK 1851, PAGE 1033 OF SAID PUBLIC RECORDS OF CLAY COUNTY, FLORIDA.

THE ABOVE DESCRIBED LANDS ALSO CONTAINS 24,494,615 SQUARE FEET OR 562.32 ACRES, MORE OR LESS, IN AREA.

**EXHIBIT "B"**

**ARTICLES OF INCORPORATION**

**ARTICLES OF INCORPORATION  
OF ROLLING HILLS AT LAKE ASBURY  
HOME OWNERS' ASSOCIATION, INC.**

**ARTICLE 1  
NAME AND ADDRESS**

**Section 1.1. Name.** The name of the corporation is Rolling Hills at Lake Asbury Home Owners' Association, Inc.

**Section 1.2. Address of Principal Office.** The street address of the initial principal office of the corporation is 1880 Eagle Harbor Parkway, Orange Park, Florida 32003.

**ARTICLE 2  
NON-PROFIT CORPORATION**

**Section 2.1. Non-Profit Corporation.** The corporation is being formed under Chapter 617 of the Florida Not-For-Profit Corporation Act.

**ARTICLE 3  
CAPITALIZED TERMS**

**Section 3.1. Terms.** Capitalized terms have the meanings given to them in the Declaration of Covenants, Conditions, Restrictions, Limitations and Easements for Rolling Hills at Lake Asbury to be recorded in the Official Records following formation of the corporation (as initially recorded and thereafter supplemented or amended, the "Declaration").

**ARTICLE 4  
INITIAL REGISTERED OFFICE AND AGENT**

**Section 4.1. Name and Address.** The street address of the initial registered office of the corporation is One Independent Drive, Suite 1300, Jacksonville, Florida 32202 and the name of its initial registered agent is F&L Corp.

**ARTICLE 5  
PURPOSES AND POWERS**

**Section 5.1. General Purposes.** The corporation is not organized for pecuniary gain or profit. The corporation is formed solely to promote the general welfare of the residents and owners within Rolling Hills at Lake Asbury, a master planned use community located in Clay County, Florida, and to carry out the duties and responsibilities imposed on it by the Declaration.

**Section 5.2. Powers.** Subject to any limitations in the Declaration, the corporation shall have all of the powers set forth for homeowners' associations under Chapter 720, Florida Statutes, as now in effect or hereafter amended from time to time.

## ARTICLE 6 CLASSES OF MEMBERSHIP; VOTING RIGHTS

**Section 6.1. Classes of Membership.** The Classes of membership in the corporation shall be as set forth in the Declaration.

**Section 6.2. Voting Rights.** The voting rights of each Member of each Class of membership in the corporation shall be as set forth in the Declaration.

## ARTICLE 7 DIRECTORS

**Section 7.1. Number.** Until the first annual meeting of the Members after there is no longer a Class B Member, the affairs of the corporation shall be managed by a Board comprised of five (5) persons. Thereafter, such Board shall be comprised of nine (9) persons. Directors need not be members of the corporation.

**Section 7.2. Initial Directors.** The names and addresses of the initial directors of the corporation are:

<u>Name</u>	<u>Address</u>
Roger S. Arrowsmith	1880 Eagle Harbor Parkway Orange Park, FL 32003
Jay Manner	1880 Eagle Harbor Parkway Orange Park, FL 32003
Ronald E. Kolar	1880 Eagle Harbor Parkway Orange Park, FL 32003
Karen Valachovic	1880 Eagle Harbor Parkway Orange Park, FL 32003
Theresa Graeser	1880 Eagle Harbor Parkway Orange Park, FL 32003

**Section 7.3. Election.** Other than with respect to the initial directors designated in Section 7.2, the members of the Board shall be elected in the manner set forth in the Bylaws of the corporation.

## ARTICLE 8 INDEMNIFICATION

**Section 8.1. Indemnity.** The corporation shall indemnify, hold harmless and defend any person (hereinafter referred to as "Indemnitee") who was or is a party or is threatened to be

made a party to any threatened, pending or contemplated action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he is or was a Director, employee, Officer or agent of the corporation, including those selected, appointed, or elected by the Declarant, against expenses (including attorneys' fees and appellate attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding, unless (a) a court of competent jurisdiction determines, after all available appeals have been exhausted or not pursued by the proposed Indemnitee, that he was grossly negligent or that he acted willfully or wantonly in disregard of the interests of the corporation, and, with respect to any criminal action or proceeding, that he had reasonable cause to believe his conduct was unlawful, and (b) such court further specifically determines that indemnification should be denied. The termination of any action, suit or proceeding - by judgment, order, settlement, conviction or upon plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person was grossly negligent or that he acted willfully or wantonly in disregard of the interests of the corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

**Section 8.2. Agreement to Defend.** To the extent that a Director, Officer, employee or agent of the corporation is a party or is threatened to be made a party to any threatened, pending or contemplated action, suit or proceeding whether civil, criminal, administrative or investigative by reason of the fact that he is or was a Director, Officer, employee or agent of the corporation, including those selected, appointed, or elected by the Declarant, the corporation hereby agrees to defend and provide counsel to such Indemnitee and shall advance all attorneys fees and costs at all pretrial, trial and appellate levels. In the event retainers for attorneys' fees and/or costs are necessary to be provided, the corporation shall advance such retainers, as well as having full responsibility for payment of attorneys' fees and costs that may be billed or otherwise become due during the pendency of any action, suit or proceeding or in advance of same in the event such action, suit or proceeding is threatened. The Indemnitee shall have the right of reasonable approval of any attorneys proposed to represent said Indemnitee. The agreement to defend provided for in this section shall be in addition and not in lieu of such other rights of reimbursement, indemnification and hold harmless provisions existing under this Article or any other provisions of the Articles and Bylaws of the corporation, the Declaration and as elsewhere provided by law.

**Section 8.3. Expenses.** To the extent that a Director, Officer, employee or agent of the corporation including those selected, appointed, or elected by the Declarant, has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Paragraph 8.1 above, or in defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorneys, fees and appellate attorneys fees) actually and reasonably incurred by him in connection therewith. Any costs or expenses incurred by the corporation in implementing any of the provisions of this Article 8 shall be fully assessable against Owners as Assessments of the corporation.

**Section 8.4. Advances.** Expenses incurred in defending a civil or criminal action, suit or proceeding shall be paid by the corporation in advance of the final disposition of such action, suit or proceeding, as provided hereinabove, by or on behalf of the affected Director, Officer, employee or agent, including those selected, appointed, or elected by the Declarant, to repay

such amount unless it shall ultimately be determined that he is not entitled to be indemnified by the corporation as authorized in this Article 8, in which event, the Indemnatee shall reimburse the corporation for all attorneys' fees and costs advanced by it on behalf of the Indemnatee.

**Section 8.5. Miscellaneous.** The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any bylaws, agreement, vote of Members, Florida law, or otherwise, and shall continue as to a person who has ceased to be a Director, Officer, employee or agent, including those selected, appointed, or elected by the Declarant, and shall inure to the benefit of the heirs and personal representatives of such person.

**Section 8.6. Insurance.** The corporation shall have the power to purchase and maintain insurance on behalf of any person who is or was a Director, Officer, employee or agent of the corporation, including those selected, appointed, or elected by the Declarant, or is or was serving, at the request of the corporation, as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the corporation would have the power to indemnify him against such liability under the provisions of this Article.

**Section 8.7. Amendment.** Anything to the contrary herein notwithstanding, the provisions of this Article 8 may not be amended without the prior written consent of all persons whose interest would be adversely affected by such amendment.

## **ARTICLE 9 DURATION; DISSOLUTION**

**Section 9.1. Duration.** The corporation shall exist until the date upon which the Declaration is duly terminated.

**Section 9.2. Dissolution.** Upon dissolution of the corporation, after paying or making provision for the payment of all of the liabilities of the corporation, all of the assets of the corporation shall be conveyed exclusively to another entity organized for the same purposes as the corporation or to an appropriate public agency having similar purposes.

## **ARTICLE 10 AMENDMENT**

**Section 10.1. Amendment.** Subject to the limitation set forth below, these Articles may be amended only in the following manner:

(a) for so long as there is a Class B Member, a proposed amendment not materially adversely affecting one or more but less than all of the Classes of membership may be adopted by the affirmative vote of seventy-five percent (75%) of the Members (other than the Class B Member) present in person or by proxy and voting at a duly called meeting of Members at which a quorum is present and with the approval of the Class B Member;



(b) after there is no longer a Class B Member, such an amendment may be adopted by the affirmative vote of seventy-five percent (75%) of the Members present in person or by proxy and voting at a duly called meeting of Members at which a quorum is present;

(c) for so long as there is a Class B Member, a proposed amendment materially adversely affecting one or more but less than all of the Classes of membership may be adopted by the affirmative vote of seventy-five percent (75%) of the Members (other than the Class B Member) present in person or by proxy and voting at a duly called meeting of Members at which a quorum is present and with the approval of the Class B Member, provided at least seventy-five percent (75%) of the Members of each affected Class or Classes so present and voting vote in favor thereof; and

(d) after there is no longer a Class B Member, a proposed amendment materially adversely affecting one or more but less than all of the Classes of membership may be adopted by the affirmative vote of seventy-five percent (75%) of the Members present in person or by proxy and voting at a duly called meeting of Members at which a quorum is present, provided at least seventy-five percent (75%) of the Members of each affected Class or Classes so present and voting vote in favor thereof.

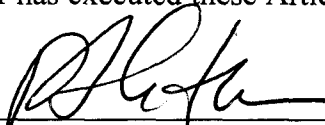
No amendment materially and adversely altering the proportionate voting interest appurtenant to a Lot or increasing the proportion or percentage by which the Owner thereof shares in the common expenses of the corporation may be adopted unless the Owner thereof and all Mortgagees related thereto join in the execution of the Articles of Amendment filed in connection therewith with the Department of State of the State of Florida.

## ARTICLE 11 INCORPORATOR

**Name and Address.** The name and street address of the incorporator of the corporation is Roger S. Arrowsmith, 1880 Eagle Harbor Parkway, Orange Park, Florida 32003.

\* \* \* \* \*

IN WITNESS WHEREOF, the incorporator has executed these Articles the 21 day of March, 2007.

  
\_\_\_\_\_  
Roger S. Arrowsmith, Incorporator

Fax Audit No. H07000075133

**CERTIFICATE DESIGNATING REGISTERED AGENT FOR  
SERVICE OF PROCESS**

Pursuant to Chapters 48 and 617, Florida Statutes, the following is submitted in compliance with said Acts.

**ROLLING HILLS AT LAKE ASBURY HOME OWNERS' ASSOCIATION, INC.**, desiring to organize as a corporation under the laws of the State of Florida, with its registered office at One Independent Drive, Suite 1300, Jacksonville, FL 32202-5017, has named F&L Corp., located at the above-registered office, as its Registered Agent to accept service of process within this State.

**ACKNOWLEDGMENT:**

Having been named to accept service of process for the above-stated corporation at the place designated in this Certificate, I hereby accept to act in this capacity and agree to comply with the provisions of said Acts relative to keeping open said office.

**DATED**, this 22nd day of March, 2007.

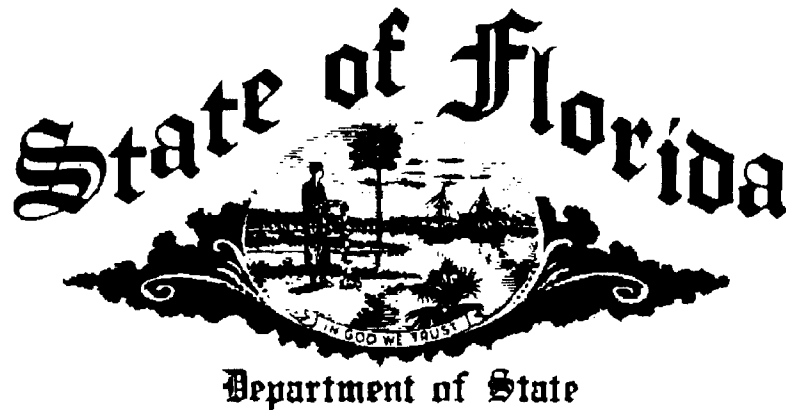
Registered Agent:

**F&L CORP.**

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

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

Charles V. Hedrick  
\_\_\_\_\_  
**CHARLES V. HEDRICK**  
Authorized Signatory



I certify the attached is a true and correct copy of the Articles of Incorporation of ROLLING HILLS AT LAKE ASBURY HOME OWNERS' ASSOCIATION, INC., a Florida corporation, filed on March 22, 2007, as shown by the records of this office.

I further certify the document was electronically received under FAX audit number H07000075133. This certificate is issued in accordance with section 15.16, Florida Statutes, and authenticated by the code noted below.

The document number of this corporation is N07000003026.

Authentication Code: 707A00020101-032307-N07000003026-1/1

Given under my hand and the  
Great Seal of the State of Florida,  
at Tallahassee, the Capital, this the  
Twenty-third day of March, 2007



Kurt S. Browning  
Secretary of State

850-205-0381

3/23/2007 10:56

PAGE 002/002

Florida Dept of State



March 23, 2007

FLORIDA DEPARTMENT OF STATE  
Division of CorporationsROLLING HILLS AT LAKE ASBURY HOME OWNERS' ASSOCIATION,  
1880 EAGLE HARBOR PARKWAY  
ORANGE PARK, FL 32003

The Articles of Incorporation for ROLLING HILLS AT LAKE ASBURY HOME OWNERS' ASSOCIATION, INC. were filed on March 22, 2007, and assigned document number N07000003026. Please refer to this number whenever corresponding with this office.

Enclosed is the certification requested. To be official, the certification for a certified copy must be attached to the original document that was electronically submitted and filed under FAX audit number H07000075133.

A corporation annual report/uniform business report will be due this office between January 1 and May 1 of the year following the calendar year of the file/effective date year. A Federal Employer Identification (FEI) number will be required before this report can be filed. Please apply NOW with the Internal Revenue Service by calling 1-800-829-3676 and requesting form SS-4 or by going to their website at [www.irs.ustreas.gov](http://www.irs.ustreas.gov).

Please be aware if the corporate address changes, it is the responsibility of the corporation to notify this office.

Should you have questions regarding corporations, please contact this office at the address given below.

Carolyn Lewis  
Document Specialist  
New Filings Section  
Division of Corporations

Letter Number: 707A00020101

**EXHIBIT "C"**

**BYLAWS**

## BYLAWS

### ROLLING HILLS AT LAKE ASBURY HOME OWNERS' ASSOCIATION, INC.

#### ARTICLE 1 DEFINITIONS

**Section 1.1. Capitalized Terms.** Capitalized terms herein have the meanings given to them in the Declaration of Covenants, Conditions, Restrictions, Limitations and Easements of Rolling Hills at Lake Asbury recorded in Official Records of Clay County, Florida (as hereafter supplemented or amended, the "Declaration").

#### ARTICLE 2 MEETING OF MEMBERS

**Section 2.1. Annual Meetings.** The first annual meeting of the Members shall be held within one year from the date of incorporation of the Association. Each subsequent annual meeting of the Members shall be held in the same month of each year thereafter, on a day selected by the Board. Meetings shall be held at the time, date and place designated in the notice thereof, provided all meetings shall be held within Clay County, Florida.

**Section 2.2. Special Meetings.** Special meetings of the Members may be called at any time by the president or by the Board, and must be held when called by the Board or upon written request of Members holding not less than 25% of all votes. Business conducted at a special meeting is limited to the purposes described in the notice of such meeting.

**Section 2.3. Notice of Meetings.** Notice of each meeting of the Members shall be mailed, delivered or electronically transmitted to the Members not less than the greater of (i) 14 days or (ii) the number of days specified in the Declaration prior to the meeting. Such notice shall specify the place, day and hour of the meeting. Notice of an annual meeting need not include a description of the purpose or purposes for which the meeting is called. Notice of a special meeting must include such a description.

**Section 2.4. Waiver of Notice.** A Member may waive notice of any meeting or any other notice required by the Articles or Statutes, Chapter 607 either before or after the date and time stated in the notice. The waiver shall be in writing and signed by the Member entitled to the notice, and be delivered to the Association for inclusion in the minutes or filing with the corporate records. A Member's attendance at a meeting, in person or by proxy, waives objection to (a) lack of notice or defective notice of the meeting, unless the Member at the beginning of the meeting objects to holding the meeting or transacting business at the meeting; or (b) consideration of a particular matter at the meeting that is not within the purpose or purposes described in the meeting notice, unless the Member objects to considering the matter when it is presented.

**Section 2.5. Fixing of Record Date.**

(a) General. The Board may fix a date as the record date for the purpose of determining Members entitled to notice of a Members' meeting, to demand a special meeting, to vote or to take any other action, provided that a record date may not precede the date upon which the resolution fixing the record date is adopted and may not be more than 70 days before the scheduled date of the meeting to which such notice appertains. If the Board does not determine the record date for determining Members entitled to notice of and to vote at an annual or special Members' meeting, such record date shall be the close of business on the day before the first notice with respect thereto is delivered to Members.

(b) Adjourned Meeting. A record date for determining Members entitled to notice of or to vote at a Members' meeting is effective for any adjournment of the meeting unless the Board fixes a new record date, which it must do if the meeting is adjourned to a date more than 120 days after the date fixed for the original meeting.

**Section 2.6. Quorum.** The presence in person or by proxy of 20% of the Members of the Association at any meeting of the Association and, for so long as there is a Class B Member, of the Class B Member, shall constitute a quorum. If a quorum does not exist at any meeting of the Members, the meeting may be adjourned. No notice of the adjourned meeting need be given if the date, time and place thereof are announced prior to adjournment, and the presence in person or by proxy of 10% of the Members of the Association at any such adjourned meeting, and, for so long as there is a Class B member, of the Class B Member shall constitute a quorum.

**Section 2.7. Voting.** Votes appertaining to membership interests shall be cast in the manner set forth for the voting of shares in Statutes, Chapter 607.0721. Unless otherwise required by the Articles, Declaration, these Bylaws or law, a matter may be approved by a simple majority of the votes cast by Members present in person or by proxy at a duly called meeting at which a quorum is present

**Section 2.8. Proxies.** The procedures for voting by proxy shall be as set forth in Statutes, Chapter 720.306(8).

### **ARTICLE 3 BOARD OF DIRECTORS; TERM OF OFFICE; REMOVAL**

**Section 3.1. Number; Option of Class B Member.** Until the first annual meeting of the Members after there no longer is a Class B Member, the affairs of the Association shall be managed by a Board consisting of 5 directors appointed by the Class B Member. From and after the first annual meeting after there no longer is a Class B Member, the Board shall consist of 9 directors elected by the Members, provided that until the time that the entity that was the Class B Member at such time as such membership terminated no longer owns portions of the Property to which, upon completion of development of the Project, not less than 5% of the total votes of all Members are projected to appertain, such entity, at its election, shall be entitled to designate one such director. Directors need not be Members.

**Section 3.2. Term of Office.** For so long as there is a Class B Member, Directors shall hold office for terms of one year or until their successors are duly elected. At the first annual meeting after there no longer is a Class B Member, and except as set forth below, (i) the nominees for director receiving the 3 highest vote totals shall be Class A Directors elected to serve for a term of 3 years; (ii)

the nominees for director receiving the next 3 highest vote totals shall be Class B Directors elected to serve for a term of 2 years; and (iii) the nominees receiving the next 3 highest vote totals shall be Class C Directors elected to serve for a term of one year. At each subsequent annual meeting, the 3 directors to be elected shall be elected to serve for a term of 3 years. If, at the first annual meeting after there no longer is a Class B Member the entity that was the Class Member at such time as such membership terminated exercises the right to designate a director pursuant to Section 3.1 immediately preceding, such director shall serve in lieu of a Class B Director for so long as such entity has a right to elect a director, and his or her successor shall serve for the term or remaining term of the Class B Directors as of the date of the annual meeting at which he is elected by the Members or of the meeting of the Board at which he is appointed, provided that during such period of time, the entity that was the Class B Member may replace its designee as a director at any time and from time to time, with or without cause, by notice to the remaining members of the Board.

**Section 3.3. Removal.** Removal of directors other a director appointed by the Class B Member or designated by the entity that was the Class B Member at the time such membership terminated shall be governed by Statutes, Chapter 720.303(10). In the event of death or resignation, of a director, his or her successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his or her predecessor.

**Section 3.4. Compensation.** No director shall receive compensation for serving in such capacity. However, each director shall be reimbursed for his or her reasonable out-of-pocket expenses actually incurred in the performance of his or her duties.

## ARTICLE 4 NOMINATION AND ELECTION OF DIRECTORS

**Section 4.1. Nomination.** Nominations for election to the Board shall be made by a nominating committee appointed by the president of the Association, but may also be made from the floor at the annual meeting. The nominating committee shall consist of a Chairman, who shall be a member of the Board, and two or more Members. The nominating committee shall make as many nominations for election to the Board as it shall in its discretion determine, but not less than the number of vacancies that are to be filled.

**Section 4.2. Election.** Election to the Board shall be by secret written ballot. At such election, each Member may cast, in respect to each vacancy, as many votes as he or she is entitled to exercise under the provisions of the Declaration. Cumulative voting shall not be permitted.

## ARTICLE 5 MEETINGS OF DIRECTORS

**Section 5.1. Open Meetings.** All meetings of the Board shall be open to all Members except for meetings between the Board and its attorney with respect to proposed or pending litigation where the contents of the discussion would otherwise be governed by the attorney-client privilege.

**Section 5.2. Regular Meetings.** For so long as there is a Class B Member, regular meetings of the Board shall be held at least annually at such time, date and place as may be fixed from time to time by resolution of the Board, provided all meetings shall be held in Clay County, Florida.



Thereafter, such meetings shall be held at least calendar quarterly at such time, date and place as may be fixed from time to time by resolution of the Board, provided all meetings shall be held in Clay County, Florida.

**Section 5.3. Special Meetings.** Special meetings of the Board shall be held when called by the president of the Association or by any 2 directors, after not less than 3 days' notice to each director, at such time, date and place as may be fixed in such notice, provided no such notice need be given in the event of a bona fide emergency and all such meetings shall be held in Clay County, Florida.

**Section 5.4. Notice of Meetings.** Notice of each regular meeting of the Board or any committee of the Association need not be given to the Board or committee members, provided a schedule of regular meeting times, dates and places has been given to them. Except as set forth below, notice of Board meetings and committee meetings shall be posted in a conspicuous place on the Association property at least 48 hours in advance, except in the event of a bona fide emergency, in which case no notice need be given. Notice of any Board meeting at which a Regular or Special Assessment is to be levied shall contain a statement that Assessments shall be considered and state the nature of such Assessments. An addition, notice of any Board meeting at which a Special Assessment and/or any changes in the Declarant Rules and Regulations are to be considered shall be mailed, delivered, or electronically transmitted to the Members at least 14 days prior to the date upon which the meeting is to be held.

**Section 5.5. Quorum.** A majority of the directors or of the members of a committee shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors or committee members present and voting at a duly held meeting at which a quorum is present shall be regarded as the act of the Board or committee, as the case may be.

**Section 5.6. Voting.** Except as set forth below, directors and committee members may not vote by proxy or by secret ballot at Board or committee meetings. Secret ballots may be used by the Board in the election of officers.

**Section 5.7. Minutes.** Minutes of all meetings of the Members and of the Board shall be maintained in written form or in another form that can be converted into written form within a reasonable time. A vote or abstention from voting on each matter voted upon for each director present at a Board meeting shall be recorded in the minutes.

## ARTICLE 6 POWERS AND DUTIES OF THE BOARD OF DIRECTORS

**Section 6.1. Powers.** The Board shall exercise all powers, duties and authority vested in or delegated to the Association in the Declaration, the Articles, these Bylaws or otherwise permitted by law, subject to any limitations set forth therein.

**Section 6.2. Duties.** The Board shall carry out its responsibilities under the Declaration and supervise all officers, agents, and employees of the Association.

## ARTICLE 7 OFFICERS AND THEIR DUTIES

**Section 7.1. Offices.** The offices of the Association shall be a president (who shall be a member of the Board), a vice president, a secretary, a treasurer, and such others as the Board may designate from time to time.

**Section 7.2. Election of Officers.** The election of officers shall take place at the first meeting of the Board following each annual meeting.

**Section 7.3. Term.** The officers of the Association each shall hold office until their successors are duly elected.

**Section 7.4. 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, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

**Section 7.5. Vacancies.** A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he or she replaces.

**Section 7.6. Multiple Offices.** The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices.

**Section 7.7. Duties.** The duties of the officers are as follows:

(a) **President.** The president shall be the chief executive officer of the Association. Subject to the direction of the Board, he or she shall supervise and manage the affairs of the Association, preside at all meetings of the Board, see that orders and resolutions of the Board are carried out, sign all leases, mortgages, deeds, and other written instruments to which the Association is a party, and co-sign all checks and promissory notes made by the Association.

(b) **Vice President.** The vice president shall act in the place and stead of the president in the event of his or her absence or inability or refusal to act and exercise and discharge such other duties as may be required of him or her by the Board.

(c) **Secretary.** The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Members, the Board, and its committees, serve notice of meetings when and in the manner required, maintain all records required to be maintained by the Association pursuant to Statutes, Chapter 720.303(4), other than those required to be maintained pursuant to Statutes, Chapter 720.303(4)(J), and perform such other duties as may be required of him or her by the Board.

(d) **Treasurer.** The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association, disburse such funds as directed by the Board, co-sign all checks and promissory notes of the Association, keep proper books of account, prepare an annual budget, maintain

all records required to be maintained by the Association pursuant to Statutes, Chapter 720.303(4)(J), and perform such other duties as may be required of him or her by the Board.

## **ARTICLE 8 BOOKS AND RECORDS**

**Section 8.1.** The Members' right to inspect the books and records of the Association shall be governed by Statutes, Chapter 720.303(5).

## **ARTICLE 9 INDEMNIFICATION**

**Section 9.1. Provision of Indemnification.** The Association shall indemnify its current or former officers, directors, employees and agents to the fullest extent permitted by Statutes, Chapter 607.0850. The rights to indemnification granted hereunder shall not be deemed exclusive of any other rights to indemnification to which an indemnitee may be entitled under any written agreement, Board resolution, vote of Members or otherwise. The provisions of this Article are intended solely for the benefit of the indemnified parties described herein, their heirs and personal representatives and shall not create any rights in favor of third parties. No amendment to or repeal of this Article shall diminish the rights of indemnification provided for herein prior to such amendment or repeal.

## **ARTICLE 10 AMENDMENTS**

**Amendment.** These Bylaws may be amended by the affirmative vote of fifty-one percent (51%) of the Members present in person or by proxy and voting at a duly called meeting of Members at which a quorum is present and, for so long as there is a Class B Member, with the approval of such Member.

## **ARTICLE 11 MISCELLANEOUS**

**Section 11.1. Fiscal Year.** The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date the corporation comes into existence.

**Section 11.2. Conflicts.** In the case of any conflict between the Articles or these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.