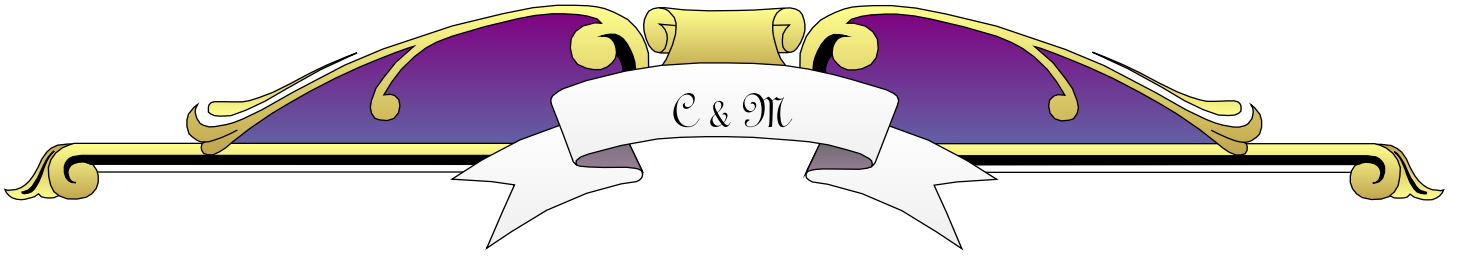




**Island Villas  
Homeowners  
Association,  
Inc.**

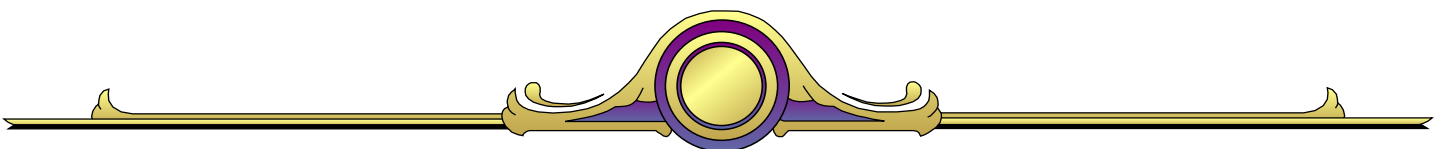


# Island Villas Homeowners Association, Inc.

## DECLARATION OF COVENANTS AND RESTRICTIONS OF ISLAND VILLAS

(O.R. Book 3237, Page 0784, Brevard County, Florida, recorded on 10/14/92)

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**AMENDMENT TO THE DECLARATION OF COVENANTS AND RESTRICTIONS OF ISLAND VILLAS**

(O.R. Book 3239, Page 3089, Brevard County, Florida, recorded on 10/23/92)

**SECOND AMENDMENT TO THE DECLARATION OF COVENANTS AND RESTRICTIONS OF ISLAND VILLAS**

(O.R. Book 3241, Page 0476, Brevard County, Florida, recorded on 10/29/92)

**RELEASE OF PROPERTY FROM MASTER DECLARATION**

(O.R. Book 3364, Page 4220, Brevard County, Florida, recorded on 02/04/94)

\*\*\*NOTE: Does not appear to be enforceable because no legal description was recorded with this document\*\*\*

**THIRD AMENDMENT TO THE DECLARATION OF COVENANTS AND RESTRICTIONS OF ISLAND VILLAS**

(O.R. Book 3758, Page 0560, Brevard County, Florida, recorded on 12/30/97)

**CERTIFICATE OF AMENDMENT TO THE DECLARATION OF COVENANTS AND RESTRICTIONS OF ISLAND VILLAS**

(O.R. Book 5783, Page 2127, Brevard County, Florida, recorded on 06/01/07)

**CERTIFICATE OF AMENDMENT TO DECLARATION OF COVENANTS AND RESTRICTIONS OF ISLAND VILLAS**

(O.R. Book 5885, Page 4920, Brevard County, Florida, recorded on 09/04/08)

**CERTIFICATE OF AMENDMENT TO DECLARATION OF COVENANTS AND RESTRICTIONS OF ISLAND VILLAS**

(O.R. Book 6363, Page 208, Brevard County, Florida, recorded on 04/06/11)

**ARTICLES OF INCORPORATION OF ISLAND VILLAS HOMEOWNERS ASSOCIATION, INC.**

(Filed with the Secretary of State on 10/02/92 )

(O.R. Book 3239, Page 3093, Brevard County, Florida, recorded on 10/14/92)

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**ARTICLES OF AMENDMENT TO ARTICLES OF  
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(Filed with the Secretary of State on 07/11/07 )  
(O.R. Book 5802, Page 4748, Brevard County, Florida, recorded on 08/08/07)

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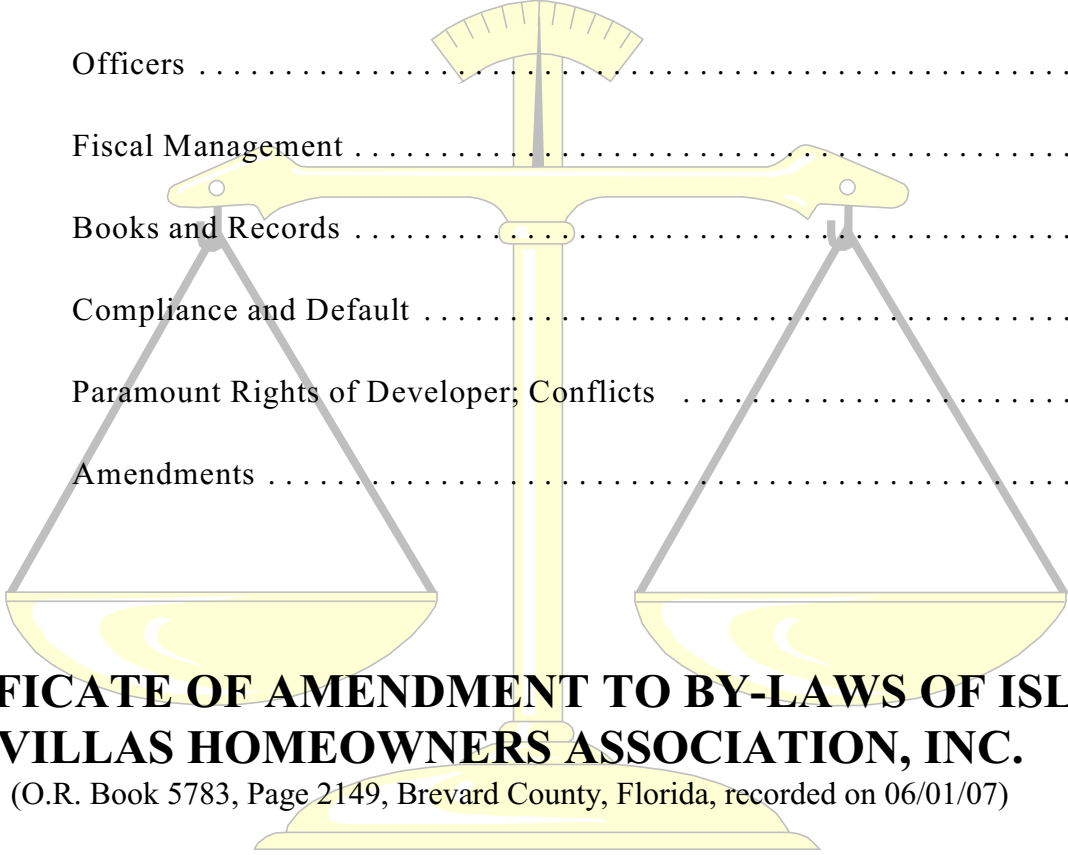
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**CERTIFICATE OF AMENDMENT TO BY-LAWS OF ISLAND VILLAS HOMEOWNERS ASSOCIATION, INC.**

(O.R. Book 5783, Page 2149, Brevard County, Florida, recorded on 06/01/07)

**MISCELLANEOUS**

- 1. **DRAINAGE EASEMENT**  
(O.R. Book 3031, Page 2674, Brevard County, Florida, recorded on \_\_/\_\_/89)
- 2. **DEED OF CONSERVATION EASEMENT OF ISLAND VILLAS**  
(O.R. Book 3241, Page 0478, Brevard County, Florida, recorded on 09/28/92)

3. **GRANT OF EASEMENT**  
(O.R. Book 3269, Page 4936, Brevard County, Florida, recorded on 02/25/93)
4. **PUBLIC UTILITY EASEMENT**  
(O.R. Book 3425, Page 0219, Brevard County, Florida, recorded on 09/30/94)
5. **QUIT CLAIM DEED**  
(O.R. Book 4290, Page 1712, Brevard County, Florida, recorded on 02/20/01)

# **Master Association Governing Documents**



## **MASTER DECLARATION FOR SANDY POINT**

(O.R. Book 2716, Page 1977, Brevard County, Florida, recorded on 07/24/86)

## **AMENDMENT TO MASTER DECLARATION OF SANDY POINT**

(O.R. Book 2770, Page 1406, Brevard County, Florida, recorded on 01/30/87)

## **AMENDMENT TO MASTER DECLARATION OF SANDY POINT; ARTICLES OF INCORPORATION, OF SANDY POINT MASTER ASSOCIATION, INCORPORATION, AND BYLAWS OF SANDY POINT MASTER ASSOCIATION, INCORPORATION**

(O.R. Book 3369, Page 1645, Brevard County, Florida, recorded on 02/23/94)

11/03

*Recorded* Clerk Circuit Co  
 Recorded and Verified Broward County,  
 # Pgs. 37 # Pages 2  
 Trust Fund 19.00 Rec Fee 19.00  
 Stamp-Deed \_\_\_\_\_ Excise Tax \_\_\_\_\_  
 Stamp-Mtg \_\_\_\_\_ Int Tx \_\_\_\_\_  
 Service Chg \_\_\_\_\_ Refund \_\_\_\_\_

DECLARATION OF COVENANTS AND RESTRICTIONS  
 OF  
 ISLAND VILLAS

THIS DECLARATION OF COVENANTS AND RESTRICTIONS OF ISLAND VILLAS is made this 5<sup>th</sup> day of October, 1992, by SANDY POINT LAND DEVELOPMENT CORP., a Florida corporation ("DECLARANT").

DECLARANT owns the property described herein as Exhibit "A" attached hereto, and intends to develop the property as a residential community. The purpose of this DECLARATION is to provide various use and maintenance requirements and restrictions in the best interest of the future OWNERS of dwellings within the property to protect and preserve the values of the property. This DECLARATION will also establish an association which will own, operate, and/or maintain various portions of the property and improvements constructed within the property, will have the right to enforce the provisions of this DECLARATION, and will be given various other rights and responsibilities. The expenses of the association will be shared by the OWNERS of the property, who will be members of the association.

NOW, THEREFORE, DECLARANT hereby declares that the SUBJECT PROPERTY, as herein defined, and such additions as may hereafter be made pursuant to the terms of this DECLARATION, shall be held, sold, conveyed, leased, mortgaged, and otherwise dealt with subject to the easements, covenants, conditions, restrictions, reservations, liens, and charges set forth herein, all of which are created in the best interest of the OWNERS and residents of the SUBJECT PROPERTY, and which shall run with the SUBJECT PROPERTY and shall be binding upon all PERSONS having and/or acquiring any right, title, or interest in the SUBJECT PROPERTY or any portion thereof, and shall inure to the benefit of each and every PERSON, from time to time, owning or holding an interest in the SUBJECT PROPERTY, or any portion thereof.

1. DEFINITIONS. The terms used in this DECLARATION, and in the ARTICLES and the BYLAWS, shall have the following meanings, unless the context otherwise requires:
  - 1.01 ARTICLES means the Articles of Incorporation of the ASSOCIATION, as same may be amended from time to time.
  - 1.02 ASSESSMENT means the amount of money which may be assessed against an OWNER for the payment of the OWNER's share of COMMON EXPENSES, and/or any other funds which an OWNER may be required to pay to the ASSOCIATION as provided by this DECLARATION, the ARTICLES, or the BYLAWS.
  - 1.03 ASSOCIATION means the corporation established pursuant to the Articles of Incorporation attached hereto as an exhibit.
  - 1.04 BOARD means the Board of Directors of the ASSOCIATION.
  - 1.05 BUILDING means any building contained within the SUBJECT PROPERTY from time to time. A BUILDING may contain one or more UNITS which may be connected by party walls and, in that event, the term BUILDING includes the UNITS within the BUILDING.
  - 1.06 BYLAWS means the Bylaws of the ASSOCIATION, as same may be amended from time to time.

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1.07 COMMON AREAS means any property, whether improved or unimproved, or any easement or interest therein, now or hereafter owned by the ASSOCIATION or which is declared to be a COMMON AREA by this DECLARATION. COMMON AREAS may include, but are not limited to, parks, open areas, lakes, recreational facilities, roads, entrance ways, parking areas, and other similar properties, provided that the foregoing shall not be deemed a representation or warranty that any or all of the foregoing types of COMMON AREAS will be provided.

1.07.1 LIMITED COMMON AREA is that area within the SUBJECT PROPERTY, now or hereafter owned by the ASSOCIATION or which is declared to be a LIMITED COMMON AREA by this DECLARATION, which is limited to the exclusive use of specific UNIT OWNERS. LIMITED COMMON AREAS may include, but are not limited to, the following:

- A. FRONT LIMITED COMMON AREA: That area of each INTERNAL UNIT bounded on each side by an imaginary line extended from the center line of each side PARTY WALL of the UNIT to the inside edge of the road curb.
- B. BACK LIMITED COMMON AREA: That area behind each INTERNAL UNIT bounded on each side by an imaginary line extended from the center line of each side PARTY WALL of the UNIT, extending no more than twenty feet (20') from the original outside edge of the exterior back wall of the UNIT or ten feet (10') from the outside edge of any enclosed concrete patio area.
- C. SIDE LIMITED COMMON AREA: That area on the external side of each END UNIT located by an imaginary line set at the widest part of the UNIT plus eight feet (8') from the outside edge of the exterior wall, not including any exterior appendages and parallel to the PARTY WALL of said UNIT. Said side area shall extend from the front line of the FRONT LIMITED COMMON AREA to the rear line of the BACK LIMITED COMMON AREA.

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1.08 COMMON EXPENSES means all expenses of any kind or nature whatsoever incurred by the ASSOCIATION, including, but not limited to, the following:

- 1.08.1 Expenses incurred in connection with the ownership, maintenance, repair, improvement, or operation of the COMMON AREAS, or any other property to be maintained by the ASSOCIATION as provided in this DECLARATION, including, but not limited to, utilities, taxes, assessments, insurance, operation, maintenance, repairs, improvements, and alterations.
- 1.08.2 Expenses of obtaining, repairing, or replacing personal property in connection with any COMMON AREA or the performance of the ASSOCIATION's duties.
- 1.08.3 Expenses incurred in connection with the administration and management of the ASSOCIATION.
- 1.08.4 Expenses declared to be COMMON EXPENSES by the provisions of this DECLARATION or by the ARTICLES or BYLAWS.

- 1.09 COMMON SURPLUS means the excess of all receipts of the ASSOCIATION over the amount of the COMMON EXPENSES.
- 1.10 DECLARANT means the PERSON executing this DECLARATION, or any PERSON who may be assigned the rights of DECLARANT pursuant to a written assignment executed by the then present DECLARANT recorded in the public records of the county in which the SUBJECT PROPERTY is located. In addition, in the event any PERSON who obtains title to all the SUBJECT PROPERTY then owned by DECLARANT as a result of the foreclosure of any mortgage or deed in lieu thereof, such PERSON may elect to become the DECLARANT by a written election recorded in the public records of the county in which the SUBJECT PROPERTY is located, and regardless of the exercise of such election, such PERSON may appoint as DECLARANT any third party who acquires title to all or any portion of the SUBJECT PROPERTY by written appointment recorded in the public records recorded in the county in which the SUBJECT PROPERTY is located. In any event, any subsequent DECLARANT shall not be liable for any defaults or obligations incurred by any prior DECLARANT, except as same may be expressly assumed by the subsequent DECLARANT.
- 1.11 DECLARATION means this document as it may be amended from time to time.
- 1.12 END UNIT means a typical UNIT which is bound by no more than one UNIT.
- 1.13 INSTITUTIONAL LENDER means the holder of a mortgage encumbering a LOT, which holder in the ordinary course of business makes, purchases, guarantees, or insures mortgage loans, and which is not owned or controlled by the OWNER of the LOT encumbered. An INSTITUTIONAL LENDER may include, but is not limited to, a bank, savings and loan association, insurance company, real estate or mortgage investment trust, pension or profit sharing plan, mortgage company, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, any agency of the United States, or any other governmental authority, or any other similar type of lender generally recognized as an institutional-type lender. For purpose of definition only, an INSTITUTIONAL LENDER shall also mean the holder of any mortgage executed by or in favor of DECLARANT, whether or not such holder would otherwise be considered an INSTITUTIONAL LENDER.
- 1.14 INTERNAL UNIT means a typical UNIT which is bounded on both sides by another UNIT.
- 1.15 LOT means any parcel of land located within the SUBJECT PROPERTY, which has been or is intended to be conveyed by DECLARANT to an OWNER and which contains or is intended to contain a UNIT, and shall include any UNIT constructed upon the LOT.
- 1.16 OWNER means the record owner(s) of the fee title to a LOT.
- 1.17 PARTY WALL means that wall which exists between and is common to two existing UNITS. Said PARTY WALL acts as a dividing line between those existing UNITS.
- 1.18 PERSON means an individual, corporation, partnership, trust, or any other legal entity.
- 1.19 SUBJECT PROPERTY means all of the property subject to this DECLARATION from time to time, which initially is the property described in Exhibit "A" attached hereto, and includes any UNITS or improvements constructed thereon.

- 1.20 SURFACE WATER OR STORMWATER MANAGEMENT SYSTEM means a system which is designed and constructed or implemented to control discharges which are necessitated by rainfall events, incorporating method to collect, convey, store, absorb, inhibit, treat, use or reuse water to prevent or reduce flooding, overdrainage, environmental degradation and water pollution or otherwise affect the quantity and quality of discharges from the system, as permitted pursuant to Chapters 40C-4, 40C-40 or 40C-42, F.A.C.
- 1.21 UNIT means the residential dwelling constructed upon a LOT, which may be connected to one or more UNITS by a common party wall.
- 1.22 AREAS OF CONCERN Areas of concern shall mean and be defined as a list prepared by the Transition Committee prior to turnover of the association identifying members' concerns regarding the common areas.
- 1.23 GROUNDS COMMITTEE A grounds committee shall mean those individuals appointed by the Board of Directors to review and oversee the day-to-day maintenance requirements of the association's common areas and those concerns or suggestions submitted by members.
- The Grounds Committee shall be an ad hoc committee established to advise the Developer and his board, and the Ground Committee Chairman shall make recommendations to the Board regarding such maintenance, concerns and suggestions. The Board will take appropriate action based on the Grounds Committee's recommendations.
- 1.24 Transition Committee The Transition Committee shall be that committee appointed by the ~~B~~ of Directors prior to the turnover of the association to assist in accomplishing a smooth turnover. The Transition Committee shall remain intact until the initial election of the Board of Directors.
- 1.25 Turnovers Turnover shall mean and be defined as the point in time at which the Developer transfers control of the association to the unit owners, which occurs when the Board of ~~Dirts~~ is elected by the members and no longer exclusively appointed by the Developer.

2. ASSOCIATION. In order to provide for the administration of the SUBJECT PROPERTY and this DECLARATION, the ASSOCIATION has been organized under the Laws of the State of Florida.

- 2.01 ARTICLES. A copy of the ARTICLES is attached hereto as Exhibit "B". No amendment to the ARTICLES shall be deemed an amendment to this DECLARATION, and this DECLARATION shall not prohibit or restrict amendments to the ARTICLES, except as specifically provided herein.
- 2.02 BYLAWS. A copy of the BYLAWS is attached as Exhibit "C". No amendment to the BYLAWS shall be deemed an amendment to this DECLARATION, and this DECLARATION shall not prohibit or restrict amendments to the BYLAWS, except as specifically provided herein.
- 2.03 Powers of the ASSOCIATION: The ASSOCIATION shall have all of the powers indicated or incidental to those contained in its ARTICLES and BYLAWS. In addition, the ASSOCIATION shall have the power to enforce this DECLARATION and shall have all of the powers granted to it by this DECLARATION. By this DECLARATION, the SUBJECT PROPERTY is hereby submitted to the jurisdiction of the ASSOCIATION.

- 2.04 Approval or Disapproval of Matters. Whenever the decision of the OWNERS is required upon any matter, whether or not the subject of an ASSOCIATION meeting, such decision shall be expressed in accordance with the ARTICLES and the BYLAWS, except as otherwise provided herein.
- 2.05 Acts of the ASSOCIATION. Unless the approval or action of the OWNERS and/or a certain specific percentage of the BOARD is specifically required by this DECLARATION, the ARTICLES, or BYLAWS, or by applicable law, all approvals or actions required or permitted to be given or taken by the ASSOCIATION shall be given or taken by the BOARD, without the consent of the OWNERS, and the BOARD may so approve an act through the proper officers of the ASSOCIATION without a specific resolution. When an approval or action of the ASSOCIATION is permitted to be given or taken, such action or approval may be conditioned in any manner the ASSOCIATION deems appropriate, or the ASSOCIATION may refuse to take or give such action or approval without the necessity of establishing the reasonableness of such conditions or refusal, except as herein specifically provided to the contrary.
- 2.06 Management and Service Contracts. The ASSOCIATION shall have the right to contract for professional management or services on such terms and conditions as the BOARD deems desirable in its sole discretion provided, however, that any such contract shall not exceed three (3) years and shall be terminable by either party without cause and without payment of a termination or penalty fee on ninety (90) days or less written notice.
- 2.07 Membership. All OWNERS shall be members of the ASSOCIATION. Membership as to each LOT shall be established, and transferred, as provided by the ARTICLES and the BYLAWS.
- 2.08 OWNERS Voting Rights. The votes of the OWNERS shall be established and exercised as provided in the ARTICLES and BYLAWS.

3. COMMON AREAS, DUTIES AND OBLIGATIONS OF THE ASSOCIATION.

~~3.01~~ Conveyance of COMMON AREAS to ASSOCIATION.

- 3.01.1 By DECLARANT. DECLARANT shall have the right to convey title to any property owned by it, or any easement or interest therein, to the ASSOCIATION as a COMMON AREA, and the ASSOCIATION shall be required to accept such conveyance. Any such conveyance shall be effective upon recording the deed or instrument of conveyance in the public records of the county where the SUBJECT PROPERTY is located.
- 3.01.2 By Any Other PERSON. Any other PERSON may also convey title to any property owned by such PERSON, or any easement or interest therein, to the ASSOCIATION as a COMMON AREA, but the ASSOCIATION shall not be required to accept any such conveyance, and no such conveyance shall be effective to impose any obligation for the maintenance, operation, or improvement of any such property upon the ASSOCIATION; unless the BOARD expressly accepts the conveyance by executing the deed or other instrument of conveyance or by recording a written acceptance of such conveyance in the public records of the county in which the SUBJECT PROPERTY is located.

- 3.02 Use and Benefit. All COMMON AREAS shall be held by the ASSOCIATION for the use and benefit of the ASSOCIATION and the OWNERS, the residents of the SUBJECT PROPERTY, and their respective guests and invitee, the holders of any mortgage encumbering any PROPERTY from time to time, and any other PERSONS authorized to use the COMMON AREAS or any portion thereof by DECLARANT or the ASSOCIATION, for all property and reasonable purposes and uses for which the same are reasonably intended, subject to the terms of this DECLARATION, subject to the terms of any easement, restriction, reservation, or limitation of record affecting the COMMON AREA or contained in the deed or instrument conveying the COMMON AREA to the ASSOCIATION, and subject to any rules and regulations adopted by the ASSOCIATION. An easement and right for such use is hereby created in favor of all OWNERS, appurtenant to the title to their PROPERTY.
- 3.03 Grant or Modification of Easements. The ASSOCIATION shall have the right as provided by law to grant, modify, or terminate easements over, under, upon, and/or across any property owned by the ASSOCIATION, and shall have the further right to modify, relocate, or terminate existing easements in favor of the ASSOCIATION.
- 3.04 Additions, Alterations, or Improvements. The ASSOCIATION shall have the right to make additions, alterations, or improvements to the COMMON AREAS, and to purchase any personal property, as it deems necessary or desirable from time to time provided, however, that the approval of two-thirds (2/3) of the votes of the OWNERS shall be required if any recreational facility is removed or substantially and adversely affected, or for any addition, alteration, or improvement or any purchase of personal property, exceeding a sum equal to one (1) month's total ASSESSMENTS for COMMON EXPENSES payable by all of the MEMBERS, or if the cost of the foregoing shall in any fiscal year exceed in the aggregate a sum equal to two (2) months' ASSESSMENTS for COMMON EXPENSES payable by all of the OWNERS.

The foregoing approval shall in no event be required with respect to expenses incurred in connection with the maintenance, repair, or replacement of existing COMMON AREAS, or any existing improvements or personal property associated therewith. The cost and expense of any such additions, alterations, or improvements to the COMMON AREAS, or the purchase of any personal property, shall be a COMMON EXPENSE. In addition, so long as DECLARANT owns any portion of the SUBJECT PROPERTY, DECLARANT shall have the right to make any additions, alterations, or improvements to the COMMON AREAS as may be desired by DECLARANT in its sole discretion from time to time, at DECLARANT's expense.

- 3.05 Utilities. The ASSOCIATION shall pay for all utility services for the COMMON AREAS, or for any other property to be maintained by the ASSOCIATION, as a COMMON EXPENSE.
- 3.06 Taxes. The ASSOCIATION shall pay all real and personal property taxes and assessments for any property owned by the ASSOCIATION, as a COMMON EXPENSE.
- 3.07 Mortgage and Sale of COMMON AREAS. The ASSOCIATION shall not abandon, partition, subdivide, encumber, sell, or transfer any COMMON AREA owned by the ASSOCIATION without the approval of at least two-thirds (2/3) of the votes of the OWNERS. If ingress or egress to any PROPERTY is through any COMMON AREA, any conveyance or encumbrance of such COMMON AREA shall be subject to an appurtenant easement for ingress and egress in favor of the OWNER(s) of such PROPERTY, unless alternative ingress and egress is provided to the OWNER(s).

- 3.08 Special Provisions Regarding Recreational Facilities. It is acknowledged that DECLARANT plans to construct various recreational facilities within the property described in Exhibit "D" attached hereto, which are planned to consist of a swimming pool and deck, a cabana building, and various personal property associated therewith, the kind, value, and nature of which shall be determined in DECLARANT's sole discretion, and DECLARANT reserves the right to increase or add to the foregoing recreational facilities, or to expand the recreational facilities, without the consent of the OWNERS or the ASSOCIATION. Notwithstanding the foregoing, DECLARANT shall have no obligation to complete the recreational facilities or to convey same to the ASSOCIATION until six (6) months after the closing of the twentieth (20th) UNIT within the SUBJECT PROPERTY.
- 3.09 Assigned Parking. It is acknowledged that the COMMON AREAS include parking areas for automobiles of the residents of the SUBJECT PROPERTY, and their guests and invitee. The ASSOCIATION shall have the right to assign one parking space for the exclusive use of the residents of each UNIT. In the event of such assignment, no resident of any other UNIT, or their guests and invitee, shall park in a parking space assigned to another UNIT. All unassigned parking spaces will be for the general use of the residents of the SUBJECT PROPERTY, and their guests and invitee. For good cause, the ASSOCIATION shall have the right to reassign parking spaces from time to time upon written notice to the affected OWNERS.
- 3.10 Boat Docks. It is acknowledged that DECLARANT plans, but shall not be obligated to, coordinate permitting of a limited number of boat docks along the portion of the SUBJECT PROPERTY that is contiguous to the Flamingo Waterway, and any other contiguous waterway. Dock walkways shall be limited in the CONSERVATION EASEMENT as recorded in Book 3232, Page 2642 - 2647 in the public records of Brevard County, Florida; to not more than a total of twelve (12) crossings. Said crossings shall be limited to a four (4) foot wide area starting from the docks most landward point traveling over and across the conservation easement to the dock's most waterward point. Each boat dock shall be considered LIMITED COMMON AREA and shall be designated to certain OWNERS by the DECLARANT. Each OWNER shall be responsible to obtain all federal, state and local permits and approvals before constructing a boat dock. No boat dock shall be constructed unless approved by the DECLARANT and in accordance with standard plans and specification set forth by the DECLARANT.

Any such UNIT OWNER may permit another resident of the SUBJECT PROPERTY to use his boat dock on such terms and conditions as the UNIT OWNER may desire, but no person who does not reside within the SUBJECT PROPERTY or who is not visiting a resident shall be permitted to use any boat dock without the prior written consent of the ASSOCIATION.

The ASSOCIATION shall have the right to permit any PERSON to use any boat docks which are not within the projection of the side walls of the UNITS on such terms and conditions as the ASSOCIATION may establish from time to time provided, however, that the residents of the SUBJECT PROPERTY shall be given the first right to use any common boat dock space.

Any UNIT OWNER having the exclusive right to any boat dock space may not run any electric or water lines to the boat dock without the prior written consent of the ASSOCIATION and, in any event, any such utility lines must comply with all governmental requirements and must be maintained by the UNIT OWNER in good condition at all times and, if not so maintained, the ASSOCIATION shall have the right to repair or remove the utility lines at the expense of the applicable UNIT OWNER.

The maintenance and repair of all of the boat docks shall be the responsibility of only these UNIT OWNERS utilizing said boat docks provided, however, that if any UNIT OWNER's boat dock requires maintenance or repairs in excess of the other boat docks due to the UNIT OWNER's actions, the UNIT OWNER may be assessed a share of the cost of such excess repair, such cost equal to 50% of the cost if the repairs are of an accelerated nature, and 100% of the cost if the repairs are solely due to the actions of the UNIT OWNER. And in this regard, the ASSOCIATION shall have the right to determine the source of damage and the amount of any assessment. The ASSOCIATION reserves the right to repair, remove, or replace all or any portion of the boat docks at any time.

4. EASEMENTS. Each of the following easements are hereby created, which shall run with the land and, notwithstanding any of the other provisions of this DECLARATION, may not be substantially amended or revoked in such a way as to unreasonably interfere with their proper and intended uses and purposes, and each shall survive the termination of this DECLARATION.

4.01 Easements for Pedestrian and Vehicular Traffic. Easements for pedestrian traffic over, through, and across sidewalks, paths, lanes, and walks, as the same may from time to time exist upon the COMMON AREAS and be intended for such purpose; and for pedestrian and vehicular traffic and parking over, through, across, and upon such portion of the COMMON AREAS as may from time to time be paved and intended for such purposes, same being for the use and benefit of the OWNERS and the residents of the SUBJECT PROPERTY, their mortgagees, and their guests and invitee.

4.02 Perpetual Nonexclusive Easement in COMMON AREAS. The COMMON AREAS shall be, and the same are hereby declared to be, subject to a perpetual nonexclusive easement in favor of all OWNERS and residents of the SUBJECT PROPERTY from time to time, and their guests and invitee, for all property and normal purposes and for the furnishing of services and facilities for which the same are reasonably intended.

4.03 Service and Utility Easements. Easements in favor of governmental and quasi-governmental authorities, utility companies, cable television companies, ambulance or emergency vehicle companies, and mail carrier companies, over and across all roads existing from time to time within the SUBJECT PROPERTY, and over, under, on, and across the COMMON AREAS, as may be reasonably required to permit the foregoing, and their agents and employees, to provide their respective authorized services to and for the SUBJECT PROPERTY. Also, easements as may be required for the installation, maintenance, repair, and providing of utility services, equipment, and fixtures in order to adequately serve the SUBJECT PROPERTY, including, but not limited to, electricity, telephones, sewer, water, lighting, irrigation, drainage, television antenna, and cable television facilities, and electronic security.

However, easements affecting any LOT which serve any other portion of the SUBJECT PROPERTY shall only be under the LOT, and shall only be for utility services actually constructed, or reconstructed, and for the maintenance thereof, unless otherwise approved in writing by the OWNER of the LOT. An OWNER shall do nothing on his LOT which interferes with or impairs the utility services using these easements. The BOARD or its designee shall have a right of access to each LOT and UNIT to inspect, maintain, repair, or replace the utility service facilities contained under the LOT and to remove any improvements interfering with or impairing the utility services or easement herein reserved; provided such right of access shall not unreasonably interfere with the OWNER's permitted use of the LOT, and except in the event of an emergency, entry into any UNIT shall be made with reasonable notice to the OWNER.

4.04 Support. Every portion of a UNIT contributing to the support of a BUILDING or an adjacent UNIT shall be burdened with an easement of support for the benefit of all other UNITS in the BUILDING.

4.05 Encroachments. If any portion of the COMMON AREAS encroaches upon any LOT, if any UNIT or other improvement encroaches upon any LOT or upon any portion of the COMMON AREAS, or if any encroachment shall hereafter occur as a result of:

(i) construction or reconstruction of any improvements;

(ii) settling or shifting of any improvements;

(iii) any addition, alteration, or repair to the COMMON AREAS made by or with the consent of the ASSOCIATION;

(iv) any repair or restoration of any improvements (or any portion thereof) of any UNIT after damage by fire or other casualty or any taking by condemnation or eminent domain proceedings of all or any portion of any UNIT or the COMMON AREAS; or

(v) any non-purposeful or non-negligent act of an OWNER except as may be authorized by the BOARD; then, in any such event, a valid easement shall exist for such encroachment and for the maintenance of the same so long as the improvements shall stand.

No change or improvement on any portion of the LIMITED COMMON AREA will, at any time, be allowed to block or impede access to any UNIT.

4.06 Easements for overhanging troughs or gutters, downspouts, and the discharge therefrom of rainwater and the subsequent flow thereof over the LOTS and the COMMON AREAS.

4.07 Additional Easements. DECLARANT (so long as it owns any LOTS) and the ASSOCIATION, on their behalf and on behalf of all OWNERS, each shall have the right as provided by law to:

(i) grant and declare additional easements over, upon, under, and/or across the COMMON AREAS in favor of the OWNERS and residents of the SUBJECT PROPERTY and their guests and invitee, or in favor of any other person, entity, public or quasi-public authority, or utility company; or

(ii) modify, relocate, abandon, or terminate existing easements within or outside of the SUBJECT PROPERTY in favor of the ASSOCIATION and/or the OWNERS and residents of the SUBJECT PROPERTY and their guests and invitee or in favor of any person, entity, public or quasi-public authority, or utility company, as the DECLARANT or the ASSOCIATION may deem desirable for the proper operation and maintenance of the SUBJECT PROPERTY, or any portion thereof, or for the health, safety, or welfare of the OWNERS, or for any other reason or purpose.

So long as such additional easements, or the modification, relocation, or abandonment of existing easements will not unreasonably and adversely interfere with the use of LOTS for dwelling purposes, no joinder of any OWNER or any mortgagee of any LOT shall be required or, if same would unreasonably and adversely interfere with the use of any LOT for dwelling purposes, only the joinder of the OWNERS and INSTITUTIONAL LENDERS of LOTS so affected shall be required. To the extent required, all OWNERS hereby irrevocably appoint DECLARANT and/or the ASSOCIATION as their attorney-in-fact for the foregoing purposes.



- 4.08 Sale and Development Easement. DECLARANT reserves and shall have an easement over, upon, across, and under the SUBJECT PROPERTY as may be reasonably required in connection with the development, construction, sale, and promotion, and leasing of the SUBJECT PROPERTY or any portion thereof.
- 4.09 Conservation Easement. There has been created an easement for the protection of the wetlands shoreline vegetation of the SUBJECT PROPERTY. See "Deed of Conservation Easement" as is recorded in the public records of Brevard County, Book \_\_\_\_, Page \_\_\_\_, and is attached as Exhibit "B".  
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5. MAINTENANCE OF THE SUBJECT PROPERTY.

- 5.01 By the ASSOCIATION. The ASSOCIATION shall operate, maintain, repair, and replace, as a COMMON EXPENSE, the following portions of the SUBJECT PROPERTY:
- 5.01.1 COMMON AREAS. The ASSOCIATION shall maintain all COMMON AREAS or other areas for which the duty to maintain has been delegated to and accepted by the ASSOCIATION, and all paving, parking areas, landscaping, and improvements contained thereon from time to time.
- 5.01.2 Landscaping. The ASSOCIATION shall be responsible for the maintenance and care of all landscaping throughout the SUBJECT PROPERTY and in the unpaved portion of contiguous road right-of-ways, except for any landscaping contained within a fenced or walled-in area of any LOT. The ASSOCIATION shall plant, remove, and/or replace sod, plants, flowers, shrubbery, and trees when in the sole discretion of the BOARD same is appropriate and in the best interest of the SUBJECT PROPERTY. The ASSOCIATION's responsibility shall include mowing, trimming, pruning, edging, fertilizing, and control of weeds, insects, and disease.
- 5.01.3 Subdivision Wells and Water Sprinkler System. The ASSOCIATION shall maintain and repair wells (if any), pipes, and water sprinkler systems throughout the SUBJECT PROPERTY, ~~except for wells, pipes, and sprinkler systems serving the fenced or walled-in area of any LOT.~~
- 5.01.4 Utility Services. The ASSOCIATION shall maintain all utility services not owned by any governmental authority or utility company, and any septic tanks within the SUBJECT PROPERTY, except for utility services located within any LOT, which serve only the LOT or the UNIT on the LOT. The ASSOCIATION shall have the right to enter into a temporary utility contract on behalf of the UNIT OWNERS for private sewer facilities, if public sewer facilities are not available, and to assess the UNIT OWNERS for a portion of the cost associated with the private sewer facilities.
- 5.01.5 Building Exteriors and Roof. The ASSOCIATION shall perform periodic exterior wall, roof, and garage door painting and maintenance, except that each UNIT OWNER shall be responsible for any repairs or replacements required to the garage door of his UNIT, other than painting or staining.

- 5.01.6 Surface Water or Stormwater Management System. The Association shall be responsible for the maintenance, operation and repair of the surface water or stormwater management system. Maintenance of the surface water or stormwater management system(s) shall mean the exercise of practices which allow the systems to provide drainage, water storage, conveyance or other surface water or stormwater management capabilities as permitted by the St. Johns River Water Management District. The Association shall be responsible for such maintenance and operation. Any repair or reconstruction of the surface water or stormwater management system shall be as permitted, or if modified as approved by the St. Johns River Water Management District.
- 5.01.7 Other Property. The ASSOCIATION shall have the right to maintain such other areas within or contiguous to the SUBJECT PROPERTY as the BOARD determines from time to time is in the best interest of the OWNERS, and the cost of any such maintenance shall be a COMMON EXPENSE. In particular, the ASSOCIATION shall have the right to maintain landscaping within any road right-of-way contiguous to the SUBJECT PROPERTY, to the edge of the pavement within such right-of-way, and if any lake or canal is contiguous to the SUBJECT PROPERTY, the ASSOCIATION shall have the right to maintain landscaping to the water line of any such lake or canal.
- 5.01.8 Notwithstanding the foregoing, if any special maintenance, other than regular periodic maintenance performed by the ASSOCIATION or maintenance necessitated by ordinary wear and tear, is required due to the actions of any OWNER, or the residents of any UNIT, or their guests or invitee, the OWNER of the UNIT shall be responsible for the cost of such maintenance and may be assessed for such cost by the ASSOCIATION.
- 5.02 By the OWNERS. Each OWNER shall maintain his UNIT and all improvements upon his LOT in first class condition, except those portions of his UNIT and LOT which are to be maintained by the ASSOCIATION as discussed above. Included within the responsibility of the OWNER, shall be windows, screens, sliding glass doors, garage doors, and doors on the exterior of his UNIT, and framing for same; the repair and replacement of any garage door on the UNIT OWNER's UNIT; all landscaping and improvements within any fenced or walled-in area of the OWNER's LOT; and all fences on the LOT, all of which shall be maintained by the OWNER in good condition and repair and in a neat and attractive manner. In addition, if any OWNER installs landscaping outside of any fence or walled-in area of the OWNER's LOT, then at the option of the ASSOCIATION and upon notice to the OWNER, the OWNER will be required to maintain such landscaping, and if the OWNER fails to do so, the ASSOCIATION shall have the right to remove such landscaping.
- 5.02.01 Maintenance of LIMITED COMMON AREA. Each UNIT OWNER shall enjoy exclusive use over the LIMITED COMMON AREA associated with his UNIT. Each UNIT OWNER is responsible for the maintenance in good condition of all exterior improvements, lawn furniture, etc., which must be kept in good condition or same may be removed by the ASSOCIATION, at OWNER's expense, following failure to remove or repair to good condition within fifteen (15) days after written notice.

The ASSOCIATION shall be responsible for the maintenance and care of all landscaping and sprinkler systems as provided by DECLARANT per Paragraph 5.01.2, and 5.01.3.

- 5.02.2 LIMITED COMMON AREA IMPROVEMENTS. Any improvement in any LIMITED COMMON AREA which is common to more than one UNIT will be enjoyed equally by each associated OWNER in its entirety. No change will be made to the improvement or LIMITED COMMON AREA without the express written consent by both OWNERS being on record with the ASSOCIATION, unless the change is made by the DECLARANT or ASSOCIATION. Any repair or replacement expense will be shared equally by both OWNERS.
- 5.03 By DECLARANT. Notwithstanding the foregoing, until such time as all of the UNITS to be built within the SUBJECT PROPERTY have been completed, and all of the improvements and landscaping within the COMMON AREAS have been completed, DECLARANT shall maintain all unimproved and undeveloped portions of the SUBJECT PROPERTY in a safe and sanitary condition in compliance with the requirements of all controlling governmental authorities, so that the unimproved and undeveloped portions of the SUBJECT PROPERTY will not be a nuisance or unreasonably detract from the completed portions of the SUBJECT PROPERTY. If DECLARANT fails to satisfy its obligations hereunder, the ASSOCIATION may perform such maintenance and assess DECLARANT for the reasonable costs thereof.
6. INSURANCE. The insurance, other than title insurance, which shall be carried upon the SUBJECT PROPERTY and the UNITS shall be governed by the following provisions:
- 6.01 Purchase, Custody, and Payment of Policies.
- 6.01.1 Purchase. All insurance policies covering the SUBJECT PROPERTY shall be purchased by the ASSOCIATION and shall be issued by an insurance company authorized to do business in Florida which has an office or agent located in the vicinity of the SUBJECT PROPERTY.
- 6.01.2 Approval by INSTITUTIONAL LENDERS. Each INSTITUTIONAL LENDER shall have the right, upon reasonable notice to the ASSOCIATION, to review and approve, which approval shall not be unreasonably withheld, the form, content, insurer, limits, and coverage of all insurance purchased by the ASSOCIATION, and to require the ASSOCIATION to purchase insurance complying with the reasonable and customary requirements of the INSTITUTIONAL LENDER. In the event of a conflict between INSTITUTIONAL LENDERS, the decision of the INSTITUTIONAL LENDER holding mortgages encumbering LOTS which secure the largest aggregate indebtedness shall control.
- 6.01.3 Named Insured. The named insured on all policies purchased by the ASSOCIATION shall be the ASSOCIATION, individually and as agent for all OWNERS covered by the policy, without naming them, and as agent for their mortgagees, without naming them.
- 6.01.4 Custody of Policies and Payment of Proceeds. All policies shall provide that payments for losses made by the insurer on account of casualty to any portion of the SUBJECT PROPERTY shall be paid to the Insurance Trustee, and all policies and endorsements for casualty losses shall be deposited with the Insurance Trustee.
- 6.01.5 Copies to OWNERS or INSTITUTIONAL LENDERS. One (1) copy of each insurance policy or a certificate evidencing same, and all endorsements thereon, shall be furnished by the ASSOCIATION to each OWNER or INSTITUTIONAL LENDER who

holds a mortgage upon a LOT covered by the policy, and in writing requests the ASSOCIATION to provide it with such policies.

- 6.01.6 Personal Property and Liability. OWNERS may obtain insurance at their own expense and at their own discretion for their personal property, personal liability, living expenses, flood damage and for improvements made to heir LOT or UNIT.
- 6.01.7 Deductibles. Any deductible or exclusion under an insurance policy purchased by the ASSOCIATION shall be a COMMON EXPENSE, and shall not exceed \$2,500.00 or such other sum as is approved by the members of the ASSOCIATION.

6.02 Coverage.

6.02.1 Casualty. All UNITS and all improvements upon the SUBJECT PROPERTY and all personal property of the ASSOCIATION are to be insured in an amount equal to one hundred percent (100%) of the then current replacement cost, excluding foundation and excavating costs and other items normally excluded from coverage, as determined annually by the ASSOCIATION. Prior to obtaining any casualty insurance or renewal thereof, the ASSOCIATION shall obtain an appraisal from a fire insurance company or otherwise of the full replacement cost of the UNITS and improvements upon the SUBJECT PROPERTY and all personal property of the ASSOCIATION, without deduction for depreciation, for the purposes of determining the amount of casualty insurance to be obtained pursuant to this Paragraph. Such coverage shall afford protection against:

6.02.1.1 Loss or damage by fire and other hazards covered by a standard extended coverage endorsement;

6.02.1.2 Such other risks as from time to time shall be customarily insured against with respect to buildings and improvements similar in construction, location, and use, including, but not limited to, vandalism and malicious mischief, and all other risks normally covered by a standard "All Risk" endorsement, where available.

6.02.1.3 The hazard insurance policy shall cover, among other things, all of the UNITS including, but not limited to, walls, doors, stairways, kitchen cabinets and fixtures, built-in kitchen appliances, electrical fixtures, and bathroom cabinets and fixtures, all as originally supplied by DECLARANT or having a value not in excess of that originally supplied by DECLARANT. The hazard insurance policy shall not include any improvements made in any UNIT by an OWNER in addition to or having a value in excess of that originally supplied by DECLARANT, or any wall coverings, furniture, furnishings, or other personal property installed or brought into a UNIT from time to time by the OWNER or residents of a UNIT, or their guests or invitee.

6.02.2 Liability. Comprehensive general public liability insurance insuring the ASSOCIATION against loss or damage resulting from accidents or occurrences on or about or in connection with the SUBJECT PROPERTY, or any work, matters, or things related to the SUBJECT PROPERTY or this DECLARATION and its exhibits, with such coverage as shall be required by the ASSOCIATION, but with a combined single limit liability of not less than One Million Dollars (\$1,000,000.00) for bodily injury, death, or property

damage, arising out of a single occurrence, and with cross liability endorsement to cover liabilities of the OWNERS as a group to an OWNER.

6.02.3 Workmen's Compensation as shall be required to meet the requirements of the law.

6.02.4 Fidelity Bonds. If required by an INSTITUTIONAL LENDER, the ASSOCIATION shall obtain blanket fidelity bonds for all officers, directors, trustees, and employees of the ASSOCIATION and all other persons handling or responsible for funds of or administered by the ASSOCIATION. The total amount of fidelity bond coverage, if required, shall in no event be less than a sum equal to three (3) months aggregate ASSESSMENTS on all LOTS plus reserve funds held by the ASSOCIATION, if any.

6.02.5 Such Other Insurance as the ASSOCIATION shall determine from time to time to be desirable or as may reasonably be required by an INSTITUTIONAL LENDER pursuant to Paragraph 6.01.2, and as is customarily obtained with respect to UNITS and improvements similar in construction, location, and use to those contained within the SUBJECT PROPERTY, such as, where applicable, contractual and all-written contract insurance, employer's liability insurance, and comprehensive automobile liability insurance. In no event shall the ASSOCIATION be required to purchase flood insurance, and in the event any INSTITUTIONAL LENDER requires flood insurance, the responsibility for same shall be the applicable OWNER's.

When appropriate and obtainable, each of the foregoing policies shall waive the insurer's right to:

(i) subrogation against the ASSOCIATION and against the OWNERS individually and as a group,

(ii) any prorata clause that reserves to the insurer the right to pay only a fraction of any loss if other insurance carriers have issued coverage upon the same risk, and

(iii) avoid liability for a loss that is caused by an act of one or more directors of the ASSOCIATION or by one or more OWNERS; and shall provide that such policies may not be canceled or substantially modified (except for increases in coverage for limits of liability) without at least ten (10) days prior written notice to the ASSOCIATION and to the holder of a first mortgage encumbering any LOT which is listed as a scheduled holder of a first mortgage in the insurance policy.

6.03 Premiums. Premiums for insurance policies purchased by the ASSOCIATION shall be paid by the ASSOCIATION as a COMMON EXPENSE, except that any increase in any insurance premium occasioned by misuse, occupancy, or abandonment of a UNIT by a particular OWNER, or by a resident of any UNIT, or by a member of their families or their guests or invitee, shall be assessed against and paid by that OWNER.

6.04 Insurance Trustee. All casualty insurance policies purchased by the ASSOCIATION shall provide that all proceeds covering casualty losses shall be paid to any national bank or trust company in the vicinity of the SUBJECT PROPERTY with trust powers as may be designated by the ASSOCIATION, as Trustee, which Trustee is herein referred to as the "Insurance Trustee." The Insurance Trustee shall not be liable for payment of premiums or for the renewal or sufficiency of the policies or for the failure to collect any insurance proceeds. The duty of the

Insurance Trustee shall be to receive such proceeds as are paid and hold the same in trust for the purposes elsewhere stated herein and for the benefit of the OWNERS and their respective mortgagees in the following shares, which shares need not be set forth in the records of the Insurance Trustee.

Notwithstanding the foregoing, unless the BOARD so determines or unless any INSTITUTIONAL LENDER otherwise requires by written notice to the ASSOCIATION, no Insurance Trustee will be required and all references in this DECLARATION to an Insurance Trustee shall refer to the ASSOCIATION where the context requires.

6.04.1 COMMON AREAS. Proceeds on account of damage to COMMON AREAS shall be held in as many undivided shares as there are LOTS, the share of each OWNER being equal.

6.04.2 UNITS. Proceeds on account of damage to UNITS shall be held in the following undivided shares:

6.04.2.1 When the UNITS are to be repaired and restored, for the OWNERS of damaged UNITS in proportion to the cost of repairing the damage suffered by each OWNER.

6.04.2.2 When the UNITS are not to be repaired and restored as elsewhere provided, for the OWNERS of all damaged UNITS, each OWNER's share being equal.

6.04.2.3 INSTITUTIONAL LENDER. In the event a mortgagee endorsement has been issued as to a UNIT, the share of the OWNER shall be held in trust for the INSTITUTIONAL LENDER and the OWNER as their interests may appear. However, no INSTITUTIONAL LENDER shall have any right to determine or participate in the determination as to whether or not any damaged property shall be reconstructed or repaired, and no INSTITUTIONAL LENDER shall have any right to apply or have applied to the reduction of a mortgage debt any insurance proceeds except distributions thereof made to the OWNER and INSTITUTIONAL LENDER pursuant to the provisions of this DECLARATION.

6.05 Distribution of Proceeds. Proceeds of insurance policies received by the Insurance Trustee shall be distributed to, or for the benefit of, the beneficial owners in the following manner:

6.05.1 Expense of the Trust. All expenses of the Insurance Trustee shall be first paid or provisions made therefor.

6.05.2 Reconstruction or Repair. If the damage for which the proceeds are paid is to be repaired or reconstructed, the remaining proceeds shall be paid to defray the cost thereof as elsewhere provided. Any proceeds remaining after defraying such cost shall be distributed to the beneficial owners, remittances to OWNERS and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a LOT and may be enforced by such mortgagee.

6.05.3 Failure to Reconstruct or Repair. If it is determined in the manner elsewhere provided that the damaged UNITS for which the proceeds are paid shall not be reconstructed or repaired, the remaining proceeds shall be distributed to the OWNERS of the

damaged UNITS, remittances to OWNERS and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a LOT and may be enforced by such mortgagee.

- 6.05.4 Certificate. In making distribution to OWNERS and their mortgagees, the Insurance Trustee may rely upon a certificate of the ASSOCIATION executed by the President and Secretary as to the names of the OWNERS and mortgagees together with their respective shares of the distribution.
- 6.05.5 Limitation on Use of Proceeds. In no event may any hazard insurance proceeds for losses to any portion of the SUBJECT PROPERTY be used for other than expenses of the Insurance Trustee or for repair, replacement, or reconstruction of any damage, without the approval of at least two-thirds (2/3) of the OWNERS, and the approval of OWNERS whose UNITS are to be repaired with such proceeds.
- 6.06 ASSOCIATION as Agent. The ASSOCIATION is hereby irrevocably appointed agent for each OWNER and for the holder of a mortgage or other lien upon a LOT and for each owner of any other interest in the SUBJECT PROPERTY to adjust all claims arising under insurance policies purchased by the ASSOCIATION and to execute and deliver releases upon the payment of claims.
- 6.07 Notice of Possible Inadequate Insurance Coverage. In any legal action in which the ASSOCIATION may be exposed to liability in excess of insurance coverage protecting it and the OWNERS, the ASSOCIATION shall give notice of any excess exposure within a reasonable time to all OWNERS who may be exposed to the liability and they shall have the right to intervene and defend.
- 6.08 Inspection of Insurance Policies. A copy of each insurance policy purchased by the ASSOCIATION shall be made available for inspection by any OWNER or INSTITUTIONAL LENDER at reasonable times.
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## 7. RECONSTRUCTION OR REPAIR AFTER CASUALTY.

- 7.01 Determination to Reconstruct or Repair. If any part of the SUBJECT PROPERTY is damaged or destroyed by casualty, whether or not the damage will be repaired shall be determined in the following manner:
- 7.01.1 COMMON AREAS. If the damaged improvement is contained within a COMMON AREA, the damaged property shall be reconstructed or repaired, unless two-thirds (2/3) of the OWNERS vote to the contrary.
- 7.01.2 UNITS. In the event of damage to or destruction of any UNITS as a result of fire or other casualty, except as hereinafter provided, the ASSOCIATION shall arrange for the prompt repair and restoration of the UNITS(S) (including any damaged bathroom and kitchen fixtures equivalent in value to that initially installed by the DECLARANT, but not including improvements having a value in excess of that originally installed by DECLARANT, or furniture, furnishings, or other personal property supplied by an OWNER or tenant of an OWNER) and the Insurance Trustee shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments.

Notwithstanding the foregoing, if all of the UNITS within any BUILDING are very substantially damaged or destroyed, then within sixty (60) days after such damage or destruction, a special meeting of the OWNERS shall be called to determine whether the damage or destruction will be repaired and destroyed. The damage or destruction shall be repaired and restored unless two-thirds (2/3) of the OWNERS, including all of the OWNERS of the damaged or destroyed UNITS, vote to the contrary. In the event the damaged UNITS are not to be repaired or restored, the fee title to each LOT containing a damaged UNIT which is not to be repaired or restored shall be vested in the ASSOCIATION.

By accepting a deed conveying a LOT, each OWNER covenants for himself, his heirs, personal representatives, successors, and assigns to execute any and all instruments which may be reasonably required by the ASSOCIATION to carry out the terms of this paragraph, including, without limitation, a deed conveying all of the OWNER's rights, title, and interest in and to his LOT to the ASSOCIATION.

In such event, the ASSOCIATION shall diligently pursue selling all of the LOTS which contain UNITS which are not to be repaired or restored, and the net proceeds from such sale, together with the net proceeds of insurance resulting from damage or destruction shall be divided among all the OWNERS of such damaged UNITS, each OWNER to receive an equal amount of such net proceeds, provided, however that no payment shall be made to an OWNER until there has first been paid off out of his share of such funds all liens on his LOT in the order of priority of such liens. The Insurance Trustee may rely upon a certificate of the ASSOCIATION made by its President and Secretary to determine whether or not any damaged UNITS are to be reconstructed or repaired.

- 7.02 Plans and Specifications. Any reconstruction or repair must be substantially in accordance with the plans and specifications for the original improvements or, if not, then according to plans and specifications approved by a majority of the OWNERS and, if the damaged property is one or more UNITS, by the OWNERS of all such UNITS (and their respective INSTITUTIONAL LENDERS), the plans for which are to be altered, which approval shall not be unreasonably withheld. Any reconstruction or repair must be in accordance with the ordinances of the controlling governmental authority, and must be approved by the controlling governmental authority or its appropriate review committee where required by such ordinances. Any reconstruction or repair must be in conformance with the requirements of any controlling governmental authority, and where required, appropriate permits for same shall be obtained.
- 7.03 Responsibility. If the damage is only to those parts of a UNIT for which the responsibility of maintenance and repair is that of the OWNER, the OWNER shall be responsible for reconstruction and repair after casualty. In all other instances, the responsibility of reconstruction and repair after casualty shall be that of the ASSOCIATION.
- 7.04 Estimates of Cost. Immediately after a determination is made to rebuild or repair damage to property for which the ASSOCIATION has the responsibility of reconstruction and repair, the ASSOCIATION shall obtain reliable and detailed estimates of the cost to rebuild or repair from one or more reliable licensed contractors and shall submit copies of all acceptable estimates to the Insurance Trustee.
- 7.05 ASSESSMENTS. If the proceeds of insurance are not sufficient to defray the estimated cost of reconstruction and repair by the ASSOCIATION or if at any time during or after the



reconstruction and repair the funds for the payment of the cost thereof are insufficient, ASSESSMENTS shall be made against the OWNERS in sufficient amounts to provide funds to pay such costs. Such ASSESSMENTS for damage to UNITS shall only be made against the OWNERS of the damaged UNITS in proportion to the cost of reconstruction and repair of each OWNER's respective UNIT. Such ASSESSMENTS for damage to COMMON AREAS shall be made against the OWNERS equally.

7.06 Deductible Provision. The OWNERS shall be responsible for the payment of any deductible under the ASSOCIATION's casualty insurance policy, in the same manner as the OWNERS are responsible for the payment of any excess costs of reconstruction and repair as set forth in the preceding paragraph.

7.07 Construction Funds. The funds for payment for costs of reconstruction and repair after casualty, which shall consist of proceeds of insurance held by the Insurance Trustee and funds collected by the ASSOCIATION from ASSESSMENTS against OWNERS, shall be disbursed in payment of such costs in the following manner:

7.07.1 ASSOCIATION. If the total ASSESSMENTS made by the ASSOCIATION in order to provide funds for payment of costs of reconstruction and repair which is the responsibility of the ASSOCIATION is more than Twenty-five Thousand Dollars (\$25,000.00), then the sums paid upon such ASSESSMENT shall be deposited by the ASSOCIATION with the Insurance Trustee. In all other cases, the ASSOCIATION shall hold the sums paid upon such ASSESSMENTS and disburse the same in payment of the costs of reconstruction and repair.

7.07.2 Insurance Trustee. The proceeds of insurance collected on account of a casualty and the sums deposited with the Insurance Trustee by the ASSOCIATION from collections of ASSESSMENTS against OWNERS on account of such casualty shall constitute a construction fund which shall be disbursed in payment of the costs of reconstruction and repair in the following manner and order:

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7.07.2.1 ASSOCIATION Lesser Damage. If the amount of the estimated costs of reconstruction and repair which is the responsibility of the ASSOCIATION is less than Twenty-five Thousand Dollars (\$25,000.00), then the construction funds shall be disbursed in payment of such costs upon the order of the ASSOCIATION, provided, however, that upon request to the Insurance Trustee by an INSTITUTIONAL LENDER which is a beneficiary of an insurance policy, the proceeds of which are included in the construction fund, such fund shall be disbursed in the manner hereafter provided for the reconstruction and repair of major damage.

7.07.2.2 ASSOCIATION Major Damage. If the amount of the estimated costs of reconstruction and repair which is the responsibility of the ASSOCIATION is more than Twenty-five Thousand Dollars (\$25,000.00), then the construction funds shall be disbursed in payment of such costs in the manner required by the ASSOCIATION and upon approval of an architect qualified to practice in the State of Florida and employed by the ASSOCIATION to supervise the work.

7.07.2.3 OWNER. If there is a balance of insurance proceeds after payment of costs of reconstruction and repair that is the responsibility of the ASSOCIATION,

such balance shall next be distributed to OWNERS of damaged UNITS. The distribution shall be in the shares that the estimated costs of reconstruction and repair in each damaged UNIT bears to the total of these costs in all damaged UNITS; provided, however, that no OWNER shall be paid an amount in excess of the estimated costs of reconstruction and repair for his UNIT. If there is a mortgage upon a LOT, the distribution shall be paid to the OWNER and the mortgagee jointly and they may use the proceeds as they may determine.

7.07.2.4 Surplus. It shall be presumed that the first monies disbursed in payment of costs of reconstruction and repair shall be from insurance proceeds. If there is a balance in a construction fund after payment of all costs of the reconstruction and repair for which the fund is established, such balance shall be distributed to the beneficial owners of the fund in the manner elsewhere stated; except, however, that the part of a distribution to a beneficial owners which is not in excess of ASSESSMENTS paid by such OWNER in the construction fund shall not be made payable to any mortgagee.

7.07.2.5 Certificate. Notwithstanding the provisions herein, the Insurance Trustee shall not be required to determine whether or not sums paid by OWNERS upon ASSESSMENTS shall be deposited by the ASSOCIATION with the Insurance Trustee, nor to determine whether the disbursements from the construction fund are to be upon the order of the ASSOCIATION or upon approval of an architect or otherwise, nor whether a disbursement is to be made from the construction fund, nor to determine the payee nor the amount to be paid, nor to determine whether surplus funds to be distributed are less than the ASSESSMENTS paid by OWNERS. Instead, the Insurance Trustee may rely upon a certificate of the ASSOCIATION executed by its President and Secretary as to any or all of such matters and stating that the sums-to-be-paid-are-due-and-properly-payable-and-stating-the-name-of-the-payee and the amount to be paid; provided, however, that when a mortgagee is herein required to be named as payee, the Insurance Trustee shall also name the mortgagee as payee of any distribution of insurance proceeds to an OWNER and further provided that when the ASSOCIATION or a mortgagee which is the beneficiary of any insurance policy, the proceeds of which are included in the construction fund, so requires, the approval of an architect named by the ASSOCIATION shall first be obtained by the ASSOCIATION for disbursements in payment of costs of reconstruction and repair.

## 8. USE RESTRICTIONS.

8.01 Garaqes. No garage shall be permanently enclosed, and no portion of a garage required for the parking of an automobile shall be converted into a living space or storage area. All garage doors shall remain closed when not in use.

8.02 Occupancy. No UNIT shall be permanently occupied by more than two (2) persons for each bedroom in the UNIT, and no more than one (1) child under the age of 18 is permitted to reside in a UNIT on a permanent basis for each bedroom in the UNIT. In addition, temporary guests are permitted so long as they do not create an unreasonable source of noise or annoyance to

the other residents of the SUBJECT PROPERTY.

- 8.03 No Trade or Business. No trade, business, profession, or commercial activity, or any other nonresidential use, shall be conducted upon any portion of the SUBJECT PROPERTY or within any LOT or UNIT by any UNIT OWNER or resident of the SUBJECT PROPERTY.
- 8.04 Leases. All leases of a UNIT must be in writing and specifically be subject to this DECLARATION, the ARTICLES and the BYLAWS and copies delivered to the ASSOCIATION prior to occupancy by the tenant(s). No lease shall be for a period of less than three (3) months. Notwithstanding anything contained herein to the contrary, no additional restrictions on leasing or selling a UNIT shall be imposed by an amendment to this DECLARATION, the ARTICLES, the BYLAWS, or by rule or regulation, without the approval of 100% of the UNIT OWNERS.
- 8.05 Outside Storage of Personal Property. The personal property of any resident of the SUBJECT PROPERTY shall be kept inside the resident's UNIT or a fenced or walled-in yard, except for tasteful patio furniture and other personal property commonly kept outside.
- 8.06 Portable Buildings. No portable, storage, temporary, or accessory buildings or structures, or tents, shall be erected, constructed, or located upon any LOT for storage or otherwise, without the prior written consent of the ASSOCIATION.
- 8.07 Garbage and Trash. Each OWNER shall regularly pick up all garbage, trash, refuse, or rubbish on the OWNER's LOT. Garbage, trash, refuse, or rubbish that is required to be placed at the front of the LOT in order to be collected may be placed and kept at the front of the LOT after 5:00 p.m. on the day before the scheduled day of collection, and any trash facilities must be removed on the collection day. All garbage, trash, refuse, or rubbish must be placed in appropriate trash facilities or bags. All containers, dumpsters, or garbage facilities shall be stored inside a UNIT or fenced-in area and screened from view and kept in a clean and sanitary condition. ~~No noxious or offensive odors shall be permitted.~~
- 8.08 Vehicles. Only automobiles, vans constructed as private passenger vehicles with permanent rear seats and side windows, and other vehicles manufactured and used as private passenger vehicles, may be parked within the SUBJECT PROPERTY overnight without the prior written consent of the ASSOCIATION, unless kept within an enclosed garage. In particular and without limitation, no vehicle shall be parked outside of a UNIT overnight without the prior written consent of the ASSOCIATION if commercial lettering or signs are painted or affixed to the vehicle, or if commercial equipment is placed upon the vehicle, or if the vehicle is a truck, recreational vehicle, camper, trailer, or other than a private passenger vehicle as specified above. Notwithstanding the foregoing, automobiles owned by governmental law enforcement agencies are expressly permitted. The maximum number of vehicles kept upon the SUBJECT PROPERTY on a permanent basis by the residents of any UNIT, including boats and/or trailers, shall not be greater than the number of garage spaces within the UNIT available for parking and not used for other storage purposes plus one (1), without the prior written consent of the ASSOCIATION. The foregoing restrictions shall not be deemed to prohibit the temporary parking of commercial vehicles while making delivery to and from or while used in connection with providing services to the SUBJECT PROPERTY.

All vehicles parked within the SUBJECT PROPERTY must be in good condition, and no vehicle which is unlicensed or which cannot operate on its own power shall remain within the SUBJECT

PROPERTY for more than 24 hours, and no major repair of any vehicle shall be made on the SUBJECT PROPERTY. Motorcycles are not permitted except with the prior written consent of the ASSOCIATION, which may be withdrawn at any time, and any permitted motorcycle must be equipped with appropriate noise muffling equipment so that the operation of same does not create an unreasonable annoyance to the residents of the SUBJECT PROPERTY.

- 8.09 Pets. No animals, livestock, or poultry of any kind shall be permitted within the SUBJECT PROPERTY except for common household domestic pets. Notwithstanding the foregoing, only two (2) cats and two (2) dogs not exceeding 30 pounds each, or one cat and one dog not exceeding 50 pounds, is permitted in any UNIT, except with the written consent of the BOARD, which may be granted or withheld in the BOARD's discretion. All pets must be registered with the ASSOCIATION. Any pet must be carried or kept on a leash when outside of a UNIT or fenced-in area. No pet shall be kept outside of a UNIT unless someone is present in the UNIT. Each OWNER shall be responsible for his pets and the pets of any person residing in his UNIT. Any pet must not be an unreasonable nuisance or annoyance to other residents of the SUBJECT PROPERTY. Any resident shall pick up and remove any solid animal waste deposited by his pet on the SUBJECT PROPERTY, except for designated pet-walk areas, if any. No commercial breeding of pets is permitted within the SUBJECT PROPERTY. The ASSOCIATION may require any pet to be immediately and permanently removed from the SUBJECT PROPERTY due to a violation of this paragraph.
- 8.10 Air Conditioning Units. Only central air conditioning units are permitted and no window, wall, or portable air conditioning units are permitted.
- 8.11 Clotheslines and Outside Clothes Drying. No clothesline or clothespole shall be erected, and no outside clothes-drying is permitted, except where such activity is advised or mandated by governmental authorities for energy conservation purposes, in which event the ASSOCIATION shall have the right to approve the portions of any LOT used for outdoor clothes-drying purposes and the types of devices to be employed in this regard, which approval must be in writing.
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- 8.12 Nuisances. No nuisances shall be permitted within the SUBJECT PROPERTY, and no use or practice which is an unreasonable source of annoyance to the residents within the SUBJECT PROPERTY or which shall interfere with the peaceful possession and proper use of the SUBJECT PROPERTY by its residents shall be permitted. No unreasonably offensive or unlawful action shall be permitted, and all laws, zoning ordinances and regulations of all controlling governmental authorities shall be complied with at all times by the OWNERS.
- 8.13 Outside Antennas. No outside signal receiving or sending antennas, dishes, or devices are permitted. The foregoing shall not prohibit any antenna or signal receiving dish owned by the ASSOCIATION which services the entire SUBJECT PROPERTY.
- 8.14 Garbage Containers, Oil and Gas Tanks, Air Conditioners. All garbage and refuse containers, air conditioning units, oil tanks, bottled gas tanks, and all permanently affixed swimming pool equipment and housing shall be underground or placed in walled-in or landscaped areas as approved by the ASSOCIATION so that they shall be substantially concealed or hidden from any eye-level view from any street or adjacent property.
- 8.15 Signs. No signs shall be placed upon any LOT, and no signs shall be placed in or upon any UNIT which are visible from the exterior of the UNIT, without the prior written consent of the ASSOCIATION.

- 8.16 Window Treatments. Window treatments shall consist of drapery, blinds, decorative panels, or other tasteful window covering, and no newspaper, aluminum foil, sheets, or other temporary window treatments are permitted, except for periods not exceeding one (1) week after an OWNER or tenant first moves into a UNIT or when permanent window treatments are being cleaned or repaired.
- 8.17 Boats. No boats may be kept or stored outside of any UNIT, without the prior written consent of the ASSOCIATION. All boats upon the SUBJECT PROPERTY, or tied to any boat dock, must be in good working order and in good condition. No major repair to any boat is permitted on the SUBJECT PROPERTY or in any boat dock.
- 8.18 Surface Water Management. No OWNER or any other PERSON shall do anything to adversely affect the surface water management and drainage of the SUBJECT PROPERTY without the prior written approval of the ASSOCIATION and any controlling governmental authority including, but not limited to, the excavation or filling in of any lake or any portion of the SUBJECT PROPERTY, provided the foregoing shall not be deemed to prohibit or restrict the initial construction of improvements upon the SUBJECT PROPERTY by DECLARATION or by the developer of any portion of the SUBJECT PROPERTY in accordance with permits issued by controlling governmental authorities.
- 8.19 Emergency Access and Drainage Easement. There is hereby created, declared, granted and reserved for the benefit of the CITY, a non-exclusive easement over and upon the COMMON STREETS AND ROADS, and all drainage easements comprising and appurtenant to the SURFACE WATER MANAGEMENT SYSTEM for the purpose of undertaking emergency maintenance and repairs to the SURFACE WATER MANAGEMENT SYSTEM in the event that inadequate maintenance or repair of the SURFACE WATER MANAGEMENT SYSTEM shall create a hazard to the public health, safety or general welfare. To the extent that the CITY shall, in fact, undertake any such emergency maintenance and repair thereof by the ASSOCIATION, the CITY shall have a lien upon the COMMON PROPERTY as security for the payment by the ASSOCIATION, of those costs and expenses reasonably incurred by the CITY in connection therewith. It is expressly provided, however, that the creation, declaration and reservation of such Emergency Access and Drainage Easement shall not be deemed to impose upon the CITY any obligation, burden, responsibility or liability to enter upon the SUBJECT PROPERTY or any portion thereof to take any action to maintain or to repair the SURFACE WATER MANAGEMENT SYSTEM or any portion or portions thereof.
- 8.20 Berm and Swale Areas. There is hereby created, declared, granted and reserved for the benefit of the DEVELOPER, the CITY, and the ASSOCIATION a drainage easement over and upon all berm and swale areas as determined by the St. Johns River Water Management District permit for the SUBJECT PROPERTY, and any of its modifications from time to time, together with an easement and license to enter upon such berm and swale areas for the purposes of construction, installing, inspecting, maintaining, repairing or replacing environmental berms and swales and their associated storm water drainage retention/detention areas constituting a part of the SURFACE WATER MANAGEMENT SYSTEM for the SUBJECT PROPERTY. Alteration and/or removal of the berm, swale and associated storm water retention/detention system constructed and installed within such berm and swale areas shall be prohibited.
- 8.21 Swimming Pool. Children under the age of 12 years old are not permitted in or around the swimming pool unless accompanied by an adult. All persons must shower before entering the swimming pool, and all suntan lotion or oils must be removed before entering the swimming pool. No rafts or floatation devices are permitted when others are using the swimming pool. No food or beverages are permitted in or around the swimming pool, and breakable containers

are prohibited. No diving is permitted in the swimming pool. Anyone using suntan lotion or oil must cover any lounge or chair they are sitting on with a towel or other covering. All infants or toddlers must wear a rubberized form-fitted or waterproof garment over a diaper while in the swimming pool.

If the swimming pool is heated, the BOARD shall have the right not to turn on the heater in the BOARD's discretion; and in particular while DECLARANT appoints a majority of the directors of the ASSOCIATION the heater shall not be required to be turned on at any time.

8.22 Boat Docks. All boat docks are to be kept clean and free from blockage at all times. No UNIT OWNER may cause any excess wear of any boat dock. No UNIT OWNER may place any permanent fixture to any boat dock without the written consent of the ASSOCIATION.

8.23 Architectural Control for Exterior Changes.

8.23.1 OWNER to Obtain Approval. No OWNER shall make, install, place, or remove any building, fence, wall, patio area, pool, spa, landscaping, or any other alteration, addition, improvement, or change of any kind or nature to, in, or upon any portion of the COMMON AREAS, the OWNER's LOT, or the exterior of the OWNER's UNIT, unless the OWNER first obtains the written approval of the ASSOCIATION to do same, except that such approval shall not be required for any maintenance or repair which does not result in a material change in any improvement, including the color of same.

Any improvement within the LIMITED COMMON AREA or the exterior of the UNIT, other than that provided by the DECLARANT is expressly prohibited without prior written consent of the ASSOCIATION. The ASSOCIATION may, at its discretion, remove any improvement not receiving prior written consent, or repair and maintain any improvement not in first-class condition and, at the ASSOCIATION's option, charge the UNIT OWNER for such repair, maintenance, and/or removal.

8.23.2 ASSOCIATION's Consent. Any request by an OWNER for approval by the ASSOCIATION to ~~any addition, alteration, improvement, or change shall be in writing and shall be accompanied~~ by plans and specifications or other details as the ASSOCIATION may deem reasonably necessary in connection with its determination as to whether or not it will approve same. The ASSOCIATION shall have the right to charge a reasonable fee in connection with the approval of any request to pay for the cost of any architect or engineer hired by the ASSOCIATION to review any plans or specifications.

Approval of any request shall not be unreasonably withheld, and shall not be withheld in a discriminatory manner or in a manner which unreasonably prohibits the reasonable improvement of any LOT or UNIT, but may be withheld due to aesthetic considerations.

The ASSOCIATION shall notify the OWNER of its approval or disapproval by written notice within thirty (30) days after request for such consent is made in writing by the ASSOCIATION, and in the event the ASSOCIATION fails to disapprove any request within such 30-day period, the consent shall be deemed approved and, upon request, the ASSOCIATION shall give written notice of such approval.

In consenting to any plans or specifications, the ASSOCIATION may condition such consent upon changes being made. If the ASSOCIATION consents to any plans and specifications, the OWNER may proceed to make the alteration, addition, improvement, or change in strict conformance with the plans and specifications approved by the ASSOCIATION, and subject to any conditions of the ASSOCIATION's approval.

- 8.23.3 No Liability. The ASSOCIATION shall not be liable to any OWNER in connection with the exercise or non-exercise of architectural control hereunder, or the approval or disapproval of any alteration, addition, improvement, or change. Furthermore, any approval of any plans or specifications by the ASSOCIATION shall not be deemed to be a determination that such plans or specifications are complete or do not contain defects, or in fact meet any standards, guidelines, and/or criteria of the ASSOCIATION, or are in fact architecturally or aesthetically appropriate, or comply with any applicable governmental requirements, and the ASSOCIATION shall not be liable for any deficiency, or any injury resulting from any deficiency, in such plans and specifications.
- 8.23.4 Remedy for Violations. In the event this section is violated in that any alteration, addition, improvement, or change is made without first obtaining the approval of the ASSOCIATION, or is not made in strict conformance with any approval granted by the ASSOCIATION, the ASSOCIATION shall specifically have the right to injunctive relief to require the OWNER to stop, remove, and/or alter any alteration, addition, improvement, or change in a manner which complies with the requirements of the ASSOCIATION, or the ASSOCIATION may pursue any other remedy available to it. In connection therewith, the ASSOCIATION shall have the right to enter onto any LOT and make any inspection necessary to determine that the provisions of this paragraph have been complied with. Any action to enforce this Section must be commenced within one (1) year after the date of the violation. The foregoing shall be in addition to any other remedy set forth herein for violations of this DECLARATION. ~~Notwithstanding anything contained within this DECLARATION to the contrary, the ASSOCIATION shall have the exclusive authority to enforce the provisions of this paragraph.~~
- 8.23.5 Architectural Control Vested in DECLARANT. Notwithstanding the foregoing, so long as DECLARANT owns any LOT, UNIT, or any portion of the property described in Exhibit "D" attached hereto, architectural control shall be vested in DECLARANT and not the ASSOCIATION, and during such period all references contained in this subparagraph to the ASSOCIATION shall be deemed to refer to DECLARANT provided, however, that at any time DECLARANT may assign its right of architectural control to the ASSOCIATION by a written assignment.
- 8.23.6 Plants. No plants may be removed from or added to any COMMON AREA and/or LIMITED COMMON AREA for any reason without the prior written consent of the ASSOCIATION.
- 8.23.7 Inspection. The Board of Directors or its representative shall have the right to inspect any portion of a UNIT's LIMITED COMMON AREA.
- 8.24 Rules and Regulations. The ASSOCIATION may adopt additional reasonable rules and regulations relating to the use and maintenance of the SUBJECT PROPERTY, and rules and

regulations relating to the recreational facilities within the SUBJECT PROPERTY may be posted at such recreational facilities. Copies of such rules and regulations and amendments shall be furnished by the ASSOCIATION to any OWNER upon request.

8.25 Waiver. The ASSOCIATION shall have the right to waive the application of one or more of these restrictions, or to permit a deviation from these restrictions, as to any LOT where, in the discretion of the BOARD, circumstances exist which justify such waiver or deviation. In the event of any such waiver or permitted deviation, or in the event any party fails to enforce any violation of these restrictions, such actions or inactions shall not be deemed to prohibit or restrict the right of the ASSOCIATION, or any other person having the right to enforce these restrictions, from insisting upon strict compliance with respect to all other LOTS, nor shall any such actions be deemed a waiver of any of the restrictions contained herein as same may be applied in the future. Notwithstanding the foregoing, so long as DECLARANT owns any LOT, if any waiver or deviation of any restriction requires the consent of the ASSOCIATION, such consent shall be obtained from DECLARANT, and not from the ASSOCIATION, unless DECLARANT voluntarily relinquishes this right at an earlier date.

8.26 Exceptions. The foregoing use and maintenance restrictions shall not apply to DECLARANT, or to any portion of the SUBJECT PROPERTY while owned by DECLARANT, or to any undeveloped PROPERTY, and shall not be applied in a manner which would prohibit or restrict the development of any portion of the SUBJECT PROPERTY and the construction of any UNITS, BUILDINGS, and other improvements thereon, or any activity associated with the sale of any new UNITS by DECLARANT or by the developer of any portion of the SUBJECT PROPERTY. Specifically, and without limitation, DECLARANT and any developer(s) of any portion of the SUBJECT PROPERTY shall have the right to:

(i) construct any buildings or improvements within the SUBJECT PROPERTY and make any additions, alterations, improvements, or changes thereto;

(ii) maintain customary and usual sales, general office, and construction operations on any PROPERTY;

(iii) place, erect, or construct portable, temporary, or accessory buildings or structures upon any PROPERTY for sales, construction, storage, or other purposes;

(iv) temporarily deposit, dump, or accumulate materials, trash, refuse, and rubbish in connection with the development or construction of any PROPERTY;

(v) post, display, inscribe, or affix to the exterior of a UNIT or upon any PROPERTY, signs and other materials used in developing, constructing, selling, or promoting any PROPERTY;



(vi) excavate fill from any lakes within and/or contiguous to the SUBJECT PROPERTY by dredge or dragline, store fill on the SUBJECT PROPERTY, and sell excess fill from the SUBJECT PROPERTY; and

(vii) grow plants and trees upon the SUBJECT PROPERTY for later use and sell excess plants and trees.

9. PARTY WALLS.

9.01 Party Walls. Each common wall shared by two (2) UNITS which divides the two (2) UNITS shall be a party wall for the perpetual benefit of and use by the OWNERS of the two (2) UNITS, including their respective heirs, assigns, successors, and grantees.

9.02 Easement for Encroachment. Each OWNER hereby grants to the OWNER of the adjacent UNIT(s) an easement for the continuance of any encroachment of the party wall on the adjoining UNIT existing as a result of the construction of the party wall, or which may come into existence thereafter as a result of settling or shifting of the party wall, or as a result of repair or reconstruction of the party wall.

9.03 Repair and Maintenance. Except as otherwise provided herein, each OWNER shall bear the responsibility to repair and maintain the unfinished surface of the exterior portion of the party wall which is located within his UNIT. As to the structural and interior portions of the party wall, each OWNER shall share equally in the cost of the repair, maintenance, and reconstruction of same. However, if any OWNER's negligence or willful misconduct causes damage to or destruction of a party wall, such negligent or willfully mischievous OWNER shall bear the entire cost of repairing or reconstructing the party wall. If an OWNER executes a mortgage encumbering his UNIT, then the holder of the mortgage shall have the full right, at its option, to exercise the rights of its mortgagor as an OWNER hereunder and, in addition, the right to add to the outstanding balance of such mortgage any amounts paid by the mortgagee for repairs or reconstruction and not reimbursed to the mortgagee by the OWNER.

9.04 Easement for Repairs. Each OWNER shall have the right to enter into an adjacent UNIT at reasonable times and upon reasonable notice where necessary in connection with the repair, maintenance, or reconstruction of a party wall. The foregoing right shall constitute an easement and a covenant running with the land.

9.05 Materials, Location, and Size. Whenever a party wall is to be repaired, maintained, or reconstructed, same shall be performed with the same or similar materials and quality as the original party wall. Whenever a party wall or any part thereof shall be reconstructed, it shall be reconstructed such that it shall be of the same size and shall be at the same location as initially constructed, and shall be of the same or similar materials and quality as used to initially construct the party wall.

9.06 Use. Each OWNER shall have the right to the full use of the party wall for whatever purposes he chooses, subject to the limitation that such use shall not infringe upon the rights of the OWNER of the adjoining UNIT or his enjoyment of the party wall or in any manner impair the structure of the party wall. The term "use" shall and does include normal interior usage such as paneling, plastering, painting, decorating, and erection of tangent walls and shelving, but prohibits any form of alteration (other than a minor alteration) which would cause an aperture, hole, break, or other displacement of the original structure forming the party wall. Additionally,

each OWNER shall not cut windows or other openings in the party wall, nor make any hereinabove prohibited alterations, additions, or structural changes to the party wall unless agreed upon by both OWNERS sharing the party wall.

10. ASSESSMENT FOR COMMON EXPENSES.

10.01 Each OWNER of a UNIT shall be responsible for the payment to the ASSOCIATION of ASSESSMENTS for COMMON EXPENSES for each UNIT owned by the OWNER, which amount shall be assessed to the OWNER as described below. In addition, each OWNER shall be responsible for the payment to the ASSOCIATION of any ASSESSMENTS owed by the prior OWNER, except for any ASSESSMENTS owed by DECLARANT, and except as provided in Paragraph 12.01.6 of this DECLARATION.

10.02 Prior to the beginning of each fiscal year, the BOARD shall adopt a budget for such fiscal year which shall estimate all of the COMMON EXPENSES to be incurred by the ASSOCIATION during the fiscal year. The BOARD shall then establish the ASSESSMENT for COMMON EXPENSES for each UNIT, which shall be equal, and which shall be determined by dividing the total amount to be assessed for COMMON EXPENSES by the number of UNITS for which ASSESSMENTS for COMMON EXPENSES are to be made pursuant to the budget. The ASSOCIATION shall then notify each OWNER in writing of the amount, frequency, and due dates of the ASSESSMENT for COMMON EXPENSES.

From time to time during the fiscal year, the BOARD may modify the budget and, pursuant to the revised budget or otherwise, the BOARD may, upon written notice to the OWNERS, change the amount, frequency, and/or due dates of the ASSESSMENTS for COMMON EXPENSES.

If the expenditure of funds for COMMON EXPENSES is required in addition to funds produced by ASSESSMENTS for COMMON EXPENSES, the BOARD may make special ASSESSMENTS for COMMON EXPENSES, which shall be levied in the same manner as hereinbefore provided for regular ASSESSMENTS, and shall be payable in the manner determined by the BOARD, as stated in the notice of any special ASSESSMENTS for COMMON EXPENSES.

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In the event any ASSESSMENTS for COMMON EXPENSES are made payable in equal periodic payments, as provided in the notice from the ASSOCIATION, such periodic payments shall automatically continue to be due and payable in the same amount and frequency unless and until:

(i) the notice specifically provides that the periodic payments will terminate or change upon the occurrence of a specified event or date or the payment of the specified amount; or

(ii) the ASSOCIATION notifies the OWNER in writing of a change in the amount and/or frequency of the periodic payments.

In no event shall any ASSESSMENTS for COMMON EXPENSES be due less than ten (10) days from the date of the notification of such ASSESSMENTS.

10.03 In addition to ASSESSMENTS for COMMON EXPENSES, the first OWNER acquiring title from DECLARANT to a UNIT shall pay to the ASSOCIATION a contribution to a working capital fund of the ASSOCIATION in an amount equal to two (2) months' ASSESSMENTS for COMMON EXPENSES, which shall be in addition to the OWNER's responsibility for ASSESSMENTS for COMMON EXPENSES. The working capital fund shall be used by the ASSOCIATION for start-

up expenses, or otherwise as the ASSOCIATION shall determine from time to time, and need not be restricted or accumulated.

- 10.04 Notwithstanding the foregoing, until such time as DECLARANT no longer owns any UNIT, or until DECLARANT notifies the ASSOCIATION in writing that DECLARANT elects to pay ASSESSMENTS for COMMON EXPENSES as in the case of any other OWNER, DECLARANT shall not be liable for ASSESSMENTS for COMMON EXPENSES for any UNITS owned by DECLARANT but, in lieu thereof, DECLARANT shall be responsible for all COMMON EXPENSES in excess of the ASSESSMENTS for COMMON EXPENSES receivable from the other OWNERS (including working capital contributions), and other income received by the ASSOCIATION.

During such period when DECLARANT is not liable for ASSESSMENTS for COMMON EXPENSES for UNITS owned by DECLARANT, the ASSESSMENTS for COMMON EXPENSES shall be established by DECLARANT based upon DECLARANT's estimate of what the expenses of the ASSOCIATION would be if all UNITS and IMPROVEMENTS contemplated within the SUBJECT PROPERTY were completed, so that ASSESSMENTS for COMMON EXPENSES during such period will be approximately what said ASSESSMENTS would be if the development of the SUBJECT PROPERTY as contemplated by DECLARANT was complete. In any event, DECLARANT shall not be required to fund reserves allocated to any un-built UNITS or any UNITS owned by DECLARANT.

## 11. DEFAULT.

### 11.01 Monetary Defaults and Collection of Assessments.

11.01.1 Late Fees and Interest. If any ASSESSMENT is not paid within ten (10) days after the due date, the ASSOCIATION shall have the right to charge the defaulting OWNER a late fee of ten percent (10%) of the amount of the ASSESSMENT, or Ten Dollars (\$10.00), whichever is greater, plus interest at the then highest rate of interest allowable by law from the due date until paid. If there is no due date applicable to any a particular ASSESSMENT, then the ASSESSMENT shall be due ten (10) days after written demand by the ASSOCIATION.

11.01.2 Acceleration of ASSESSMENTS. If any OWNER is in default in the payment of any ASSESSMENT owed to the ASSOCIATION for more than thirty (30) days after written demand by the ASSOCIATION, the ASSOCIATION, upon written notice to the defaulting OWNER, shall have the right to accelerate and require such defaulting OWNER to pay to the ASSOCIATION ASSESSMENTS for COMMON EXPENSES for the next twelve (12) month period, based upon the then existing amount and frequency of ASSESSMENTS for COMMON EXPENSES.

In the event of such acceleration, the defaulting OWNER shall continue to be liable for any increases in the regular ASSESSMENTS for COMMON EXPENSES, for all special ASSESSMENTS for COMMON EXPENSES, and/or for all other ASSESSMENTS payable to the ASSOCIATION.

- 11.01.3 Lien for ASSESSMENTS. The ASSOCIATION has a lien on each UNIT for unpaid ASSESSMENTS owed to the ASSOCIATION by the OWNER of such UNIT, and for late fees and interest, and for reasonable attorneys' fees incurred by the ASSOCIATION incident to the collection of the ASSESSMENTS or enforcement of the lien, and all sums advanced and paid by the ASSOCIATION for taxes and payment on account of superior mortgages, liens, or encumbrances in order to preserve and protect the ASSOCIATION's lien.

The lien is effective from and after recording a claim of lien in the public records in the county in which the UNIT is located stating the description of the UNIT, the name of the record OWNER, and the amount due as of the recording of the claim of lien. A recorded claim of lien shall secure all sums set forth in the claim of lien, together with all ASSESSMENTS or other monies owed to the ASSOCIATION by the OWNER until the lien is satisfied. The lien is in effect until all sums secured by it have been fully paid or until the lien is barred by law. The claim of lien must be signed and acknowledged by an officer or agent of the ASSOCIATION. Upon payment in full of all sums secured by the lien, the person making the payment is entitled to a satisfaction of the lien.

- 11.01.4 Collection and Foreclosure. The ASSOCIATION may bring an action in its name to foreclose a lien for ASSESSMENTS in the manner a mortgage of real property is foreclosed and may also bring an action to recover a money judgement for the unpaid ASSESSMENTS without waiving any claim of lien, and the applicable OWNER shall be liable to the ASSOCIATION for all costs and expenses incurred by the ASSOCIATION in connection with the collection of any unpaid ASSESSMENTS and the filing, enforcement, and/or foreclosure of the ASSOCIATION's lien including reasonable attorneys' fees and all sums paid by the ASSOCIATION for taxes and on account of any other mortgage, lien, or encumbrance in order to preserve and protect the ASSOCIATION's lien.

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The BOARD is authorized to settle and compromise the ASSOCIATION's lien if the BOARD deems a settlement or compromise to be in the best interest of the ASSOCIATION.

- 11.01.5 Rental and Receiver. If an OWNER remains in possession of his UNIT and the claim of lien of the ASSOCIATION against his UNIT is foreclosed, the court, in its discretion, may require the OWNER to pay a reasonable rental for the UNIT and the ASSOCIATION is entitled to the appointment of a receiver to collect the rent.
- 11.01.6 Subordination of Lien. Where any person obtains title to a LOT pursuant to the foreclosure of a first mortgage of record of an INSTITUTIONAL LENDER, or where an INSTITUTIONAL LENDER accepts a deed to a LOT in lieu of foreclosure of the first mortgage of record of such lender, such acquirer of title, its successors, and assigns shall not be liable for any ASSESSMENTS or for other monies owed to the ASSOCIATION which are chargeable to the former OWNER of the LOT and which became due prior to acquisition of title as a result of the foreclosure or deed in lieu thereof, unless the payment of such funds is secured by a claim of lien recorded prior to the recording of the foreclosed or underlying mortgage. The unpaid ASSESSMENTS or other monies are COMMON EXPENSES collectable from all of the OWNERS, including such acquirer and his successors and assigns. The new OWNER, from and after the time of acquiring such title, shall be liable for payment of

all future ASSESSMENTS for COMMON EXPENSES and such other expenses as may be assessed to the OWNER's LOT. Any person who acquires a LOT, except through foreclosure of a first mortgage of record of an INSTITUTIONAL LENDER or deed in lieu thereof, including, without limitation, persons acquiring title by sale, gift, devise, operation of law, or by purchase at a judicial or tax sale, shall be liable for all unpaid ASSESSMENTS and other monies due and owing by the former OWNER to the ASSOCIATION, and shall not be entitled to occupancy of the UNIT or enjoyment of the COMMON AREAS, or of the recreational facilities as same may exist from time to time, until such time as all unpaid ASSESSMENTS and other monies have been paid in full.

- 11.01.7 Assignment of Claim and Lien Rights. The ASSOCIATION, acting through its BOARD, shall have the right to assign its claim and lien rights for the recovery of any unpaid ASSESSMENTS and any other monies owed to the ASSOCIATION, to any third party.
- 11.01.8 Unpaid ASSESSMENTS Certificate. Within fifteen (15) days after written request by any OWNER or any INSTITUTIONAL LENDER holding or making a mortgage encumbering any LOT, the ASSOCIATION shall provide the OWNER or INSTITUTIONAL LENDER a written certificate as to whether or not the OWNER of the LOT is in default with respect to the payment of ASSESSMENTS or with respect to compliance with the terms and provisions of this DECLARATION, and any person or entity who relies on such certificate in purchasing or in making a mortgage loan encumbering any LOT shall be protected thereby.
- 11.01.9 Application of Payments. Any payments made to the ASSOCIATION by any OWNER shall first be applied towards any sums advanced and paid by the ASSOCIATION for taxes and payment on account of superior mortgages, liens, or encumbrances which may have been advanced by the ASSOCIATION in order to preserve and protect its lien, next toward reasonable attorneys' fees incurred by the ASSOCIATION incidental to the collection of assessments and other monies owed to the ASSOCIATION by the OWNER and/or for the enforcement of its lien; next towards interest on any ASSESSMENTS or other monies due to the ASSOCIATION, as provided herein, and next towards any unpaid ASSESSMENTS owed to the ASSOCIATION in the inverse order that such ASSESSMENTS were due.
- 11.02 Non-Monetary Defaults. In the event of a violation by any OWNER, or any tenant of an OWNER, or any person residing with them, or their guests or invitee (other than the non-payment of any ASSESSMENT or other monies) of any of the provisions of this DECLARATION, the ARTICLES, the BYLAWS, or the Rules and Regulations of the ASSOCIATION, the ASSOCIATION shall notify the OWNER and any tenant of the OWNER of the violation by written notice. If such violation is not cured as soon as practicable and in any event within seven (7) days after such written notice, or if the violation is not capable of being cured within such seven-day period, if the OWNER or tenant fails as practicable within seven (7) days after written notice by the ASSOCIATION, or if any similar violation is thereafter repeated, the ASSOCIATION may, at its option:
- 11.02.1 Impose a fine against the OWNER or tenant as provided in Paragraph 11.03; and/or

11.02.2 Commence an action to enforce the performance on the part of the OWNER or tenant, or for such equitable relief as may be necessary under the circumstances, including injunctive relief; and/or

11.02.3 Commence any and all actions reasonably necessary to correct such failure, which action may include where applicable but is not limited to, removing any addition, alteration, improvement, or change which has not been approved by the ASSOCIATION, or performing any maintenance required to be performed by this DECLARATION.

All expenses incurred by the ASSOCIATION in connection with the correction of any failure, plus a service charge of ten percent (10%) of such expenses, and all expenses incurred by the Association in connection with any legal proceedings to enforce this DECLARATION, including reasonable attorneys' fees, shall be assessed against the applicable OWNER, and shall be due upon written demand by the ASSOCIATION. The ASSOCIATION shall have a lien for any such ASSESSMENT and any interest, costs, or expenses associated therewith, including attorneys' fees incurred in connection with such ASSESSMENT, and may take such action to collect such ASSESSMENT or foreclose said lien as in the case and in the manner of any other ASSESSMENT as provided above. Any such lien shall only be effective from and after the recording of a claim of lien in the public records of the County in which the SUBJECT PROPERTY is located.

11.03 Fines. The amount of any fine shall be determined by the BOARD and shall not exceed one-third (1/3) of one month's ASSESSMENT for COMMON EXPENSES for the first offense, two-thirds (2/3) of one month's ASSESSMENT for COMMON EXPENSES for a second similar offense, and one month's ASSESSMENT for COMMON EXPENSES for a third or subsequent similar offense. Any fine shall be imposed by written notice to the OWNER or tenant signed by an officer of the ASSOCIATION and shall state the amount of the fine, the violation for which the fine is imposed, and shall specifically state that the OWNER or tenant has the right to contest the fine by delivering written notice to the ASSOCIATION within ten (10) days after receipt of the notice imposing the fine.

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If the OWNER or tenant timely and properly objects to the fine, the BOARD shall conduct a hearing within thirty (30) days after receipt of the OWNER's or tenant's objection and shall give the OWNER or tenant not less than ten (10) days written notice of the hearing date. At the hearing, the BOARD shall conduct a reasonable inquiry to determine whether the alleged violation in fact occurred and that the fine imposed is appropriate. The OWNER or tenant shall have the right to attend the hearing and to produce evidence on his behalf.

At the hearing, the BOARD shall ratify, reduce, or eliminate the fine, and shall give the OWNER or tenant written notice of its decision. Any fine shall be due and payable within ten (10) days after written notice of the imposition of the fine or, if a hearing is timely requested, within ten (10) days after written notice of the BOARD's decision at the hearing.

Any fine levied against an OWNER shall be deemed an ASSESSMENT and, if not paid when due, all of the provisions of this DECLARATION relating to the late payment of ASSESSMENTS shall be applicable. If any fine is levied against a tenant and is not paid within ten (10) days after same is due, the ASSOCIATION shall have the right to evict the tenant pursuant to Paragraph 12.06.

11.04 Negligence. An OWNER shall be liable, and may be assessed by the ASSOCIATION, for the

expense of any maintenance, repair, or replacement rendered necessary by his act, neglect, or carelessness, but only to the extent that such expense is not met by the proceeds of insurance carried by the ASSOCIATION. Such liability shall include any increase in fire insurance rates occasioned by use, misuse, occupancy, or abandonment of a LOT or UNIT, or the COMMON AREAS.

- 11.05 Responsibility of an OWNER for Occupants, Tenants, Guests, and Invitee. Each OWNER shall be responsible for the acts and omissions, whether negligent or willful, of any person residing in his UNIT and for all guests and invitee of the OWNER or any such resident and, in the event the acts or omissions of any of the foregoing shall result in any damage to the COMMON AREAS or any liability to the ASSOCIATION, the OWNER shall be assessed for same as in the case of any other ASSESSMENT, limited where applicable to the extent that the expense or liability is not met by the proceeds of insurance carried by the ASSOCIATION. Furthermore, any violation of any of the provisions of this DECLARATION, of the ARTICLES, or the BYLAWS by any resident of any UNIT, or any guest or invitee of an OWNER or any resident of a UNIT, shall also be deemed a violation by the OWNER and shall subject the OWNER to the same liability as if such violation was that of the OWNER.
- 11.06 Right of ASSOCIATION to Evict Tenants, Occupants, Guests, and Invitee. With respect to any tenant or any person present in any UNIT or any portion of the SUBJECT PROPERTY, other than an OWNER and the members of his immediate family permanently residing with him in the UNIT, if such person shall materially violate any provision of this DECLARATION, the ARTICLES, or the BYLAWS, or shall create a nuisance or an unreasonable and continuous source of annoyance to the residents of the SUBJECT PROPERTY, or shall willfully damage or destroy any COMMON AREAS or personal property of the ASSOCIATION, then upon written notice by the ASSOCIATION, such person shall be required to immediately leave the SUBJECT PROPERTY and, if such person does not do so, the ASSOCIATION is authorized to commence an action to evict such tenant or compel the person to leave the SUBJECT PROPERTY and, where necessary, to enjoin such person from returning. The expense of any such action, including attorney's fees, may be assessed against the applicable OWNER, and the ASSOCIATION may collect such ASSESSMENT and have a lien for same as elsewhere provided. The foregoing shall be in addition to any other remedy of the ASSOCIATION.
- 11.07 No Waiver. The failure of the ASSOCIATION to enforce any right, provision, covenant, or condition which may be granted by this DECLARATION, the ARTICLES, or the BYLAWS, shall not constitute a waiver of the right of the ASSOCIATION to enforce such right, provision, covenant, or condition in the future.
- 11.08 Rights Cumulative. All rights, remedies, and privileges granted to the ASSOCIATION pursuant to any terms, provisions, covenants, or conditions of this DECLARATION, the ARTICLES, or the BYLAWS, shall be deemed to be cumulative and the exercise of any one or more shall neither be deemed to constitute an election of remedies, nor shall it preclude the ASSOCIATION from executing any additional remedies, rights, or privileges as may be granted or as it might have by law.
- 11.09 Enforcement By or Against Other Persons. In addition to the foregoing, this DECLARATION may be enforced by DECLARANT or the ASSOCIATION by any procedure at law or in equity against any person violating or attempting to violate any provision herein, to restrain such violation, to require compliance with the provisions contained herein, to recover damages, or to enforce any lien created herein. The expense of any litigation to enforce this DECLARATION shall be borne by the person against whom enforcement is sought, provided such proceeding

results in a finding that such person was in violation of this DECLARATION.

In addition to the foregoing, any OWNER shall have the right to bring an action to enforce this DECLARATION against any person violating or attempting to violate any provision herein, to restrain such violation or to require compliance with the provisions contained herein, but no OWNER shall be entitled to recover damages or to enforce any lien created herein as a result of a violation or failure to comply with the provisions contained herein by any person, and the prevailing party in any such action shall be entitled to recover its reasonable attorneys' fees.

11.10 Enforcement. The St. Johns River Water Management District shall have the right to enforce, by a proceeding at law or in equity, the provisions contained in this Declaration which relate to the maintenance, operation and repair of the surface water or stormwater management system.

12. TERM OF DECLARATION. All of the foregoing covenants, conditions, reservations, and restrictions shall run with the land and continue and remain in full force and effect at all times as against all OWNERS, their successors, heirs, or assigns, regardless of how the OWNERS acquire title, for a period of fifty (50) years from the date of the DECLARATION unless, within such time, one hundred percent (100%) of the OWNERS execute a written instrument declaring a termination of this DECLARATION (as it may have been amended from time to time). After such fifty-year period, unless sooner terminated as provided above, these covenants, conditions, reservations, and restrictions shall be automatically extended for successive periods of ten (10) years each until a majority of the votes of the entire membership of the ASSOCIATION execute a written instrument declaring a termination of this DECLARATION (as it may have been amended from time to time).

Any termination of this DECLARATION shall be effective on the date the instrument of termination is recorded in the public records of the county in which the SUBJECT PROPERTY is located provided, however, that any such instrument, in order to be effective, must be approved in writing and signed by the DECLARANT so long as the DECLARANT owns any LOT or holds any mortgage encumbering any LOT.

### 13. AMENDMENT.

13.01 This DECLARATION may be amended upon the approval of not less than two-thirds (2/3) of the OWNERS. In addition, so long as DECLARANT owns any portion of the SUBJECT PROPERTY, this DECLARATION may be amended from time to time by DECLARANT and without the consent of the ASSOCIATION or any OWNER, and no amendment may be made by the OWNERS without the written joinder of DECLARANT. Such right of DECLARANT to amend this DECLARATION shall specifically include, but shall not be limited to:

(i) amendments adding any contiguous property which will be developed in a similar manner as the SUBJECT PROPERTY, or deleting any property from the SUBJECT PROPERTY which will be developed differently than the SUBJECT PROPERTY (provided that any such amendment shall require the joinder of the owners of such property or any portion thereof if different than DECLARANT, and further provided that DECLARANT shall not have the obligation to add any property to or delete any property from the SUBJECT PROPERTY), and

(ii) amendments required by any INSTITUTIONAL LENDER or governmental authority in order to comply with the requirements of same. In order to be effective, any amendment to this



DECLARATION must first be recorded in the public records of the county in which the SUBJECT PROPERTY is located and, in the case of an amendment made by the OWNERS, such amendment shall contain a certification by the President and Secretary of the ASSOCIATION that the amendment was duly adopted.

13.02 No amendment shall discriminate against any OWNER or class or group of OWNERS unless the OWNERS so affected join in the execution of the amendment. No amendment shall change the number of votes of any OWNER or increase any OWNER's proportionate share of the COMMON EXPENSES unless the OWNERS affected by such amendment join in the execution of the amendment. No amendment may prejudice or impair the priorities of INSTITUTIONAL LENDERS granted hereunder unless all INSTITUTIONAL LENDERS join in the execution of the amendment. No amendment shall make any changes which would in any way affect any of the rights, privileges, powers, or options herein provided in favor of or reserved to DECLARANT unless DECLARANT joins in the execution of the amendment.

13.03 Notwithstanding anything contained herein to the contrary, any amendment to this DECLARATION which would adversely affect the surface water management system, including the water management portions of the COMMON AREAS, must have the prior approval of the governmental authority having jurisdiction over the surface water management for the SUBJECT PROPERTY.

13.04 Amendment. Any Amendment to the Covenants and Restrictions which alter the surface water or stormwater management system, beyond maintenance in its original condition, including the water management portions of the common areas, must have the prior approval of the St. Johns River Water Management District.

14. SPECIAL PROVISIONS REGARDING INSTITUTIONAL LENDERS.

14.01 Notice of Action. Upon written request to the ASSOCIATION by an INSTITUTIONAL LENDER holding, insuring, or guaranteeing a first mortgage encumbering any LOT, identifying the name and address of the holder, insurer, or guarantor of the LOT number or address, any such holder, insurer, or guarantor will be entitled to timely written notice of:

14.01.1 Any condemnation or casualty loss which affects a material portion of the SUBJECT PROPERTY or the LOT;

14.01.2 Any sixty (60) day default in the payment of ASSESSMENTS or charges owed to the ASSOCIATION or in the performance of any obligation hereunder by the OWNER of the LOT;

14.01.3 Any lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the ASSOCIATION;

14.01.4 Any proposed action which would require the consent of a specified percentage of INSTITUTIONAL LENDERS.

14.02 Consent of INSTITUTIONAL LENDERS. Whenever the consent or approval of any, all, or a specified percentage or portion of the holder(s) of any mortgage(s) encumbering any LOTS is required by this DECLARATION, the ARTICLES, the BYLAWS, or any applicable statute or law to any amendment of the DECLARATION, the ARTICLES, or the BYLAWS, or to any action of the ASSOCIATION, or to any other matter relating to the SUBJECT PROPERTY, the

ASSOCIATION may request such consent or approval of such holder(s) by written request sent certified mail, return receipt requested (or equivalent delivery evidencing such request was delivered to and received by such holders).

Any holder receiving such request shall be required to consent to or disapprove the matter for which the consent or approval is requested in writing by certified mail, return receipt requested (or equivalent delivery evidencing such request was delivered to and received by the ASSOCIATION), which response must be received by the ASSOCIATION within thirty (30) days after the holder receives such request and, if such response is not timely received by the ASSOCIATION, the holder shall be deemed to have consented to and approved the matter for which such approval or consent was requested. Such consent or approval given or deemed to have been given, where required, may be evidenced by an affidavit signed by all the directors of the ASSOCIATION, which affidavit, where necessary, may be recorded in the public records of the county where the SUBJECT PROPERTY is located and which affidavit shall be conclusive evidence that the applicable consent or approval was given as to the matters therein contained. The foregoing shall not apply where an INSTITUTIONAL LENDER is otherwise required to specifically join in an amendment to this DECLARATION.

- 14.03 Payment of Taxes and Insurance. Any INSTITUTIONAL LENDER may pay any taxes or assessments which are in default, or any overdue insurance premiums, or may secure new insurance upon the lapse of a policy, and shall be owed immediate reimbursement therefor from the ASSOCIATION, plus interest at the highest rate permitted by law and any costs of collection, including attorneys' fees.

## 15. TURNOVER OF ASSOCIATION

- 15.01 Appointment of Transition Committee. At least ninety (90) days prior to the time members are entitled to elect any directors as provided in the ARTICLES, the Developer and his Board shall appoint a Transition Committee to assist in the smooth turnover of the association. Such Transition Committee shall have the following duties, responsibilities and authority to accomplish those items prior to the special meeting to elect the Board of Directors:

- 15.01.1 To examine the association's books and records, making a written report to the Developer and his Board recommending whether a formal audit and its associated expense should be scheduled.
- 15.01.2 To review the current budget and make recommendations in writing regarding any adjustments or changes felt necessary. Such recommendations will be reviewed by the newly elected Board of Directors at their first meeting, and a budget established.
- 15.01.3 To review the possibility of hiring a management company to oversee the association's accounts and day-to-day management of the association, including developing a scope of services required soliciting proposals, and making a recommendation in writing to be presented to the newly elected Board. If the hiring of a management company is not recommended, the Transition Committee shall identify and obtain approval from those individuals who wish to submit their names as willing and able to assist in the management of the association. Such recommendations shall be reviewed by the newly elected Board of Directors at their first meeting.

15.01.4 To identify Areas of Concern and present the findings to the Developer and his Board in writing. the necessary meetings with the Developer and Transition Committee shall then be scheduled to review the Areas of Concern and determine the resolution of as many items as possible. The Transition Committee will prepare a Status Report identifying the resolved items and noting any unresolved items. Such Status Report shall be mailed to the unit owners and Developer not more than thirty (30) days nor less than ten (10) days prior to the annual meeting or special meeting at which the unit owners elect the Board of Directors.

Should the Board, Developer and Transition Committee be unable to agree to the resolution of any items, those items shall be reviewed by the newly elected Board at its first meeting.

15.02 Transition Committee Expenditures. The Transition Committee may present a request and budget to the Developer and his Board of Directors itemizing any expenditures it may feel are necessary to accomplish a smooth turnover. Such request and budget shall be reviewed by the Developer and his Board and presented to the members for approval of a special assessment, if necessary, prior to any expenditures being made. In the event such special assessment is not approved by the members and the Transition Committee feels it cannot proceed without such expenditures, the Developer and his Board is authorized to call for the termination of the Transition Committee and to commence with the initial election of the Board of Directors, and such elected Board shall address any areas of concern.

16. MISCELLANEOUS.

16.01 Conflict with ARTICLES or BYLAWS. In the event of any conflict between the ARTICLES and the BYLAWS and this DECLARATION, this DECLARATION, the ARTICLES, and the BYLAWS, in that order, shall control.

16.02 Authority of ASSOCIATION and Delegation. Nothing contained in this DECLARATION shall be deemed to prohibit the BOARD from delegating to any one of its members, or to any officer, or to any committee or any other person, any power or right granted to the BOARD by this DECLARATION including, but not limited to, the right to exercise architectural control and to approve any deviation from any use restriction, and the BOARD is expressly authorized to so delegate any power or right granted by this DECLARATION.

16.03 Severability. The invalidation in whole or in part of any of these covenants, conditions, reservations, and restrictions, or any section, subsection, sentence, clause, phrase, word, or other provision of this DECLARATION shall not affect the validity of the remaining portions, which shall remain in full force and effect.

16.04 Validity. In the event any court shall hereafter determine that any provisions as originally drafted herein violate the rule against perpetuities, the period specified in this DECLARATION shall not thereby become invalid, but instead shall be reduced to the maximum period allowed under such rules of law.

16.05 Assignment of DECLARANT's Rights. Any or all of the rights, privileges, or options provided to or reserved by DECLARANT in this DECLARATION, the ARTICLES, or the BYLAWS, may be assigned by DECLARANT, in whole or in part, as to all or any portion of the SUBJECT PROPERTY, to any person or entity pursuant to an assignment recorded in the public records of the county in which the SUBJECT PROPERTY is located. Any partial assignee of any of the

rights of DECLARANT shall not be deemed the DECLARANT, and shall have no other rights, privileges, or options other than as are specifically assigned. No assignee of DECLARANT shall have any liability for any acts of DECLARANT or any prior DECLARANT unless such assignee is assigned and agrees to assume such liability.

- 16.06 Performance of ASSOCIATION's Duties by DECLARANT. DECLARANT shall have the right from time to time, at its sole discretion, to perform at DECLARANT's expense the duties and obligations required hereunder to be performed by the ASSOCIATION and, in connection therewith, to reduce the budget of the ASSOCIATION and the ASSESSMENTS for COMMON EXPENSES payable by the OWNER provided, however, that any such performance on the part of DECLARANT may be discontinued by DECLARANT at any time, and any such performance shall not be deemed to constitute a continuing obligation on the part of DECLARANT.
- 16.07 Inapplicability of Condominium Act. It is acknowledged that the ASSOCIATION is not intended to be a condominium association and is not intended to and shall not be governed by the provisions of Florida Statutes, Chapter 718.
- 16.08 Actions Against DECLARANT. The ASSOCIATION shall not institute any legal proceedings against DECLARANT without the consent of seventy-five percent (75%) of the votes of the OWNERS.

IN WITNESS WHEREOF, DECLARANT has executed this DECLARATION this 5<sup>th</sup> day of October, 1992.

WITNESSES:

SANDY POINT LAND DEVELOPMENT CORP., a Florida corporation

Rebecca J. Clayton  
Mary Ann Every

[Signature]

BY: DAVID T. McWILLIAMS, PRESIDENT

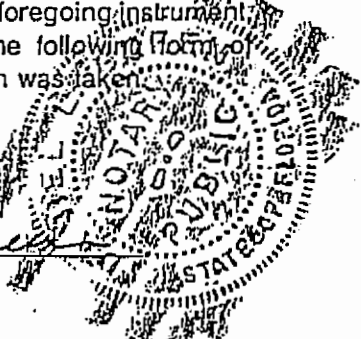
STATE OF FLORIDA

COUNTY OF BREVARD

I hereby Certify that on this day, before me, an officer duly authorized to administer oaths and take acknowledgements, personally appeared DAVID T. McWILLIAMS, PRESIDENT of SANDY POINT LAND DEVELOPMENT CORP., a Florida corporation authorized to do business in the State of Florida, on behalf of said corporation, known to me to be the person described in and who executed the foregoing instrument, who acknowledged before me that he executed the same, that I relied upon the following form of identification of the above-named person: Florida Drivers License and that an oath was taken.

MY COMMISSION EXPIRES: 10-22-95

[Signature]  
 Notary Public



c:\iv\declarat.iv - 093092 - rhj

LEGAL DESCRIPTION: (BY SURVEYOR)

A PARCEL OF LAND LYING IN SECTION 2 AND SECTION 3, TOWNSHIP 27 SOUTH, RANGE 37 EAST OF BREVARD COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:  
COMMENCE AT THE SOUTHWEST CORNER OF SAID SECTION 2, AND GO NORTH 89 53'41" EAST ALONG THE SOUTH LINE OF SAID SECTION 2 A DISTANCE OF 1619.38 FEET TO THE WEST RIGHT-OF-WAY LINE OF SOUTH PATRICK DRIVE AND THE SOUTHEAST CORNER OF WINDWARD COVE AS RECORDED IN PLAT BOOK 32, PAGE 91 OF THE PUBLIC RECORDS OF BREVARD COUNTY, FLORIDA; THENCE NORTH 31 08'19" WEST ALONG THE SAID WEST RIGHT-OF-WAY LINE A DISTANCE OF 1818.02 FEET TO THE POINT-OF-CURVATURE OF A CIRCULAR CURVE CONCAVE TO THE NORTHEAST, HAVING A CENTRAL ANGLE OF 16 30'36" AND A RADIUS OF 2050.00 FEET; THENCE NORTHEASTERLY ALONG SAID CURVE AN ARC DISTANCE OF 590.72 FEET TO THE POINT-OF-BEGINNING OF THE HEREIN DESCRIBED PARCEL; THENCE SOUTH 76 55'05" WEST A DISTANCE OF 309.25 FEET; THENCE NORTH 11 46'05" EAST A DISTANCE OF 38.25 FEET TO THE SAFE UPLAND LINE OF THE GRAND CANAL (1.00 FOOT H.G.V.D. CONTOUR LINE); THENCE CONTINUE ALONG THE SAID SAFE UPLAND LINE FOR THE FOLLOWING 7 CALLS; NORTH 15 55'04" WEST - 22.49'; NORTH 36 51'29" WEST - 82.25'; ~~NORTH 00 29'55" EAST - 109.03'; NORTH 04 50'12" WEST - 88.74';~~ NORTH 12 51'06" WEST - 90.85'; NORTH 04 59'46" WEST - 106.44'; NORTH 06 38'15" WEST - 88.73'; THENCE NORTH 82 26'59" EAST A DISTANCE OF 117.07 FEET; THENCE NORTH 10 00'75" WEST A DISTANCE OF 10.00 FEET; THENCE NORTH 82 26'59" EAST A DISTANCE OF 94.55 FEET; THENCE NORTH 00 05'11" WEST A DISTANCE OF 20.67 FEET TO A CIRCULAR CURVE CONCAVE TO THE NORTHEAST, HAVING A CENTRAL ANGLE OF 09 12'59" RADIUS OF 392.51 FEET AND A CHORD BEARING AND DISTANCE OF SOUTH 72 08'59" EAST - 63.07 FEET; THENCE SOUTHEASTERLY ALONG SAID CURVE AN ARC DISTANCE OF 63.14 FEET; THENCE SOUTH 00 05' 11" EAST A DISTANCE OF 36.25 FEET; THENCE NORTH 89 54'51" EAST A DISTANCE OF 138.61 FEET TO THE SAID WEST RIGHT-OF-WAY LINE OF SOUTH PATRICK DRIVE; THENCE SOUTH 00 16'03" EAST ALONG SAID WEST RIGHT-OF-WAY OF SOUTH PATRICK DRIVE A DISTANCE OF 5.76 FEET TO THE POINT-OF-CURVATURE OF A CIRCULAR CURVE CONCAVE TO THE NORTHEAST, HAVING A CENTRAL ANGLE OF 14 21'39" AND A RADIUS OF 2050.00 FEET; THENCE SOUTHEASTERLY ALONG SAID CURVE, BEING THE SAID WEST RIGHT-OF-WAY OF SOUTH PATRICK DRIVE AN ARC DISTANCE OF 513.82 FEET TO THE POINT-OF-BEGINNING. CONTAINING 5.25 ACRES OF LAND MORE OR LESS TOGETHER WITH ANY LANDS LYING BETWEEN THE SAFE UPLAND LINE AND THE ORDINARY HIGH WATER LINE. SUBJECT TO A DRAINAGE EASEMENT ALONG THE SOUTH 50 FEET.

LEGAL DESCRIPTION

1.56

7  
NEW HAVEN  
NEW HAVEN AVENUE, SUITE 200  
JOUNO, FL 32004

AMENDMENT TO DECLARATION OF COVENANTS and  
RESTRICTIONS OF ISLAND VILLAS

Sandy Point Land Development Corp., a Florida corporation, (hereinafter referred to as "DEVELOPER"), hereby files this Amendment To Declaration Of Covenants And Restrictions of Island Villas.

WHEREAS, on October 14, 1992, DEVELOPER caused the Declaration Of Covenants And Restrictions Of Island Villas to be recorded in Official Records Book 3237, Pages 0784 through 0820, inclusive, of the Public Records of Brevard County, Florida, which said covenants, restrictions and easements control the use of the described property in said Declaration; and

WHEREAS, said Declaration refers to the legal description of certain real property which was to be the subject of said Declaration and was to be described in Exhibit "A" attached, however, said Exhibit "A" was not attached to said Declaration nor was it recorded; and

WHEREAS, Section 2.01 of said Declaration refers to the Articles of Incorporation of the Homeowners Association as being attached as Exhibit "B", however, said Exhibit "B" was not attached to said Declaration nor was it recorded; and

WHEREAS, Section 4.09 of said Declaration refers to the Deed Of Conservation Easement, but failed to specify the particular book and page number that said Easement was recorded in the Official Public Records of Brevard County, Florida.

NOW, THEREFORE, DEVELOPER amends the Declaration Of Covenants And Restrictions Of Island Villas in the following:

1. Attached to this Amendment is Exhibit "A", the legal description of the subject property as described in the Declaration Of Covenants And Restrictions Of Island Villas, and hereafter, all references to Exhibit "A" in the Declaration shall refer to this Exhibit "A".
2. Attached to this Amendment is Exhibit "D", the Articles of Incorporation of Island Villas Homeowners Association, Inc. Hereafter, all references in Section 2.01 of said Declaration to Exhibit "B" shall refer to this Exhibit "D".

265786

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*Acidinstead* Clerk Circuit Court  
 Recorded and Verified Brevard County, FL  
 # Pgs. 24 # Names 2  
 Trust Fund 12.50 Rec Fee 97.00  
 Stamp-Dual \_\_\_\_\_ Excise Tx \_\_\_\_\_  
 Stamp-Intg \_\_\_\_\_ Int Tx \_\_\_\_\_  
 Service Chg 25.00 Refund \_\_\_\_\_

BK3239PG3089

3. Section 4.09 is hereby amended to read as follows:

"4.09 Conservation Easement. There has been created an easement for the protection of the wetlands shoreline vegetation of the SUBJECT PROPERTY. See Deed of Conservation Easement as is recorded in the public records of Brevard County, Book 3232, Page 2642, and is attached as Exhibit "B"."

All of the remaining terms and conditions of said Declaration not in conflict with this Amendment shall remain in full force and effect.

IN WITNESS WHEREOF, the DEVELOPER has hereunto set its hand and seal this 23<sup>rd</sup> day of October, 1992.

SIGNED, SEALED & DELIVERED  
IN THE PRESENCE OF:

Rebecca Jones  
Paul J. Costello

SANDY POINT LAND DEVELOPMENT CORP.

BY: [Signature]  
David T. McWilliams, President

ATTEST:

[Signature]  
David T. McWilliams, Secretary

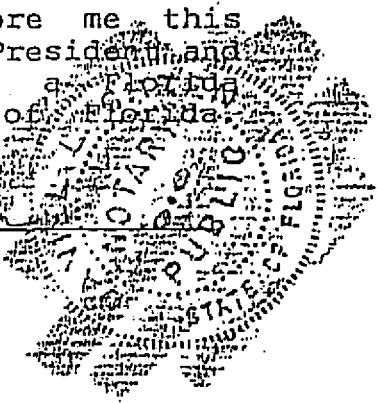
Rebecca Jones  
Paul J. Costello

STATE OF FLORIDA  
COUNTY OF BREVARD

The foregoing instrument was acknowledge before me this 23<sup>rd</sup> day of October, 1992, by David T. McWilliams, President and Secretary of Sandy Point Land Development Corp., a Florida corporation authorized to do business in the State of Florida. He is personally known to me and did take an oath.

[Signature]  
Notary Public

My Commission Expires: 10-22-95



LEGAL DESCRIPTION: (BY SURVEYOR)

A PARCEL OF LAND LYING IN SECTION 2 AND SECTION 3, TOWNSHIP 27 SOUTH, RANGE 37 EAST OF BREVARD COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE SOUTHWEST CORNER OF SAID SECTION 2, AND GO NORTH 09 52'41" EAST ALONG THE SOUTH LINE OF SAID SECTION 2 A DISTANCE OF 1619.38 FEET TO THE WEST RIGHT-OF-WAY LINE OF SOUTH PATRICK DRIVE AND THE SOUTHEAST CORNER OF WINDWARD COVE AS RECORDED IN PLAT BOOK 32, PAGE 91 OF THE PUBLIC RECORDS OF BREVARD COUNTY, FLORIDA; THENCE NORTH 11 00'19" WEST ALONG THE SAID WEST RIGHT-OF-WAY LINE A DISTANCE OF 1819.02 FEET TO THE POINT-OF-CURVATURE OF A CIRCULAR CURVE CONCAVE TO THE NORTHEAST, HAVING A CENTRAL ANGLE OF 16 30'36" AND A RADIUS OF 2050.00 FEET; THENCE NORTHEASTERLY ALONG SAID CURVE AN ARC DISTANCE OF 590.72 FEET TO THE POINT-OF-BEGINNING OF THE HEREIN DESCRIBED PARCEL; THENCE SOUTH 76 55'05" WEST A DISTANCE OF 189.25 FEET; THENCE NORTH 11 46'05" EAST A DISTANCE OF 30.25 FEET TO THE SAFE UPLAND LINE OF THE GRAND CANAL (1.00 FOOT H.G.V.D. CONTOUR LINE); THENCE CONTINUE ALONG THE SAID SAFE UPLAND LINE FOR THE FOLLOWING 7 CALLS; NORTH 15 55'04" WEST - 27.49; NORTH 26 51'29" WEST - 82.25; NORTH 00 29'55" EAST - 103.03; NORTH 04 50'12" WEST - 88.74; NORTH 12 51'06" WEST - 90.05; NORTH 04 59'46" WEST - 106.44; NORTH 06 30'15" WEST - 88.73; THENCE NORTH 82 26'59" EAST A DISTANCE OF 117.07 FEET; THENCE NORTH 10 00'75" WEST A DISTANCE OF 10.00 FEET; THENCE NORTH 82 26'59" EAST A DISTANCE OF 94.55 FEET; THENCE NORTH 00 05'11" WEST A DISTANCE OF 20.67 FEET TO A CIRCULAR CURVE CONCAVE TO THE NORTHEAST, HAVING A CENTRAL ANGLE OF 09 12'59" RADIUS OF 392.51 FEET AND A CHORD BEARING AND DISTANCE OF SOUTH 72 00'59" EAST - 63.07 FEET; THENCE SOUTHEASTERLY ALONG SAID CURVE AN ARC DISTANCE OF 63.14 FEET; THENCE SOUTH 00 05' 11" EAST A DISTANCE OF 36.25 FEET; THENCE NORTH 89 54'51" EAST A DISTANCE OF 130.61 FEET TO THE SAID WEST RIGHT-OF-WAY LINE OF SOUTH PATRICK DRIVE; THENCE SOUTH 00 16'03" EAST ALONG SAID WEST RIGHT-OF-WAY OF SOUTH PATRICK DRIVE A DISTANCE OF 5.76 FEET TO THE POINT-OF-CURVATURE OF A CIRCULAR CURVE CONCAVE TO THE NORTHEAST, HAVING A CENTRAL ANGLE OF 14 21'39" AND A RADIUS OF 2050.00 FEET; THENCE SOUTHEASTERLY ALONG SAID CURVE, BEING THE SAID WEST RIGHT-OF-WAY OF SOUTH PATRICK DRIVE AN ARC DISTANCE OF 513.82 FEET TO THE POINT-OF-BEGINNING. CONTAINING 5.25 ACRES OF LAND MORE OR LESS TOGETHER WITH ANY LANDS LYING BETWEEN THE SAFE UPLAND LINE AND THE ORDINARY HIGH WATER LINE. SUBJECT TO A DRAINAGE EASEMENT ALONG THE SOUTH 50 FEET.

BK 3239 PG 3091

LEGAL DESCRIPTION

Exhibit "A"



\$37.50

269189

92 OCT 29 PM 2:49

RECORD TO:  
S. FROST  
47 W. New Haven Ave., Suite 200  
Melbourne, FL 32901

SECOND AMENDMENT TO DECLARATION OF COVENANTS AND RESTRICTIONS OF ISLAND VILLAS

Sandy Point Land Development Corp., a Florida corporation, (hereinafter referred to as "DEVELOPER"), hereby files this Second Amendment To Declaration Of Covenants And Restrictions of Island Villas.

WHEREAS, on October 14, 1992, DEVELOPER caused the Declaration Of Covenants And Restrictions Of Island Villas to be recorded in Official Records Book 3237, Pages 0784 through 0820, inclusive, of the Public Records of Brevard County, Florida, which said covenants, restrictions and easements control the use of the described property in said Declaration; and

WHEREAS, On October 23, 1992, DEVELOPER caused an Amendment To Declaration Of Covenants And Restrictions Of Island Villas to be recorded in Official Records Book 3239, pages 3089 through 3112, inclusive, of the Public Records of Brevard County, Florida;

WHEREAS, Section 4.09 of said Declaration and paragraph 3 of the Amendment, refers to the Deed Of Conservation Easement, as being attached as Exhibit "B", however, said Exhibit "B" was not attached to said Declaration or Amendment nor was it recorded as an exhibit to said documents.

NOW, THEREFORE, DEVELOPER further amends the Declaration Of Covenants And Restrictions Of Island Villas in the following:

1. Section 4.09 of the Declaration and Paragraph 3 of the Amendment are hereby amended to read as follows:

"4.09 Conservation Easement. There has been created an easement for the protection of the wetlands shoreline vegetation of the SUBJECT PROPERTY. See Deed of Conservation Easement as recorded on September 28, 1992, in Official Records Book 3232, Page 2642, in the Public Records of Brevard County, Florida, and is attached hereto as Exhibit "B"."

All references to Exhibit "B" in the Declaration and first Amendment shall refer to this Exhibit "B".

*DeWinsted*  
Clerk Circuit Court  
Recorded and Verified Brevard County, FL  
# Pgs. 8 # Names 2  
Trust Fund 4.50 Rec Fee 33.60  
Stamp-Deed \_\_\_\_\_ Excise Tx \_\_\_\_\_  
Stamp-Mtg \_\_\_\_\_ Int Tx \_\_\_\_\_  
Service Chg \_\_\_\_\_ Refund \_\_\_\_\_

BK 3241 PG 0476

2. All of the remaining terms and conditions of said Declaration and first Amendment not in conflict with this Amendment shall remain in full force and effect.

IN WITNESS WHEREOF, the DEVELOPER has hereunto set its hand and seal this 28<sup>th</sup> day of October, 1992.

SIGNED, SEALED & DELIVERED  
IN THE PRESENCE OF:

Rachelle M. Farmer  
James S. Moore

SANDY POINT LAND DEVELOPMENT CORP.

BY: [Signature]  
David T. McWilliams, President

ATTEST:

Rachelle M. Farmer  
James S. Moore

[Signature]  
David T. McWilliams, Secretary

STATE OF FLORIDA  
COUNTY OF BREVARD

The foregoing instrument was acknowledge before me this 29<sup>th</sup> day of October, 1992, by David T. McWilliams, President and Secretary of Sandy Point Land Development Corp., a Florida corporation ~~authorized to do business in the State of Florida.~~ He is personally known to me and did take an oath.

Rachelle M. Farmer  
Notary Public

My Commission Expires:



RELEASE OF PROPERTY FROM MASTER DECLARATION

KNOW ALL MEN BY THESE PRESENTS: That SANDY POINT LAND DEVELOPMENT CORPORATION, a Florida corporation, as the Declarant named in that certain Master Declaration for Sandy Point recorded at Official Records Book 2716, page 1977 of the public records of Brevard County, Florida, hereby releases the property described in Exhibit A hereof from the operation of the said Master Declaration and from all covenants and restrictions set forth therein.

The undersigned hereby warrants that, as Declarant under the said Master Declaration, it has the present authority to execute this release as an amendment to the said Master Declaration.

Signed, sealed and delivered in the presence of:

SANDY POINT LAND DEVELOPMENT CORPORATION

[Signature]  
Witness

KEVIN J. WILSON  
Printed Name of Witness

[Signature]  
Witness

KEVIN J. WILSON  
Printed Name of Witness

STATE OF FLORIDA )  
COUNTY OF BREVARD )

THE FOREGOING INSTRUMENT was acknowledged to me this 10 day of February, 1994, by Kevin J. Wilson, President of SANDY POINT LAND DEVELOPMENT CORPORATION, on behalf of said corporation. He is personally known to me and did not take an oath.

By: \_\_\_\_\_  
Date \_\_\_\_\_  
Printed Name \_\_\_\_\_

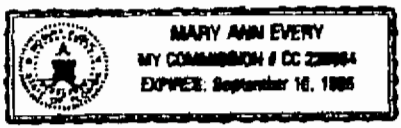
*NOTE: Release does not appear to be enforceable. No legal description was recorded w/ Release*

542680

My Commission Expires:

[Signature]  
Notary Public, State of Florida  
Printed Name of Notary Public

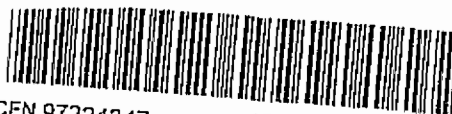
This Instrument Prepared By and Should be Returned to:  
  
T. M. Barlow, Esquire  
Post Office Box 033648  
Indianapolis, FL 32903-0648



BK3364 PG4220

94 FEB -4 PM 4:43

94 FEB -4 PM 4:43



CFN 97224347

12-30-97 02:40 pm

OR Book/Page: 3758 / 0560

**THIRD AMENDMENT TO DECLARATION OF COVENANTS AND RESTRICTIONS OF ISLAND VILLAS**

Sandy Pointe Land Development Corp., a Florida corporation (hereinafter referred to as "DEVELOPER"), hereby files this Amendment to Declaration of Covenants and Restrictions of Island Villas pursuant to Article 13 of the Declaration.

WHEREAS, on October 14, 1992, DEVELOPER caused the Declaration of Covenants and Restrictions of Island Villas to be recorded in Official Records Book 3237, pages 0784 through 0820, inclusive, of the Public Records of Brevard County, Florida.

NOW, THEREFORE, DEVELOPER, further amends the Declaration of Covenants and Restrictions of Island Villas in the following:

3.10 Boat Docks. It is acknowledged that DECLARANT plans, but shall not be obligated to, coordinate permitting of a limited number of boat docks along the portion of the SUBJECT PROPERTY that is contiguous to the Flamingo Waterway, and any other contiguous waterway. Dock walkways shall be limited in the CONSERVATION EASEMENT as recorded in Book 3232, Page 2642-2647 in the Public Records of Brevard County, Florida; to not more than a total of twelve (12) crossings. Said crossings shall be limited to a four (4) foot wide area starting from the dock's most landward point traveling over and across the CONSERVATION EASEMENT to the dock's most waterward point. Each boat dock shall be considered LIMITED COMMON AREA and shall be designated to certain OWNERS by the DECLARANT. Each OWNER shall be responsible to obtain all federal, state, and local permits and approvals before replacing or adding on to existing boat docks. No boat dock shall be constructed unless approved by the DECLARANT and in accordance with standard plans and specifications set forth by the DECLARANT.

5.01.2 Landscaping. The ASSOCIATION shall be responsible for the maintenance and care of all landscaping throughout the SUBJECT PROPERTY and in the unpaved portion of contiguous road right-of-ways. The ASSOCIATION shall plant,

1013  
Clerk of Court  
Hudson Beh, Fl.  
32-337

Sandy Crawford  
Clerk of Courts, Brevard County  
#Names: 2    Serv: 0.00  
Rec: 29.00    Exclse: 0.00  
#Pgs: 7        nt Tax: 0.00  
Trust: 4.00  
Deed: 0.00  
Mig: 0.00

remove, and/or replace sod, plants, flowers, shrubbery, and trees when in the sole discretion of the BOARD same as appropriate and in the best interests of the SUBJECT PROPERTY. The ASSOCIATION's responsibilities shall include mowing, trimming, pruning, edging, fertilizing, and control of weeds, insects, and disease.

5.01.3 Subdivision Walls and Water Sprinkler System. The ASSOCIATION shall maintain and repair wells (if any), pipes, and water sprinkler systems throughout the SUBJECT PROPERTY.

5.02 By The OWNERS. Each OWNER shall maintain his UNIT and all improvements upon his LOT in first class condition, except those portions of his UNIT and LOT which are to be maintained by the ASSOCIATION as discussed above. Including within the responsibility of the OWNER, shall be windows, screens, sliding glass doors, garage doors, and doors of the exterior of his UNIT, and framing for same; the repair and replacement of any garage door on the UNIT OWNER's UNIT; and all fences on the LOT, all of which shall be maintained by the OWNER in good condition and repair and in a neat and attractive manner. In addition, if any OWNER installs landscaping outside of any fence or walled in area of the OWNER's LOT, then at the option of the ASSOCIATION and upon notice of the OWNER, the OWNER will be required to maintain such landscaping and if the OWNER fails to do so, the ASSOCIATION shall have the right to remove such landscaping .

6.02.1 Casualty. All UNITS and all improvements upon the SUBJECT PROPERTY and all personal property of the ASSOCIATION are to be insured in an amount equal to the average current replacement cost of each UNIT in each building, excluding foundation and excavating costs and other items normally excluded from coverage, as determined annually by the ASSOCIATION . . . g any casualty



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OR Book/Page: 3758 / 0561

insurance or renewal thereof, the ASSOCIATION shall obtain an appraisal from a fire insurance company or otherwise of the average replacement cost of each unit in each building and improvements upon the SUBJECT PROPERTY and all personal property of the ASSOCIATION, without deduction for depreciation, for the purpose of determining the amount of casualty insurance to be obtained pursuant to this paragraph. Such coverage shall afford protection against:

6.02.5 Such Other Insurance. As the ASSOCIATION shall determine from time to time to be desirable or as may reasonably be required by an institutional lender pursuant to paragraph 6.01.2, and as is customarily obtained with respect to UNITS and improvements similar to construction, location, and use to those contained within the SUBJECT PROPERTY, such as, where applicable, contractual and all written contract insurance, employer's liability insurance, and comprehensive automobile liability insurance.

When appropriate and obtainable, each of the foregoing policies shall waive the insurer's right to:

- (i) Subrogation against the ASSOCIATION and against the OWNERS individually and as a group,
- (ii) Any pro rata clause that reserves to the insurer the right to pay only a fraction of any loss if other insurance carriers have issued coverage upon the same risk, and
- (iii) Avoid liability for a loss that is caused by an act of one or more directors of the ASSOCIATION or by one or more OWNERS; and shall provide that such policies may not be canceled or substantially modified (except for increases in coverage)



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OR Book/Page: 3758 / 0562

days prior written notice to the ASSOCIATION and to the holder of the first mortgage encumbering any LOT which is listed as a scheduled holder of a first mortgage in the insurance policy.

**NEW 6.02.6 Flood Insurance.** The ASSOCIATION shall purchase the required amount of flood insurance on the subject property as required by federal, state, or local regulations, mandates, or laws.

**8.04 Leases.** All leases of the UNIT must be in writing and specifically be subject to the DECLARATION, the Articles and the By-Laws and copies delivered to the ASSOCIATION prior to occupancy by the Tenant(s). No lease shall be for a period of less than six (6) months. Notwithstanding anything contained herein to the contrary, no additional restrictions on leasing or selling a UNIT shall be imposed by an amendment to this DECLARATION, the Articles, the By-Laws, or by rule or regulation, without the approval of 100% of the UNIT OWNERS.

**8.07 Garbage, Trash, and Recyclables.** Each OWNER shall regularly pick up all garbage, trash, refuse, or rubbish on the OWNER's LOT. Garbage, trash, refuse, rubbish or recyclables that is required to be placed at the front of the LOT in order to be collected may be placed and kept at the front of the LOT after 5:00 p.m. of the day before the scheduled day of collection, and any trash facilities must be removed on the collection day. All garbage, trash, refuse, rubbish, or recyclables must be placed in appropriate trash facilities, bags, or recyclable bins. All containers, dumpsters, or garbage facilities shall be stored inside a UNIT or fenced-in area and screened from view and kept in a clean and sanitary condition. No noxious or offensive odors shall be permitted.

**8.09 Pets.** No animals, livestock, or poultry of any kind shall be permitted within the SUBJECT PROPERTY except for common household domestic pets. Notwithstanding the foregoing, only two (2) cats and two (2) dogs not exceeding 30 pounds each, or one cat and one dog



not exceeding 50 pounds, is permitted in any UNIT, except with the written consent of the BOARD, which may be granted or withheld in the BOARD's discretion. Any pet must be carried or kept on a leash when outside of a UNIT or fenced-in area. No pet shall be kept outside of a UNIT unless someone is present in the UNIT. Each OWNER shall be responsible for his pets and the pets of any person residing in his UNIT. Any pet must not be an unreasonable nuisance or annoyance to other residents of the SUBJECT PROPERTY. Any resident shall pick up and remove any solid animal waste deposited by his pet on the SUBJECT PROPERTY, except for designated pet-walk areas, if any. No commercial breeding of pets is permitted within the SUBJECT PROPERTY. The ASSOCIATION may require any pet to be immediately and permanently removed from the SUBJECT PROPERTY due to a violation of this paragraph.

8.17 Boats and Trailers. Boats and trailers may not be kept or stored outside of any UNIT or on any part of the SUBJECT PROPERTY without the prior written consent of the ASSOCIATION. All boats upon the SUBJECT PROPERTY, or tied to any boat dock, must be in good working order and in good condition. No major repair to any boat is permitted on the subject property or in any boat dock.

8.21 Swimming Pool. Children under the age of 12 years old are not permitted in or around the swimming pool unless accompanied by an adult. All persons must shower before entering the swimming pool, and all suntan lotion or oils must be removed before entering the swimming pool. No rafts or flotation devices are permitted when others are using the swimming pool. Food or beverages are permitted in or around the swimming pool deck area, however, breakable containers are prohibited. No diving is permitted in the swimming pool. Anyone using suntan lotion or oil must cover any lounge or chair they are sitting on with a towel or other covering. All infants or toddlers must wear a rubberized form-fitted or waterproof garment over a diaper while in the pool.



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OR Book/Page: 3758 / 0564



All of the above regulations and all posted pool regulations are to be adhered to by UNIT OWNERS and their guests.

NEW

8.21(A) Pool Heater. The BOARD shall appoint a committee to oversee the heating of the pool, the cleaning of the pool deck area, pool furniture, and the pool maintenance cleaning by an outside company or contractor hired by the ASSOCIATION for that purpose.

8.22 Boat Docks, Walkways, and Decks. All boat docks, walkways, and decks are to be kept clean and in good repair and free from blockage at all times by the UNIT OWNER who uses them. No UNIT OWNER may cause any excess wear of any boat dock, walkway, or deck. No UNIT OWNER may place any permanent fixture to any boat dock, walkway, or deck without the written consent of the ASSOCIATION. Boat docks, walkways, and decks are considered limited common property.

8.23.6 Plants, Shrubbery, and Trees. No plants, shrubbery, or trees may be removed from or added to any common area and/or limited common area for any reason except if dead plants, shrubbery, or trees are being replaced. Prior written consent of the ASSOCIATION must be obtained for any other type of removal or addition of plants, shrubbery, or trees.

16.07 Inapplicability of Condominium Act. It is acknowledged that the ASSOCIATION is not intended to be a condominium association and is not intended and shall not be governed by the provisions of Florida Statutes, Chapter 718. The Association is a homeowners association governed by Florida Statutes, Chapter 617, as amended.

1. All references to Exhibit "A" in the Declaration and Third Amendment shall refer to this Exhibit "A."
2. All of the remaining terms and conditions of said Declaration and the First and Second Amendments not in conflict with this Amendment shall remain in full force and effect.



CFN 97224347

OR Book/Page: 3758 / 0565

IN WITNESS WHEREOF, the DEVELOPER has hereunto set its hand and seal this 17<sup>th</sup> day  
DECEMBER  
of November, 1997.

Signed, sealed, and delivered  
in the presence of:

SANDY POINTE LAND DEVELOPMENT CORP.

[Signature]  
WITNESS

By: [Signature]  
David T. McWilliams, President

[Signature]  
WITNESS

[Signature]  
WITNESS

Attest: [Signature]  
David T. McWilliams, Secretary

[Signature]  
WITNESS

STATE OF FLORIDA        )  
COUNTY OF BREVARD    )

The foregoing instrument was acknowledged before me this 17<sup>th</sup> day of DECEMBER, 1997, by David T. McWilliams, President and Secretary of Sandy Pointe Land Development Corp., a Florida corporation authorized to do business in the State of Florida. He is personally known to me and did take an oath.



James M. Nicholas  
MY COMMISSION # CC617592 EXPIRES  
May 14, 2001  
BONDED THRU TROY FAIR INSURANCE, INC.

[Signature]  
NOTARY PUBLIC

My commission expires: \_\_\_\_\_

CFN 97224347  
OR Book/Page: 3758 / 0566

Prepared by and Return to:  
Brian S. Hess, Esq.  
Clayton & McCulloh  
1065 Maitland Center Commons Blvd.  
Maitland, FL 32751

**CERTIFICATE OF AMENDMENT TO DECLARATION OF COVENANTS AND  
RESTRICTIONS OF ISLAND VILLAS**

KNOW ALL MEN BY THESE PRESENTS:

That on this 1st day of May, 2007, the undersigned, ISLAND VILLAS HOMEOWNERS ASSOCIATION, INC. (hereinafter the "Association"), pursuant to Florida Statutes and the DECLARATION OF COVENANTS AND RESTRICTIONS OF ISLAND VILLAS recorded in Official Records Book 3237, Page 0784, *et seq.*, of the Public Records of Brevard County, Florida, as amended and supplemented (hereinafter referred to as the "Declaration"), hereby certifies that an Amendment to the Declaration, which Amendment is attached hereto and by reference made a part hereof, was duly adopted on the 17th day of February, 2007. Said Amendment was approved pursuant to Article 13, Section 13.01, of the Declaration at the annual meeting of the members of the Association.

The Association conducted the annual meeting of the members of the Association and passed the attached Amendment. Proper notice was given for the February 17, 2007 annual meeting of the members of the Association pursuant to the By-Laws of the Association (*i.e.*, the meeting where said Amendment was passed). Said Notice stated the purpose, time and place of the meeting.

At the meeting at which the Amendment was proposed and considered, the Amendment was approved by the affirmative vote of not less than two-thirds (2/3) of the owners. In accordance with the Declaration, the Covenants are modified by this duly-recorded written instrument executed by the President and Secretary upon the affirmative vote of not less than two-thirds (2/3) of the Owners.

With the exception of the above described Amendment, all other terms and conditions of the Declaration shall remain in full force and effect.

IN WITNESS HEREOF, ISLAND VILLAS HOMEOWNERS ASSOCIATION, INC., has caused this AMENDMENT TO DECLARATION OF COVENANTS AND RESTRICTIONS OF ISLAND VILLAS to be executed in its name, this 1st day of May, 2007.

Signed, sealed and delivered in the presence of:

Lauren Edwards  
(Sign)  
Lauren Edwards  
(Print)  
[Signature]  
(Sign)

Holly Walters  
(Print)  
Lauren Edwards  
(Sign)  
Lauren Edwards  
(Print)  
[Signature]  
(Sign)

Holly Walters  
(Print)

STATE OF FLORIDA  
COUNTY OF Brevard

ISLAND VILLAS HOMEOWNERS ASSOCIATION, INC.

By: [Signature]  
(Sign)  
Richard Ballantyne  
(Print)

President, Island Villas Homeowners Association, Inc.

Attest: Kim Nicholas  
(Sign)  
Kim Nicholas  
(Print)

Secretary, Island Villas Homeowners Association, Inc.

Association Address: PO Box 373057  
Indian Harbour Beach, FL 32937

The foregoing instrument was acknowledged before me this 1st day of May, 2007, by Richard Ballantyne, as President of Island Villas Homeowners Association, Inc., a Florida corporation, on behalf of the corporation, [ ] who is personally known to me or [X] who produced FLDL B453752394500 as identification.

NOTARY PUBLIC

[Signature]  
State of Florida, At Large  
My Commission Expires: 9-26-10

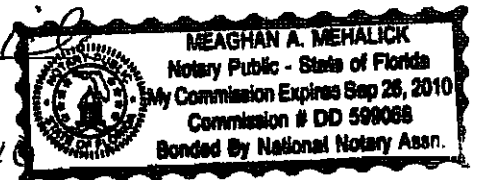


STATE OF FLORIDA  
COUNTY OF Brevard

The foregoing instrument was acknowledged before me this 1st day of May, 2007, by Kimberly Nicholas, as Secretary of Island Villas Homeowners Association, Inc., a Florida corporation, on behalf of the corporation, [ ] who is personally known to me or [X] who produced FLDL A342500539190 as identification.

NOTARY PUBLIC

[Signature]  
State of Florida, At Large  
My Commission Expires: 9-26-10



AMENDMENT TO DECLARATION OF COVENANTS AND RESTRICTIONS OF  
ISLAND VILLAS

Articles 2, 3, 5, 6, 7, 8, 11, 13, and 16 of the DECLARATION OF COVENANTS AND RESTRICTIONS OF ISLAND VILLAS, recorded in Official Record Book 3237, Page 0784, *et seq.*, of the Public Records of Brevard County, Florida, and as amended from time to time, is hereby further amended as follows (note: additions are indicated by underlining; deletions are indicated by ~~strike-throughs~~):

...

2. ASSOCIATION. In order to provide for the administration of the SUBJECT PROPERTY and this DECLARATION, the ASSOCIATION has been organized under the Laws of the State of Florida.

...

- 2.03 Powers of the ASSOCIATION. The ASSOCIATION shall have all of the powers indicated or incidental to those contained in its ARTICLES and BYLAWS. In addition, the ASSOCIATION shall have the power to enforce this DECLARATION and shall have all of the powers granted to it by this DECLARATION. By this DECLARATION, the SUBJECT PROPERTY is hereby submitted to the jurisdiction of the ASSOCIATION.

Specifically, the ASSOCIATION's Board of Directors (BOARD) shall have all powers granted to the BOARD by the ASSOCIATION's Governing Documents, specifically including, but not limited to, those mentioned in Article IV of the Articles of Incorporation of Island Villas Homeowners Association, Inc. Additionally and specifically, the BOARD shall have the general authority to delegate any of its responsibilities, as the BOARD sees fit, to any number of Committees which may be established by the BOARD, and as more specifically mentioned throughout the ASSOCIATION's Governing Documents.

In accordance with Article 6 of this DECLARATION, as amended from time to time, the ASSOCIATION, through its BOARD, may, but is under no obligation to, establish an "Insurance Committee" which shall be charged with the distribution of any insurance proceeds. To the extent possible, in the sole determination of the BOARD, such Insurance Committee, if established, shall be comprised of five (5) OWNERS appointed by the BOARD, with at least one OWNER representing each grouping of attached UNITS within the SUBJECT PROPERTY. Current and past members of the BOARD shall be eligible for appointment to such Insurance Committee. Such Insurance Committee, if established, shall not directly receive any proceeds, nor handle any monies, but shall instead be responsible for directing the ASSOCIATION to distribute insurance proceeds as the Insurance Committee has

determined to be in the best interest of the ASSOCIATION. Direction shall be given by a majority vote of the Insurance Committee members at any properly-noticed and held Insurance Committee meeting.

In accordance with Article 11 of this DECLARATION, as amended from time to time, should the BOARD determine to enforce the Governing Documents through the levying of fines, the ASSOCIATION, through its BOARD, shall establish an enforcement committee for the purposes of fining, in accordance with the requirements of Florida Statute §720.305(2) (2005)

...  
3.  
...

COMMON AREAS, DUTIES AND OBLIGATIONS OF THE ASSOCIATION.

3.10 Boat Docks. It is acknowledged that DECLARANT plans, but shall not be obligated to, coordinate permitting of a limited number of boat docks along the portion of the SUBJECT PROPERTY that is contiguous to the Flamingo Waterway, and any other contiguous waterway. Dock walkways shall be limited in the CONSERVATION EASEMENT as recorded in Book 3232, Page 2642 - 2647 in the public records of Brevard County, Florida; to not more than a total of twelve (12) crossings. Said crossings shall be limited to a four (4) foot wide area starting from the docks most landward point traveling over and across the conservation easement to the dock's most waterward point. Each boat dock shall be considered LIMITED COMMON AREA and shall be designated to certain OWNERS by the DECLARANT. Each OWNER shall be responsible to obtain all federal, state and local permits and approvals before constructing a boat dock or modifying an existing boat dock. No boat dock shall be constructed or modified unless approved by the DECLARANT ASSOCIATION acting through its BOARD and in accordance with standard plans and specification set forth by the DECLARANT ASSOCIATION.

Any such UNIT OWNER may permit another resident of the SUBJECT PROPERTY to use his boat dock on such terms and conditions as the UNIT OWNER may desire, but no person who does not reside within the SUBJECT PROPERTY or who is not visiting a resident shall be permitted to use any boat dock without the prior written consent of the ASSOCIATION.

The ASSOCIATION shall have the right to permit any PERSON to use any boat docks which are not within the projection of the side walls of the UNITS on such terms and conditions as the ASSOCIATION may establish from time to time provided, however, that the residents of the SUBJECT PROPERTY shall be given the first right to use any common boat dock space.

Any UNIT OWNER having the exclusive right to any boat dock space may not run any electric or water lines to the boat dock without the prior written consent of the ASSOCIATION and, in any event, any such utility lines must comply with all

governmental requirements and must be maintained by the UNIT OWNER in good condition at all times and, if not so maintained, the ASSOCIATION shall have the right to repair or remove the utility lines at the expense of the applicable UNIT OWNER.

The maintenance and repair of all of the boat docks shall be the responsibility of only these UNIT OWNERS utilizing said boat docks provided, however, that if any UNIT OWNER's boat dock requires maintenance or repairs in excess of the other boat docks due to the UNIT OWNER's actions or failure to act, the UNIT OWNER may be assessed a share of the cost of such excess repair, such cost equal to 50% of the cost if the repairs are of an accelerated nature, and 100% of the cost if the repairs are solely due to the actions of the UNIT OWNER. And in this regard, the ASSOCIATION shall have the right to determine the source of the damage and the amount of any assessment. The ASSOCIATION reserves the right to repair, remove, or replace all or any portion of the boat docks at any time, and the ASSOCIATION, acting through its BOARD, specifically reserves the right, in the BOARD's sole determination, to assess the UNIT OWNERS for the costs of the repair, removal, or replacement of all or any portion of the boat docks at any time.

Effective March 31, 2007, no boat with a length exceeding twenty-eight (28) feet shall be located adjacent to or within any boat dock space, provided however any boat not owned by an OWNER but owned by a visitor to an OWNER may be temporarily located adjacent to or within a boat dock space for a period not to exceed forty-eight (48) hours. No boat shall encumber or restrict the access to any dock or dock space without the express permission of the owner of the dock or dock space or BOARD . Any variance from this section shall require the prior approval of the BOARD.

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5. MAINTENANCE OF THE SUBJECT PROPERTY.

5.01 By the ASSOCIATION. The ASSOCIATION shall operate, maintain, repair, and replace, as a COMMON EXPENSE, the following portions of the subject property:

5.01.5 Building Exteriors and Roof. The ASSOCIATION shall perform periodic maintenance, and painting of exterior walls, roofs, and garage doors ~~painting and maintenance~~, except that each UNIT OWNER shall be responsible for any repairs or replacements required to the garage door of his UNIT, other than painting or staining. Additionally, each UNIT OWNER shall be responsible for all repairs and/or replacements of exterior walls and roofs of his UNIT, to include all elements of each UNIT's roof, specifically including, but not limited to, roof trussing, roof

decking, roof coverings (i.e. roof tiles, felt underlayment), flashing, venting, and skylights.

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6. INSURANCE. The insurance, other than title insurance, which shall be carried upon the SUBJECT PROPERTY and the UNITS shall be governed by the following provisions:

6.01 Purchase, Custody, and Payment of Policies.

6.01.1 Purchase. All insurance policies covering the SUBJECT PROPERTY, other than those policies purchased by OWNERS for individual UNITS pursuant to paragraphs 6.01.6, 6.02.1 and 6.02.6 of this Declaration, as amended, shall be purchased by the ASSOCIATION to the extent such policies are commercially reasonably available to the ASSOCIATION, in the sole determination of the BOARD, and shall be issued by an insurance company authorized to do business in Florida which has an office or agent located in the vicinity of the SUBJECT PROPERTY. The ASSOCIATION shall timely notify the OWNERS in the event that such insurance policies are not commercially reasonably available.

6.01.2 Approval by INSTITUTIONAL LENDERS. Each INSTITUTIONAL LENDER shall have the right, upon reasonable notice to the ASSOCIATION, to review and approve, which approval shall not be unreasonably withheld, the form, content, insurer, limits, and coverage of all insurance purchased by the ASSOCIATION; ~~and to require the ASSOCIATION to purchase insurance complying with the reasonable and customary requirements of the INSTITUTIONAL LENDER. In the event of a conflict between INSTITUTIONAL LENDERS, the decision of the INSTITUTIONAL LENDER holding mortgages encumbering LOTS which secure the largest aggregate indebtedness shall control.~~

6.01.3 Named Insured. The named insured on all policies purchased by the ASSOCIATION shall be the ASSOCIATION, individually and as agent for all OWNERS covered by the policy, without naming them, and as agent for their mortgagees, without naming them.

6.01.4 Custody of Policies and Payment of Proceeds. All policies shall provide that payments for losses made by the insurer on account of casualty to any portion of the SUBJECT PROPERTY shall be paid to the



Insurance Trustee ASSOCIATION, and all policies and endorsements for casualty losses shall be deposited with the Insurance Trustee ASSOCIATION. However, in accordance with Article 2, Section 2.03 of this DECLARATION, as amended from time to time, the ASSOCIATION may, but is under no obligation to, establish an "Insurance Committee" which, should it be established, shall be charged with the distribution of any insurance proceeds.

- 6.01.5 Copies to OWNERS or INSTITUTIONAL LENDERS. One (1) copy of each insurance policy or a certificate evidencing same, and all endorsements thereon, shall be furnished by the ASSOCIATION to each OWNER or INSTITUTIONAL LENDER who holds a mortgage upon a LOT covered by the policy, and in writing requests the ASSOCIATION to provide it with such policies.
- 6.01.6 Personal Property and Liability; Individual Owners Policies. OWNERS may obtain insurance at their own expense and at their own discretion for their personal property, personal liability, living expenses, flood damage and for improvements made to ~~their~~ the OWNER'S LOT or UNIT. To the extent that the ASSOCIATION, acting through its BOARD, has determined adequate insurance coverage is not commercially reasonably available, in accordance with this Declaration, as amended, each individual OWNER shall bear the responsibility, both financial and otherwise, to provide for all coverages determined necessary by the ASSOCIATION and in accordance this Declaration, specifically including, but not limited to, Section 6.02 and all of its subsections, as amended. In all cases, and despite anything herein contained to the contrary, OWNERS may obtain insurance at their own expense and at their own discretion for UNIT items inclusive of the wallboard inward, inclusive of the ceiling downward, and inclusive of the improved floor upward, specifically including, but not limited to carpet, tile or other floor coverings, fireplaces, kitchen cabinets and fixtures, garage cabinets or fixtures, wall coverings, window treatments, built-in cabinets or other items attached to the original drywall, suspended light fixtures or ceiling fans, air-conditioning and heating equipment.
- 6.01.7 Deductibles. Any deductible or exclusion under an insurance policy purchased by the ASSOCIATION shall be a COMMON EXPENSE, and shall not exceed ~~\$2,500.00~~ or such other sum as is approved by the members BOARD of the ASSOCIATION at any meeting of the BOARD, notice of which was provided to the members of the ASSOCIATION by posting the required advance notice of the meeting, and the substance of

the proposed deductible amount, in a conspicuous place within the SUBJECT PROPERTY.

6.02 Coverage.

6.02.1 Casualty. All UNITS and improvements upon the SUBJECT PROPERTY and all personal property of the ASSOCIATION are to be insured in an amount equal to the average current replacement cost of each UNIT in each building, excluding foundation and excavating costs and other items normally excluded from coverage, as determined annually by the ASSOCIATION. To the extent insurance is commercially reasonably available to the ASSOCIATION, as determined by the ASSOCIATION'S BOARD, the ASSOCIATION will be responsible for providing this coverage, and the costs of providing for said coverage shall be included as a COMMON EXPENSE of the ASSOCIATION. If such insurance is not commercially reasonably available to the Association, the responsibility for providing this coverage and the expenses related to providing this necessary coverage shall be the responsibility of the OWNERS of each UNIT or LOT. Provided that the ASSOCIATION determines to insure the SUBJECT PROPERTY and the ASSOCIATION, prior to obtaining any casualty insurance or renewal thereof, the ASSOCIATION, shall acting through its BOARD, may obtain an appraisal from a fire insurance company or otherwise of any agency or entity to assist in determining the average replacement cost of each unit UNIT in each building and improvements upon the SUBJECT PROPERTY and all personal property of the ASSOCIATION, without deduction for depreciation, for the purpose of determining the amount of casualty insurance to be obtained pursuant to this paragraph. Such coverage, shall afford protection against:

6.02.1.1 Loss or damage by fire and other hazards covered by a standard extended coverage endorsement; and

6.02.1.2 Such other risks as from time to time shall be customarily insured against with respect to buildings and improvements similar in construction, location, and use, including, but not limited to, vandalism and malicious mischief, and all other risks normally covered by a standard "All Risk" endorsement, where available.

6.02.1.3 The hazard insurance policy purchased by the ASSOCIATION, shall cover, among other things, all of the structural elements of the UNITS including, but not limited to, walls, doors, exterior stairways, kitchen cabinets and

~~fixtures, built-in kitchen appliances, electrical fixtures, and bathroom cabinets and fixtures, all as originally supplied by DECLARANT or having a value not in excess of that originally supplied by DECLARANT. windows and items from the exterior of the wallboard, above the plane of the unfinished ceiling, and including the unimproved floor.~~ The ASSOCIATION's hazard insurance policy may not include UNIT items inclusive of the wallboard inward, inclusive of the ceiling downward, and inclusive of the improved floor upward, specifically including, but not limited to, but not limited to carpet, tile or other floor coverings, fireplaces, kitchen cabinets and fixtures, garage cabinets or fixtures, wall coverings, window treatments, built-in cabinets or other items attached to the original drywall, suspended light fixtures or ceiling fans, air-conditioning and heating equipment.

The hazard insurance policy shall not include any improvements made in any UNIT by an OWNER in addition to or having a value in excess of that originally supplied by DECLARANT, or any wall coverings, furniture, furnishings, or other personal property installed or brought into a UNIT from time to time by the OWNER or residents of a UNIT, or their guests or invitee.

6.02.2 Liability. To the extent possible or desirable to the ASSOCIATION, as determined by the ASSOCIATION'S BOARD, the ASSOCIATION shall provide for comprehensive general public liability insurance insuring the ASSOCIATION against loss or damage resulting from accidents or occurrences on or about or in connection with the SUBJECT PROPERTY, or any work, matters, or things related to the SUBJECT PROPERTY or this DECLARATION and its exhibits, with such coverage as shall be required by the ASSOCIATION, but with a combined single limit liability of not less than One Million Dollars (\$1,000,000.00) for bodily injury, death, or property damage, arising out of a single occurrence, and with cross liability endorsement to cover liabilities of the OWNERS as a group to an OWNER.

6.02.3 To the extent possible or desirable to the ASSOCIATION, as determined by the ASSOCIATION'S BOARD, the ASSOCIATION shall provide for Workmen's Compensation coverage as shall be required to meet the requirements of the law.

6.02.4 Fidelity Bonds. If required by an INSTITUTIONAL LENDER, or if determined by the BOARD as desirable and in the best interests of the ASSOCIATION to provide, the ASSOCIATION shall obtain blanket fidelity bonds for all officers, directors, trustees, and employees of the ASSOCIATION and all other persons handling or responsible for funds of or administered by the ASSOCIATION. The total amount of fidelity bond coverage, if required, shall in no event be less than a sum equal to three (3) months aggregate ASSESSMENTS on all LOTS plus reserve funds held by the ASSOCIATION, if any.

6.02.5 Such Other Insurance. The ASSOCIATION may provide coverage as the ASSOCIATION acting through its BOARD shall determine from time to time to be desirable or as may reasonably be required by an INSTITUTIONAL LENDER pursuant to paragraph 6.01.2, and as is customarily obtained with respect to UNITS and improvements similar to construction, location, and use to those contained within the SUBJECT PROPERTY, such as, where applicable, contractual and all written contract insurance, employer's liability insurance, and comprehensive automobile liability insurance.

When appropriate and obtainable, as same shall be determined by the sole authority of the BOARD, each of the foregoing policies shall waive the insurer's right to:

- (i) Subrogation against the ASSOCIATION and against the OWNERS individually and as a group,
- (ii) Any pro rata clause that reserves to the insurer the right to pay only a fraction of any loss if other insurance carriers have issued coverage upon the same risk, and
- (iii) Avoid liability for a loss that is caused by an act of one or more directors of the ASSOCIATION or by one or more OWNERS; and shall provide that such policies may not be canceled or substantially modified (except for increases in coverage for limits of liability) without at least ten (10) days prior written notice to the ASSOCIATION and to the holder of the first mortgage encumbering any LOT which is listed as a scheduled holder of a first mortgage in the insurance policy.

In all instances, it is the BOARD's sole determination as to whether or not to provide for policies including the waiver of such rights.

- 6.02.6 Flood Insurance. To the extent available, the ASSOCIATION, acting through its BOARD, shall purchase the required amount of flood insurance on all UNITS and LOTS and the subject property any ASSOCIATION common property as required by federal, state, or local regulations, mandates, or laws. To the extent that flood insurance is not commercially reasonably available to the ASSOCIATION, in the BOARD's sole determination, the OWNER of any LOT or UNIT shall be required to provide for any required flood insurance. The ASSOCIATION shall timely notify the OWNERS that flood insurance is not commercially reasonably available to the ASSOCIATION.
- 6.03 Premiums. Premiums for insurance policies purchased by the ASSOCIATION shall be paid by the ASSOCIATION as a COMMON EXPENSE, except that any increase in any insurance premium occasioned by misuse, occupancy, or abandonment of a UNIT by a particular OWNER, or by a resident of any UNIT (specifically including, but not limited to, any tenants of a UNIT), or by a member of their families or their guests or invitee, shall be assessed against and paid by that OWNER.
- 6.04 Insurance Trustee-Proceeds. All casualty insurance policies purchased by the ASSOCIATION shall provide that all proceeds covering casualty losses shall be paid to ~~any national bank or trust company in the vicinity of the SUBJECT PROPERTY with trust powers as may be designated by the ASSOCIATION, as Trustee, which Trustee is herein referred to as the "Insurance Trustee."~~ The ~~Insurance Trustee shall not be liable for payment of premiums or for the renewal of sufficiency of the policies or for the failure to collect any insurance proceeds.~~ However, in the event that the BOARD has established an Insurance Committee, the Association shall receive all proceeds and then promptly forward same to the Insurance Committee. The duty of the ~~Insurance Trustee Committee~~ shall be to receive such proceeds as are paid and hold the same ~~in trust~~ for the purposes elsewhere stated herein and for the benefit of the OWNERS and their respective ~~mortgagees~~ INSTITUTIONAL LENDERS in the following shares, as set forth in Section 6.04.2 which shares need not be set forth in the records of the ~~Insurance Trustee Committee.~~

Notwithstanding the foregoing, unless the BOARD so determines or unless any INSTITUTIONAL LENDER otherwise requires by written notice to the ASSOCIATION, no ~~Insurance Trustee Committee~~ will be required and all references in this DECLARATION to an ~~Insurance Trustee Committee~~ shall refer to the ASSOCIATION acting through its BOARD where the context requires.

- 6.04.1 COMMON AREAS. Proceeds on account of damage to COMMON AREAS shall be held in as many undivided shares as there are LOTS, the share of each OWNER being equal.
- 6.04.2 UNITS. Proceeds on account of damage to UNITS shall be held in the following undivided shares:
- 6.04.2.1 When the UNITS are to be repaired and restored, for the OWNERS of damaged UNITS in proportion to the cost of repairing the damage suffered by each OWNER.
- 6.04.2.2 When the UNITS are not to be repaired and restored as elsewhere provided, for the OWNERS of all damaged UNITS, each OWNER's share being equal to the "under roof" square footage of each OWNER's UNIT not to be repaired and restored, as proportional to the total "under roof" square footage of all UNITS within the SUBJECT PROPERTY not to be repaired and restored.
- 6.04.2.3 INSTITUTIONAL LENDER. In the event a mortgagee endorsement has been issued as to a UNIT, the share of the OWNER shall be held ~~in trust~~ for the INSTITUTIONAL LENDER and the OWNER as their interest may appear. However, no INSTITUTIONAL LENDER shall have any right to determine or participate in the determination as to whether or not any damaged property shall be reconstructed or repaired, and no INSTITUTIONAL LENDER shall have any right to apply or have applied to the reduction of a mortgage debt any insurance proceeds except distributions thereof made to the OWNER and INSTITUTIONAL LENDER pursuant to the provisions of this DECLARATION.
- 6.05 Distribution of Proceeds. Proceeds of insurance policies received by the Insurance Trustee Committee, if any has been established, shall be distributed to, or for the benefit of, the beneficial owners in the following manner:
- 6.05.1 Expense of the Trust Insurance Committee. All expenses of the Insurance Trustee Committee, if any, shall be first paid or provisions made therefor.
- 6.05.2 Reconstruction or Repair. If the damage for which the proceeds are paid is to be repaired or reconstructed, the remaining proceeds shall be paid to defray the cost thereof as elsewhere provided. Any proceeds

remaining after defraying such cost shall be distributed to the ~~beneficial owners, remittances to OWNERS of the damaged UNITS and their mortgagees~~ INSTITUTIONAL LENDER(S) being payable jointly to them. This is covenant for the benefit of any ~~mortgagee~~ INSTITUTIONAL LENDER of a LOT and may be enforced by such ~~mortgagee~~ INSTITUTIONAL LENDER.

6.05.3 Failure to Reconstruct or Repair. If it is determined in the manner elsewhere provided that the damaged UNITS for which the proceeds are paid shall not be reconstructed or repaired, the remaining proceeds shall be distributed to the OWNERS of the damaged UNITS, remittances to OWNERS and their ~~mortgagees~~ INSTITUTIONAL LENDER(S) being payable jointly to them. This is a covenant for the benefit of any ~~mortgagee~~ INSTITUTIONAL LENDER of a LOT and may be enforced by such ~~mortgagee~~ INSTITUTIONAL LENDER.

6.05.4 Certificate. In making distribution to OWNERS and their ~~mortgagees~~ INSTITUTIONAL LENDER(S), the Insurance ~~Trustee~~ Committee may rely upon a certificate of the ASSOCIATION executed by the President and Secretary as to the names of the OWNERS and ~~mortgagees~~ INSTITUTIONAL LENDER(S) together with their respective shares of the distribution.

6.05.5 Limitation on Use of Proceeds. In no event may any hazard insurance proceeds for losses to any portion of the SUBJECT PROPERTY be used for other than expenses of the Insurance ~~Trustee~~ Committee or for the repair, replacement, or reconstruction of any damage, without the approval of at least two-thirds (2/3) of the OWNERS, and the approval of OWNERS whose UNITS are to be repaired with such proceeds.

6.06 ASSOCIATION as Agent. The ASSOCIATION is hereby irrevocably appointed agent for each OWNER and for the holder of a mortgage or other lien upon a LOT and for each owner of any other interest in the SUBJECT PROPERTY to adjust all claims arising under insurance policies purchased by the ASSOCIATION and to execute and deliver releases upon the payment of claims.

6.07 Notice of Possible Inadequate Insurance Coverage. In any legal action in which the ASSOCIATION may be exposed to liability in excess of insurance coverage protecting it and the OWNERS, the ASSOCIATION shall give notice of any excess exposure within a reasonable time to all OWNERS who may be exposed to the liability and they shall have the right to intervene and defend.

6.08 Inspection of Insurance Policies. A copy of each insurance policy purchased by the ASSOCIATION shall be made available for inspection by any OWNER or INSTITUTIONAL LENDER at reasonable times.

7. RECONSTRUCTION OR REPAIR AFTER CASUALTY.

7.01 Determination to Reconstruct or Repair. If any part of the SUBJECT PROPERTY is damaged or destroyed by casualty, whether or not damage will be repaired shall be determined in the following manner:

7.01.1 COMMON AREAS. If the damaged improvement is contained within a COMMON AREA, the damaged property shall be reconstructed or repaired, unless two-thirds (2/3) of the OWNERS vote to the contrary.

7.01.2 UNITS. In the event of damage to or destruction of any UNITS as a result of fire or other casualty, except as hereinafter provided, the ASSOCIATION, acting through its BOARD, shall arrange for the prompt repair and restoration of the UNITS(S) ~~(including any damaged bathroom and kitchen fixtures equivalent in value to that initially installed by the DECLARANT, but not including improvements having a value in excess of that originally installed by DECLARATION, or furniture, furnishings, or other personal property supplied by an OWNER or tenant of an OWNER)~~ to the extent said UNIT(S) have been insured by the ASSOCIATION and the Insurance Trustee Committee, if such has been established by the ASSOCIATION, shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments.

Notwithstanding the foregoing, if all of the UNITS within any BUILDING are very substantially damaged or destroyed, then within sixty (60) days after such damage or destruction, a special meeting of the OWNERS shall be called to determine whether the damage or destruction will be repaired and ~~destroyed~~ restored. The damage or destruction shall be repaired and restored unless two-thirds (2/3) of the OWNERS, including all of the OWNERS of the damaged or destroyed UNITS, vote to the contrary. In the event the damaged UNITS are not to be repaired or restored, the fee title to each LOT containing a damaged UNIT which is not to be repaired or restored shall be vested in the ASSOCIATION.

By accepting a deed conveying a LOT, each OWNER covenants for himself, his heirs, personal representatives, successors, and assigns to execute any and all instruments which may be reasonably required by the ASSOCIATION to carry out the terms of this paragraph, including,



without limitation, a deed conveying all of the OWNER's rights, title, and interest in and to his LOT to the ASSOCIATION.

In such event, the ASSOCIATION shall diligently pursue selling all of the LOTS which contain UNITS which are not to be repaired or restored, and the net proceeds from such sale, together with the net proceeds of insurance resulting from damage or destruction shall be divided among all the OWNERS of such damaged UNITS, each OWNER to receive ~~an equal~~ a proportional amount of such net proceeds, with each OWNER's share being equal to the "under roof" square footage of each OWNER's UNIT not to be repaired and restored, as proportional to the total "under roof" square footage of all UNITS within the SUBJECT PROPERTY not to be repaired and restored; provided, however that no payment shall be made to an OWNER until there has first been paid off out of his share of such funds all liens on his LOT in the order of priority of such liens. The Insurance ~~Trustee~~ Committee, if established, may rely upon a certificate of the ASSOCIATION made by its President and Secretary to determine whether or not any damaged UNITS are to be reconstructed or repaired.

- 7.02 Plans and Specifications. Any reconstruction or repair must be substantially in accordance with the plans and specifications for the original improvements or, if not, then according to plans and specifications approved by a majority of the OWNERS and, if the damaged property is one or more UNITS, by the OWNERS of all such UNITS (and their respective INSTITUTIONAL LENDERS), the plans for which are to be altered, which approval shall not be unreasonably withheld. Any reconstruction or repair must be in accordance with the ordinances of the controlling governmental authority, and must be approved by the controlling governmental authority or its appropriate review committee where required by such ordinances. Any reconstruction or repair must be in conformance with the requirements of any controlling governmental authority, and where required, appropriate permits for same shall be obtained.
- 7.03 Responsibility. If the damage is only to those parts of a UNIT for which the responsibility of maintenance and repair is that of the OWNER, the OWNER shall be responsible for reconstruction and repair after casualty. In all other instances, the responsibility of reconstruction and repair after casualty shall be that of the ASSOCIATION.
- 7.04 Estimates of Cost. ~~Immediately~~ As soon as possible after a determination is made to rebuild or repair damage to property for which the ASSOCIATION has the responsibility of reconstruction and repair (but in any case within a commercially-reasonable period), the ASSOCIATION acting through its BOARD shall obtain reliable and detailed estimates of the cost to rebuild or repair from one

or more reliable licensed contractors and shall submit copies of all acceptable estimates to the Insurance Trustee Committee, provided it has been established by the ASSOCIATION.

- 7.05 ASSESSMENTS. If the proceeds of insurance are not sufficient to defray the estimated cost of reconstruction and repair by the ASSOCIATION or if at any time during or after the reconstruction and repair the funds for the payment of the cost thereof are insufficient, ASSESSMENTS shall be made against the OWNERS in sufficient amounts to provide funds to pay such costs. Such ASSESSMENTS for damage to the UNITS shall only be made against the OWNERS of the damaged UNITS in proportion to the cost of reconstruction and repair of each OWNER's respective UNIT. Such ASSESSMENTS for damage to COMMON AREAS shall be made against all of the OWNERS equally.
- 7.06 Deductible Provision. The OWNERS shall be responsible for the payment of any deductible under the ASSOCIATION's casualty insurance policy, in the same manner as the OWNERS are responsible for the payment of any excess costs of reconstruction and repair as set forth in the preceding paragraph.
- 7.07 Construction Funds. The funds for payment for costs of reconstruction and repair after casualty, which shall consist or proceeds of insurance held by the Insurance Trustee Committee and funds collected by the ASSOCIATION from ASSESSMENTS against OWNERS, shall be disbursed in payment of such costs in the following manner:
- 7.07.1 ASSOCIATION. ~~If the total~~ All ASSESSMENTS made by the ASSOCIATION in order to provide funds for payment of costs of reconstruction and repair which is the responsibility of the ASSOCIATION ~~is more than Twenty-five Thousand Dollars (\$25,000.00); then the sums paid upon such ASSESSMENT shall be deposited by with~~ the ASSOCIATION ~~with the Insurance Trustee. In all other cases, and the~~ ASSOCIATION shall hold the sums paid upon such ASSESSMENTS and disburse the same in payment of the costs of reconstruction and repair.
- 7.07.2 Insurance Trustee Proceeds. The proceeds of insurance collected on account of a casualty and the sums deposited with the ~~Insurance Trustee by~~ the ASSOCIATION from collections of ASSESSMENTS against OWNERS on account of such casualty shall constitute a construction fund which shall be disbursed in payment of the costs of reconstruction and repair in the following manner and order:
- 7.07.2.1 ASSOCIATION Lesser Damage. If the amount of the estimated costs of reconstruction and repair which is the

responsibility of the ASSOCIATION is less than Twenty-five Thousand Dollars (\$25,000.00), then the construction funds shall be disbursed in payment of such costs upon the order of the ASSOCIATION, provided, however, that upon request to the ~~Insurance Trustee Committee~~ by an INSTITUTIONAL LENDER which is a beneficiary of an insurance policy, the proceeds of which are included in the construction fund, such fund shall be disbursed in the manner hereafter provided for the reconstruction and repair of major damage.

7.07.2.2 ASSOCIATION Major Damage. If the amount of the estimated costs of reconstruction and repair which is the responsibility of the ASSOCIATION is more than Twenty-five Thousand Dollars (\$25,000.00), then the construction funds shall be disbursed in payment of such costs in the manner required by the ASSOCIATION, acting through its BOARD, and, if the BOARD so desires or deems necessary in its sole discretion, may engage and consult with an architect, general contractor, or other building-industry related professional qualified to practice in the State of Florida and as may be employed by the ASSOCIATION to supervise the work.

7.07.2.3 OWNER. If there is a balance of insurance proceeds after payment of costs of reconstruction and repair that is the responsibility of the ASSOCIATION, such balance shall next be distributed to OWNERS of damaged UNITS. The distribution shall be in the shares that the estimated costs of reconstruction and repair in each damaged UNIT bears to the total of these costs in all damaged UNITS; provided, however, that no OWNER shall be paid an amount in excess of the estimated costs of reconstruction and repair for his UNIT. If there is a mortgage upon a LOT, the distribution shall be paid to the OWNER and the ~~mortgagee~~ INSTITUTIONAL LENDER jointly and they may use the proceeds as they may determine.

7.07.2.4 Surplus. It shall be presumed that the first monies disbursed in payment of costs of reconstruction and repair shall be from insurance proceeds. If there is a balance in a construction fund after payment of all costs of the reconstruction and repair for which the fund is established,

such balance shall be distributed to the beneficial owners of the fund in the manner elsewhere stated; except, however, that the part of a distribution to a beneficial owners which is not in excess of ASSESSMENTS paid by such OWNER in the construction fund shall not be made payable to any mortgagee INSTITUTIONAL LENDER.

7.07.2.5

Certificate. Notwithstanding the provisions herein, the Insurance Trustee Committee, if any has been established, shall not be required to determine ~~whether or not sums paid by OWNERS upon ASSESSMENTS shall be deposited by the ASSOCIATION with the Insurance Trustee, nor to determine~~ whether the disbursements from the construction funds are to be paid upon the order of the ASSOCIATION or upon approval agreement of an architect or otherwise, nor whether a disbursement is to be made from the construction fund, nor to determine the payee nor the amount to be paid, nor to determine whether surplus funds to be distributed are less than the ASSESSMENTS paid by OWNERS. Instead the Insurance Trustee Committee may rely upon a certificate of the ASSOCIATION executed by its President and Secretary as to any or all such matters and stating that the sums to be paid are due and properly payable, and stating the name of the payee and the amount to be paid; provided, however, that when a mortgagee INSTITUTIONAL LENDER is herein required to be named as payee, the Insurance Trustee Committee, if established, shall also name the mortgagee INSTITUTIONAL LENDER as payee of any distribution of insurance proceeds to an OWNER and further provided that when the ASSOCIATION BOARD, if the BOARD so desires or deems necessary in its sole discretion, or a mortgagee INSTITUTIONAL LENDER which is the beneficiary of any insurance policy, the proceeds of which are included in the construction fund, so requires, the approval agreement of an architect, general contractor, or other building-industry related professional named by the ASSOCIATION shall first be obtained by the ASSOCIATION for disbursements in payment of costs of reconstruction and repair.

...8. USE RESTRICTIONS.

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8.02 Occupancy. No UNIT shall be permanently occupied by more than two (2) persons for each bedroom in the UNIT, ~~and no more than one (1) child under the age of 18 is permitted to reside in a UNIT on a permanent basis for each bedroom in the UNIT.~~ In addition, temporary guests are permitted so long as they do not create an unreasonable source of noise or annoyance to the other residents of the SUBJECT PROPERTY.

...

8.11 ~~Clotheslines and Outside Clothes Drying. No clothesline or clothespole shall be erected, and no outside clothes-drying is permitted, except where such activity is advised or mandated by governmental authorities for energy conservation purposes, in which event the ASSOCIATION shall have the right to approve the portions of any LOT used for outdoor clothes-drying purposes and the types of devices to be employed in this regard, which approval must be in writing. This Section intentionally left blank.~~

...

8.13 Outside Antennas. ~~No~~ Only outside signal receiving or sending antennas, dishes (having a diameter of one-meter or less), or devices, all of which having been previously approved by the Federal Communications Commission, are permitted to be installed on the exterior of a UNIT. The foregoing shall not prohibit any antenna or signal receiving dish owned by the ASSOCIATION which services the entire SUBJECT PROPERTY.

...

8.15 Signs. No signs, other than a sign indicating the UNIT OWNER's use of security services, placed in accordance with Section 720.304, Florida Statutes (2005), shall be placed upon any LOT, and no signs shall be placed in or upon any UNIT which are visible from the exterior of the UNIT, without the prior written consent of the ASSOCIATION.

...

11. DEFAULT.

...

11.03 Fines. ~~The amount of any fine shall be determined by the BOARD and shall not exceed one-third (1/3) of one month's ASSESSMENT for COMMON EXPENSES for the first offense, two-thirds (2/3) of one month's ASSESSMENT for COMMON EXPENSES for a second similar offense, and one month's~~

~~ASSESSMENT for COMMON EXPENSES for a third or subsequent similar offense. Any fine shall be imposed by written notice to the OWNER or tenant signed by an officer of the ASSOCIATION and shall state the amount of the fine, the violation for which the fine is imposed, and shall specifically state that the OWNER or tenant has the right to contest the fine by delivering written notice to the ASSOCIATION within ten (10) days after receipt of the notice imposing the fine.~~

~~If the OWNER or tenant timely and properly objects to the fine, the BOARD shall conduct a hearing within thirty (30) days after receipt of the OWNER's or tenant's objection and shall give the OWNER or tenant not less than ten (10) days written notice of the hearing date. At the hearing, the BOARD shall conduct a reasonable inquiry to determine whether the alleged violation in fact occurred and that the fine imposed is appropriate. The OWNER or tenant shall have the right to attend the hearing and to produce evidence on his behalf. At the hearing, the BOARD shall ratify, reduce, or eliminate the fine, and shall give the OWNER or tenant written notice of its decision. Any fine shall be due and payable within ten (10) days after written notice of the imposition of the fine or, if a hearing is timely requested, within ten (10) days after written notice of the BOARD's decision at the hearing.~~

~~Any fine levied against an OWNER shall be deemed an ASSESSMENT and, if not paid when due, all of the provisions of this DECLARATION relating to the late payment of ASSESSMENTS shall be applicable. If any fine is levied against a tenant and is not paid within ten (10) days after same is due, the ASSOCIATION shall have the right to evict the tenant pursuant to Paragraph 12.06. The ASSOCIATION may assess a reasonable fine and collection fee for each violation. In addition to all other remedies, and to the maximum extent lawful, in the sole discretion of an enforcement committee to be established by the BOARD in accordance with the requirements of Florida Statute §720.305(2) (2005), a fine or fines may be imposed upon an OWNER, tenant, guest or invitee for failure to comply with any covenant, restriction, rule or regulation set forth herein or in any of the ASSOCIATION's governing documents, provided the following procedures are adhered to:~~

- ~~(A) Notice: The BOARD of the ASSOCIATION or the enforcement committee shall notify the OWNER, tenant, guest and/or invitee of the alleged infraction or infractions and provide such individual or entity at least fourteen (14) days notice of the intent to fine. Included in the notice shall be the date, place and time of a hearing before the enforcement committee at which time the party sought to be fined may present evidence and reasons why a fine(s) should not be imposed.~~

- (B) Hearing: The alleged non-compliance shall be presented to the enforcement committee at a hearing at which time the party sought to be fined for the alleged violation shall have an opportunity to present defenses and reasons why a fine(s) should not be imposed. A written decision of the enforcement committee shall be submitted to the party responsible for the alleged violation not later than twenty-one (21) days after the meeting of the enforcement committee. The party sought to be fined shall have a right to be represented by counsel and to cross-examine witnesses.
- (C) Fines and/or Revocation of Certain Privileges: The enforcement committee may impose a reasonable fine not to exceed \$100.00 per violation, or, in the case of a continuing violation, may impose a reasonable fine on the basis of each day of said continuing violation not to exceed \$1,000.00 in the aggregate, against any Owner, tenant, guest and/or invitee.
- (D) Payment of Fines: Fines shall be paid not later than five (5) days after notice of the imposition or assessment of the penalties.
- (E) Collection of Fines: To the extent allowed by law, fines shall be a charge and continuing lien against the subject lot and shall be treated as an assessment, including the right of foreclosure, all as subject to the provisions for the collection of assessments set forth in the ASSOCIATION's governing documents.
- (F) Application of Proceeds: All monies received from fines shall be allocated as directed by the BOARD.
- (G) Non-exclusive Remedy: These fines shall not be construed to be the exclusive remedy of the ASSOCIATION, and shall exist in addition to all other rights and remedies to which the ASSOCIATION may be otherwise legally entitled.

...

### 13. AMENDMENT.

13.01 This DECLARATION may be amended upon the approval of not less than ~~two-thirds (2/3)~~ a simple majority (i.e.: fifty-percent of all OWNERS, rounded up to the nearest whole OWNER, such that the number of votes in favor outnumbers the number of votes against or abstaining) of the OWNERS. In addition, so long as DECLARANT owns any portion of the SUBJECT PROPERTY, this DECLARATION may be amended from time to time by DECLARANT and without the consent of the ASSOCIATION or any OWNER, and no amendment may be made by the OWNERS without the written joinder of DECLARANT. Such right of DECLARANT to amend this DECLARATION shall specifically include, but shall not be limited to:

(i) amendments adding any contiguous property which will be developed in a similar manner as the SUBJECT PROPERTY, or deleting any property from the SUBJECT PROPERTY which will be developed differently than the SUBJECT PROPERTY (provided that any such amendment shall require the joinder of the owners of such property or any portion thereof if different than DECLARANT, and further provided that DECLARANT shall not have the obligation to add any property to or delete any property from the SUBJECT PROPERTY), and

(ii) amendments required by any INSTITUTIONAL LENDER or governmental authority in order to comply with the requirements of same. In order to be effective, any amendment to this DECLARATION must first be recorded in the public records of the county in which the SUBJECT PROPERTY is located and, in the case of an amendment made by the OWNERS, such amendment shall contain a certification by the President and Secretary of the ASSOCIATION that the amendment was duly adopted.

...

16. MISCELLANEOUS.

...

16.07 Inapplicability of Condominium Act. It is acknowledged that the ASSOCIATION is not intended to be a condominium association and is not intended and shall not be governed by the provisions of Florida Statutes, Chapter 718. The Association is a homeowners association governed by Florida Statutes, Chapter 617, and Chapter 720 as amended.

...



Prepared by and Return to:  
Brian S. Hess, Esq.  
Clayton & McCulloh  
1065 Maitland Center Commons Blvd.  
Maitland, FL 32751

**CERTIFICATE OF AMENDMENT TO DECLARATION OF COVENANTS AND  
RESTRICTIONS OF ISLAND VILLAS**

KNOW ALL MEN BY THESE PRESENTS:

That on this 28<sup>th</sup> day of August, 2008, the undersigned, ISLAND VILLAS HOMEOWNERS ASSOCIATION, INC. (hereinafter the "Association"), pursuant to Florida Statutes and the DECLARATION OF COVENANTS AND RESTRICTIONS OF ISLAND VILLAS, recorded in Official Records Book 3237, Page 0784, *et seq.*, of the Public Records of Brevard County, Florida, as amended and supplemented (hereinafter referred to as the "Declaration"), hereby certifies that an Amendment to the Declaration, which Amendment is attached hereto and by reference made a part hereof, was duly adopted on the nineteenth day of July, 2008. Said Amendment was approved pursuant to Article 13, Section 13.01, of the Declaration, as amended, at a special meeting of the members of the Association.

The Association conducted the special meeting of the members of the Association and passed the attached Amendment. Proper notice was given for the July 19, 2008 meeting of the members of the Association pursuant to the By-Laws of the Association (*i.e.*, the meeting where said Amendment was passed). Said Notice stated the purpose, time and place of the meeting.

At the meeting at which the Amendment was proposed and considered, the Amendment was approved by the affirmative vote of not less than a simple majority of the owners. In accordance with the Declaration, the Covenants are modified by this duly-recorded written instrument executed by the President and Secretary upon the affirmative vote of not less than a simple majority of the Owners.

With the exception of the above described Amendment, all other terms and conditions of the Declaration shall remain in full force and effect.

IN WITNESS HEREOF, ISLAND VILLAS HOMEOWNERS ASSOCIATION, INC., has caused this AMENDMENT TO DECLARATION OF COVENANTS AND RESTRICTIONS OF ISLAND VILLAS to be executed in its name, this 28th day of August, 2008.

Signed, sealed and delivered in the presence of:

ISLAND VILLAS HOMEOWNERS ASSOCIATION, INC.

Kathleen M Tenreiro  
(Sign)

By: [Signature]  
(Sign)

Kathleen M Tenreiro  
(Print)

Richard Ballantyne  
(Print)

Nancy Ruiz  
(Sign)

President, Island Villas Homeowners Association, Inc.

Nancy Ruiz  
(Print)

Attest: James L. Christie  
(Sign)

Kathleen M Tenreiro  
(Sign)

JAMES L. CHRISTIE  
(Print)

Kathleen M Tenreiro  
(Print)

Nancy Ruiz  
(Sign)

Secretary, Island Villas Homeowners Association, Inc.

Nancy Ruiz  
(Print)

Association Address: PO Box 373057  
Indian Harbour Beach, FL 32937

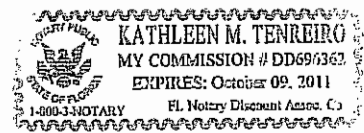
STATE OF FLORIDA  
COUNTY OF Brevard

The foregoing instrument was acknowledged before me this 28th day of August, 2008, by Richard Ballantyne, as President of Island Villas Homeowners Association, Inc., a Florida corporation, on behalf of the corporation, [ ] who is personally known to me or [] who produced FLDL as identification.

NOTARY PUBLIC

Kathleen M Tenreiro

State of Florida, At Large  
My Commission Expires:



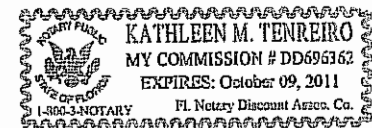
STATE OF FLORIDA  
COUNTY OF Brevard

The foregoing instrument was acknowledged before me this 28th day of August, 2008, by James L. Christie, as Secretary of Island Villas Homeowners Association, Inc., a Florida corporation, on behalf of the corporation, [ ] who is personally known to me or [] who produced FLDL as identification.

NOTARY PUBLIC

Kathleen M Tenreiro

State of Florida, At Large  
My Commission Expires:



AMENDMENT TO DECLARATION OF COVENANTS AND RESTRICTIONS OF  
ISLAND VILLAS

Article 6, Sections 6.01 and 6.02 of the DECLARATION OF COVENANTS AND RESTRICTIONS OF ISLAND VILLAS, recorded in Official Record Book 3237, Page 0784, *et seq.*, of the Public Records of Brevard County, Florida, and as amended from time to time, is hereby further amended as follows (note: additions are indicated by underlining; deletions are indicated by ~~strike-throughs~~):

...

6. INSURANCE. The insurance, other than title insurance, which shall be carried upon the SUBJECT PROPERTY and the UNITS shall be governed by the following provisions:

6.01 Purchase, Custody, and Payment of Policies.

6.01.1 Purchase. All insurance policies covering the SUBJECT PROPERTY, other than those policies purchased by OWNERS for individual UNITS pursuant to paragraphs 6.01.6, 6.02.1 and 6.02.6 of this Declaration, as amended, shall be purchased by the ASSOCIATION to the extent such policies are commercially reasonably available to the ASSOCIATION, in the sole determination of the BOARD, and shall be issued by an insurance company authorized to do business in Florida. However, as described later in this Article 6, no policy covering the SUBJECT PROPERTY purchased by the ASSOCIATION shall provide property insurance coverage of less than eighty percent (80%) of current replacement cost of any average UNIT. The ASSOCIATION shall timely notify the OWNERS in the event that such insurance policies are not commercially reasonably available.

...

6.02 Coverage.

6.02.1 Casualty. All UNITS and improvements upon the SUBJECT PROPERTY and all personal property of the ASSOCIATION are to be insured in an amount equal to the average current replacement cost of each UNIT in each building, excluding foundation and excavating costs and other items normally excluded from coverage, as determined annually by the ASSOCIATION. To the extent insurance is commercially reasonably available to the ASSOCIATION, as determined by the ASSOCIATION'S BOARD, the ASSOCIATION will be responsible for providing this coverage, and the costs of providing for said coverage shall be included as a COMMON EXPENSE of the ASSOCIATION. However, no policy covering

the SUBJECT PROPERTY purchased by the ASSOCIATION shall provide casualty coverage of less than eighty percent (80%) of current replacement cost of any average UNIT. If such insurance is not commercially reasonably available to the Association, the responsibility for providing this coverage and the expenses related to providing this necessary coverage shall be the responsibility of the OWNERS of each UNIT or LOT. Provided that the ASSOCIATION determines to insure the SUBJECT PROPERTY and the ASSOCIATION, prior to obtaining any casualty insurance or renewal thereof, the ASSOCIATION, acting through its BOARD, may obtain an appraisal from any agency or entity to assist in determining the average replacement cost of each UNIT in each building and improvements upon the SUBJECT PROPERTY and all personal property of the ASSOCIATION, without deduction for depreciation, for the purpose of determining the amount of casualty insurance to be obtained pursuant to this paragraph. Such coverage, shall afford protection against:

- 6.02.1.1 Loss or damage by fire, wind, and other hazards covered by a standard extended coverage endorsement; and
- 6.02.1.2 Such other risks as from time to time shall be customarily insured against with respect to buildings and improvements similar in construction, location, and use, including, but not limited to, vandalism and malicious mischief, and all other risks normally covered by a standard "All Risk" endorsement, where available.
- 6.02.1.3 The hazard insurance policy purchased by the ASSOCIATION, shall cover, among other things, all of the structural elements of the UNITS including, but not limited to, walls, doors, exterior stairways, windows and items from the exterior of the wallboard, above the plane of the unfinished ceiling, and including the unimproved floor. The ASSOCIATION's hazard insurance policy may not include UNIT items inclusive of the wallboard inward, inclusive of the ceiling downward, and inclusive of the improved floor upward, specifically including, but not limited to, but not limited to carpet, tile or other floor coverings, fireplaces, kitchen cabinets and fixtures, garage cabinets or fixtures, wall coverings, window treatments, built-in cabinets or other items attached to the original drywall, suspended light fixtures or ceiling fans, air-conditioning and heating equipment. The hazard insurance policy shall not include any wall coverings, furniture, furnishings, or other personal property installed or

brought into a UNIT from time to time by the OWNER or residents of a UNIT, or their guests or invitee.

...

6.02.6 Flood Insurance. To the extent available, the ASSOCIATION, acting through its BOARD, shall purchase the required amount of flood insurance on all UNITS and LOTS and any ASSOCIATION common property as required by federal, state, or local regulations, mandates, or laws. However, no policy covering the SUBJECT PROPERTY purchased by the ASSOCIATION shall provide flood coverage of less than eighty percent (80%) of current replacement cost, or maximum permitted by Federal Emergency Management Agency (FEMA) standards, of any average UNIT. To the extent that flood insurance is not commercially reasonably available to the ASSOCIATION, in the BOARD's sole determination, the OWNER of any LOT or UNIT shall be required to provide for any required flood insurance. The ASSOCIATION shall timely notify the OWNERS that flood insurance is not commercially reasonably available to the ASSOCIATION.

6.02.7 Insurance Policies - Single Agent. Notwithstanding anything to the contrary contained in this Article 6, or anywhere else in this DECLARATION, as amended, the BOARD may designate a single insurance agent or agency to provide, manage and oversee any individual OWNERS' or the ASSOCIATION's property insurance policies existing or to exist on each LOT or UNIT. The selection of such agent or agency shall take place through a competitive selection process organized and functioning as determined by the ASSOCIATION'S BOARD. If the ASSOCIATION'S BOARD designates, in accordance with this provision, a single insurance agent or agency to provide, manage and oversee any individual OWNERS' or the ASSOCIATION's property insurance policies existing or to exist on each LOT or UNIT, all OWNERS shall be required to utilize said agent's or agency's services in order to obtain and service property insurance policies existing or to exist on each LOT or UNIT. Additionally, any such policies shall include the ASSOCIATION as an additional insured or loss payee.

...

THIS DOCUMENT PREPARED BY  
AND RETURN TO:

Brian S. Hess, Esq.

→ CLAYTON & MCCULLOH

↙ 1065 Maitland Center Commons Boulevard  
Maitland, Florida 32751

the space above this line is reserved for recording purposes

**CERTIFICATE OF AMENDMENT TO DECLARATION OF COVENANTS AND  
RESTRICTIONS OF ISLAND VILLAS**

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, as President and Secretary of ISLAND VILLAS HOMEOWNERS ASSOCIATION, INC. (hereinafter "Association"), pursuant to the Florida Statutes and the DECLARATION OF COVENANTS AND RESTRICTIONS OF ISLAND VILLAS, recorded in Official Records Book 3237, Page 0784, of the Public Records of Brevard County, Florida (hereinafter "Declaration"), hereby certify that the AMENDMENT TO DECLARATION OF COVENANTS AND RESTRICTIONS OF ISLAND VILLAS, which amendment is attached hereto and by reference made a part hereof (hereinafter "Amendment"), was duly adopted at a meeting of the members on the 27<sup>th</sup> of February, 2011 (hereinafter "Meeting").

Said Amendment was approved at the Meeting in accordance with the requirements of Article 13, Section 13.01 of the Declaration, as amended, by the approval of not less than a simple majority of all Owners. Proper notice was given for the Meeting pursuant to the Bylaws of the Association and the Florida Statutes. The Notice of the Meeting stated the purpose, time, date and location of the Meeting.

The Association is a homeowners association created pursuant to the laws of the State of Florida. With the exception of the attached Amendment, all other terms and conditions of the Declaration shall remain in full force and effect.

IN WITNESS WHEREOF, the Association has caused these presents to be executed in its name, this 3rd day of March, 2011.

Signed, sealed and delivered  
in the presence of:

Denia Coker

(Sign - Witness 1)

DENIA COKER

(Print - Witness 1)

Wendy Wellman

(Sign - Witness 2)

Wendy Wellman

(Print - Witness 2)

Denia Coker

(Sign - Witness 1)

DENIA COKER

(Print - Witness 1)

Wendy Wellman

(Sign - Witness 2)

Wendy Wellman

(Print - Witness 2)

ISLAND VILLAS HOMEOWNERS  
ASSOCIATION, INC.

By:

Richard Ballantyne

(Sign)

Richard Ballantyne

(Print)

President, Island Villas Homeowners  
Association, Inc.

Attest:

Joseph M Youngkin

(Sign)

Joseph M Youngkin

(Print)

Secretary, Island Villas Homeowners  
Association, Inc.

STATE OF FLORIDA  
COUNTY OF Shelby

The foregoing was acknowledged before me this 3 day of MARCH, 2011,  
by RICHARD BALLANTYNE, as President, and JOSEPH YOUNGKIN, as  
Secretary, of ISLAND VILLAS HOMEOWNERS ASSOCIATION, INC., a Florida not for profit  
corporation, on behalf of the corporation, who are personally known to me or who have produced  
FIDEL as identification.

NOTARY PUBLIC

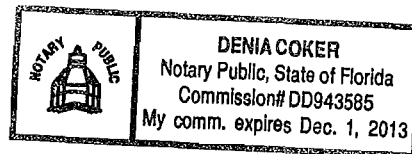
Denia Coker

(Sign)

DENIA COKER

(Print)

State of Florida, At Large  
My Commission Expires:



**AMENDMENT TO DECLARATION OF COVENANTS AND RESTRICTIONS OF  
ISLAND VILLAS**

Article 6 of the DECLARATION OF COVENANTS AND RESTRICTIONS OF ISLAND VILLAS, recorded in Official Record Book 3237, Page 0784, *et seq.*, of the Public Records of Brevard County, Florida, and as amended from time to time, is hereby further amended (note, Article 6 has been deleted in its entirety and replaced with the following language):

...

6. INSURANCE. The insurance, other than title insurance, which shall be carried upon the SUBJECT PROPERTY and the UNITS shall be governed by the following provisions:

6.01 Insurance Policies - Single Agent. Notwithstanding anything to the contrary contained in this Article 6, or anywhere else in this DECLARATION, as amended, the BOARD may designate an insurance agent or agencies to provide, manage and oversee any individual OWNERS' or the ASSOCIATION's various and OWNER'S property insurance policies existing or to exist on each UNIT. The selection of such agent or agencies shall take place through a competitive selection process (or competitive selection processes) organized and functioning as determined by the ASSOCIATION'S BOARD. If the ASSOCIATION'S BOARD designates, in accordance with this provision, one or more insurance agencies to provide, manage and oversee any individual OWNERS' or the ASSOCIATION's property insurance policies existing or to exist on each UNIT, all OWNERS shall be required to utilize said agencies' services in order to obtain and service property insurance policies existing or to exist on each UNIT. Additionally, any such policies may include the ASSOCIATION as an additional insured or loss payee.

6.02 Casualty Insurance.

6.02.1 Purchase. All insurance policies covering the SUBJECT PROPERTY, other than those policies purchased by OWNERS for individual UNITS pursuant to paragraphs 6.02.2 and 6.02.7 of this Declaration, as amended, shall be purchased by the ASSOCIATION to the extent such policies are commercially reasonably available to the ASSOCIATION, in the sole determination of the BOARD, and shall be issued by an insurance company authorized to do business in Florida. However, as described later in this Article 6, no policy covering the SUBJECT PROPERTY purchased by the ASSOCIATION shall provide property insurance coverage of less than eighty percent (80%) of current replacement cost of any average UNIT. The ASSOCIATION shall timely notify the OWNERS in the event that such insurance policies are not commercially reasonably available.

6.02.2 Coverage. All UNITS and improvements upon the SUBJECT PROPERTY and all personal property of the ASSOCIATION are to be insured in an amount equal to the average current replacement cost of each UNIT in each building, excluding



foundation and excavating costs and other items normally excluded from coverage, as determined annually by the ASSOCIATION. To the extent insurance is commercially reasonably available to the ASSOCIATION, as determined by the ASSOCIATION'S BOARD, the ASSOCIATION will be responsible for providing this coverage, and the costs of providing for said coverage shall be included as a COMMON EXPENSE of the ASSOCIATION. Additionally, to the extent authorized by the ASSOCIATION'S BOARD, the ASSOCIATION may provide insurance for the contents of a particular UNIT and charge same costs as an Individual UNIT ASSESSMENT as defined by this DECLARATION as amended. However, no policy covering the SUBJECT PROPERTY purchased by the ASSOCIATION shall provide casualty coverage of less than eighty percent (80%) of current replacement cost of any average UNIT. If such insurance is not commercially reasonably available to the Association, the responsibility for providing this coverage and the expenses related to providing this necessary coverage shall be the responsibility of the OWNERS of each UNIT. Provided that the ASSOCIATION determines to insure the SUBJECT PROPERTY and the ASSOCIATION, prior to obtaining any casualty insurance or renewal thereof, the ASSOCIATION, acting through its BOARD, may obtain an appraisal from any agency or entity to assist in determining the average replacement cost of each UNIT in each building and improvements upon the SUBJECT PROPERTY and all personal property of the ASSOCIATION, without deduction for depreciation, for the purpose of determining the amount of casualty insurance to be obtained pursuant to this paragraph. Such coverage, shall afford protection against:

6.02.2.1 Loss or damage by fire, wind, and other hazards covered by a standard extended coverage endorsement; and

6.02.2.2 Such other risks as from time to time shall be customarily insured against with respect to buildings and improvements similar in construction, location, and use, including, but not limited to, vandalism and malicious mischief, and all other risks normally covered by a standard "All Risk" endorsement, where available.

6.02.2.3 The hazard insurance policy purchased by the ASSOCIATION, shall cover, among other things, all of the structural elements of the UNITS including, but not limited to, walls, doors, exterior stairways, windows and items from the exterior of the wallboard, above the plane of the unfinished ceiling, and including the unimproved floor. Except as otherwise authorized by the BOARD in accordance with Paragraph 6.02.2, the ASSOCIATION's hazard insurance policy may not include UNIT items inclusive of the wallboard inward, inclusive of the ceiling downward, and inclusive of the improved floor upward, specifically including, but not limited to, but not limited to carpet, tile or other floor coverings, fireplaces, kitchen cabinets and fixtures, garage cabinets or fixtures, wall coverings, window treatments,

built-in cabinets or other items attached to the original drywall, suspended light fixtures or ceiling fans, air-conditioning and heating equipment. Except as otherwise authorized by the BOARD in accordance with Paragraph 6.02.2, the hazard insurance policy shall not include any wall coverings, furniture, furnishings, or other personal property installed or brought into a UNIT from time to time by the OWNER or residents of a UNIT, or their guests or invitee.

6.02.3 Approval by INSTITUTIONAL LENDERS. Each INSTITUTIONAL LENDER shall have the right, upon reasonable notice to the ASSOCIATION, to review and approve, which approval shall not be unreasonably withheld, the form, content, insurer, limits, and coverage of all insurance purchased by the ASSOCIATION.

6.02.4 Named Insured. Except as may be otherwise required by the ASSOCIATION'S insurance provider, and except as to policies purchased by the ASSOCIATION for an OWNER and charged as an Individual UNIT ASSESSMENT, the named insured on all policies purchased by the ASSOCIATION shall be the ASSOCIATION, individually and as agent for all OWNERS covered by the policy, without naming them, and as agent for their mortgagees, without naming them.

6.02.5 Custody of Policies and Payment of Proceeds. Except as may be otherwise required by the ASSOCIATION'S insurance provider, all policies shall provide that payments for losses made by the insurer on account of casualty to any portion of the SUBJECT PROPERTY shall be paid to the ASSOCIATION, and all policies and endorsements for casualty losses shall be deposited with the ASSOCIATION. However, in accordance with Article 2, Section 2.03 of this DECLARATION, as amended from time to time, the ASSOCIATION may, but is under no obligation to, establish an "Insurance Committee" which, should it be established, shall be charged with the distribution of any insurance proceeds.

6.02.6 Copies to OWNERS or INSTITUTIONAL LENDERS. One (1) copy of each insurance policy or a certificate evidencing same, and all endorsements thereon, shall be furnished by the ASSOCIATION to each OWNER or INSTITUTIONAL LENDER who holds a mortgage upon a UNIT covered by the policy, and in writing requests the ASSOCIATION to provide it with such policies.

6.02.7 Personal Property and Liability; Individual Owners Policies. To the extent that the ASSOCIATION, acting through its BOARD, has determined adequate insurance coverage is not commercially reasonably available, in accordance with this Declaration, as amended, each individual OWNER shall bear the responsibility, both financial and otherwise, to provide for all coverages determined necessary by the ASSOCIATION and in accordance

this Declaration, specifically including, but not limited to, Section 6.02 and all of its subsections, as amended. OWNERS may obtain insurance at their own expense and at their own discretion for their personal property, personal liability, living expenses, flood damage and for improvements made to the OWNER'S UNIT. All OWNERS shall provide a copy of any and all insurance policies in effect for any UNIT within ten (10) calendar days after request by the BOARD. In all cases, and despite anything herein contained to the contrary, OWNERS may obtain insurance at their own expense and at their own discretion for UNIT items inclusive of the wallboard inward, inclusive of the ceiling downward, and inclusive of the improved floor upward, specifically including, but not limited to carpet, tile or other floor coverings, fireplaces, kitchen cabinets and fixtures, garage cabinets or fixtures, wall coverings, window treatments, built-in cabinets or other items attached to the original drywall, suspended light fixtures or ceiling fans, air-conditioning and heating equipment.

6.02.8 Deductibles. Any deductible or exclusion under an insurance policy purchased by the ASSOCIATION as a COMMON EXPENSE shall be a COMMON EXPENSE, and shall not exceed such sum as is approved by the BOARD of the ASSOCIATION at any meeting of the BOARD, notice of which was provided to the members of the ASSOCIATION by posting the required advance notice of the meeting, and the substance of the proposed deductible amount, in a conspicuous place within the SUBJECT PROPERTY. However, to the extent the ASSOCIATION has purchased a policy for the contents of a particular UNIT for an OWNER and has charged these costs to the OWNER as an Individual UNIT ASSESSMENT, such deductible shall be payable by the OWNER. The ASSOCIATION shall additionally have the right to pay such deductible, and charge such costs to the OWNER as an Individual UNIT ASSESSMENT.

### 6.03 Flood Insurance.

6.03.1 Purchase. To the extent available, the ASSOCIATION, acting through its BOARD, shall purchase the amount of flood insurance on all UNITS and any ASSOCIATION common property as required by federal, state, or local regulations, mandates, or laws. Additionally, to the extent authorized by the BOARD, the ASSOCIATION may purchase flood insurance for the contents of a particular UNIT and charge same costs to the OWNER as an Individual UNIT ASSESSMENT. To the extent that flood insurance is not commercially reasonably available to the ASSOCIATION, in the BOARD's sole determination, the OWNER of any UNIT shall be required to provide for any required flood insurance. The ASSOCIATION shall timely notify the OWNERS that flood insurance is not commercially reasonably available to the ASSOCIATION.

6.03.2 Coverage. No policy covering the SUBJECT PROPERTY purchased by the ASSOCIATION shall provide flood coverage of less than eighty percent (80%) of current replacement cost, or maximum permitted by Federal Emergency Management Agency (FEMA) standards, of any average UNIT.

6.03.3 Approval by INSTITUTIONAL LENDERS. Each INSTITUTIONAL LENDER shall have the right, upon reasonable notice to the ASSOCIATION, to review and approve, which approval shall not be unreasonably withheld, the form, content, insurer, limits, and coverage of all insurance purchased by the ASSOCIATION.

6.03.4 Named Insured. Except as may be otherwise required by the ASSOCIATION'S insurance provider, and except as to policies purchase by the ASSOCIATION for a OWNER and charged as an Individual UNIT ASSESSMENT, the named insured on all policies purchased by the ASSOCIATION shall be the ASSOCIATION, individually and as agent for all OWNERS covered by the policy, without naming them, and as agent for their mortgagees, without naming them.

6.03.5 Copies to OWNERS or INSTITUTIONAL LENDERS. One (1) copy of each insurance policy or a certificate evidencing same, and all endorsements thereon, shall be furnished by the ASSOCIATION to each OWNER or INSTITUTIONAL LENDER who holds a mortgage upon a UNIT covered by the policy, and in writing requests the ASSOCIATION to provide it with such policies.

6.04 Other Insurance.

6.04.1 Liability. To the extent possible or desirable to the ASSOCIATION, as determined by the ASSOCIATION'S BOARD, the ASSOCIATION shall provide for comprehensive general public liability insurance insuring the ASSOCIATION against loss or damage resulting from accidents or occurrences on or about or in connection with the SUBJECT PROPERTY, or any work, matters, or things related to the SUBJECT PROPERTY or this DECLARATION and its exhibits, with such coverage as shall be required by the ASSOCIATION, but with a combined single limit liability of not less that One Million Dollars (\$1,000,000.00) for bodily injury, death, or property damage, arising out of a single occurrence, and with cross liability endorsement to cover liabilities of the OWNERS as a group to an OWNER.

6.04.2 Workmen's Compensation. To the extent possible or desirable to the ASSOCIATION, as determined by the ASSOCIATION'S BOARD, the ASSOCIATION shall provide for Workmen's Compensation coverage as shall be required to meet the requirements of the law.

6.04.3 Fidelity Bonds. If required by an INSTITUTIONAL LENDER, or if determined by the BOARD as desirable and in the best interests of the ASSOCIATION to provide, the ASSOCIATION shall obtain blanket fidelity bonds

for all officers, directors, trustees, and employees of the ASSOCIATION and all other persons handling or responsible for funds of or administered by the ASSOCIATION. The total amount of fidelity bond coverage, if required, shall in no event be less than a sum equal to three (3) months aggregate ASSESSMENTS on all UNITS plus reserve funds held by the ASSOCIATION, if any.

6.04.4 Such Other Insurance. The ASSOCIATION may provide coverage as the ASSOCIATION acting through its BOARD shall determine from time to time to be desirable or as may reasonably be required by an INSTITUTIONAL LENDER pursuant to paragraphs 6.02.3 and 6.03.3, and as is customarily obtained with respect to UNITS and improvements similar to construction, location, and use to those contained within the SUBJECT PROPERTY, such as, where applicable, contractual and all written contract insurance, employer's liability insurance, and comprehensive automobile liability insurance.

When appropriate and obtainable, as same shall be determined by the sole authority of the BOARD, each of the foregoing policies shall waive the insurer's right to:

- (i) Subrogation against the ASSOCIATION and against the OWNERS individually and as a group,
- (ii) Any pro rata clause that reserves to the insurer the right to pay only a fraction of any loss if other insurance carriers have issued coverage upon the same risk, and
- (iii) Avoid liability for a loss that is caused by an act of one or more directors of the ASSOCIATION or by one or more OWNERS; and shall provide that such policies may not be canceled or substantially modified (except for increases in coverage for limits of liability) without at least ten (10) days prior written notice to the ASSOCIATION and to the holder of the first mortgage encumbering any UNIT which is listed as a scheduled holder of a first mortgage in the insurance policy.

In all instances, it is the BOARD's sole determination as to whether or not to provide for policies including the waiver of such rights.

6.05 Premiums. Except as to policies purchased by the ASSOCIATION for a OWNER and charged as an Individual UNIT ASSESSMENT, premiums for insurance policies purchased by the ASSOCIATION shall be paid by the ASSOCIATION as a COMMON EXPENSE, except that any increase in any insurance premium occasioned by misuse, occupancy, or abandonment of a UNIT by a particular OWNER, or by a resident of any UNIT (specifically including, but not limited to, any tenants of a UNIT), or by a member of

their families or their guests or invitee, shall be assessed against and paid by that OWNER as an Individual UNIT ASSESSMENT.

6.06 Insurance Proceeds. All casualty insurance policies purchased by the ASSOCIATION may provide that all proceeds covering casualty losses shall be paid to the ASSOCIATION. However, in the event that the BOARD has established an Insurance Committee, the ASSOCIATION shall receive all proceeds and then promptly forward same to the Insurance Committee. The duty of the Insurance Committee shall be to receive such proceeds as are paid and hold the same for the purposes elsewhere stated herein and for the benefit of the OWNERS and their respective INSTITUTIONAL LENDERS in the shares, as set forth in Section 6.04.2 which shares need not be set forth in the records of the Insurance Committee.

Notwithstanding the foregoing, unless the BOARD so determines or unless any INSTITUTIONAL LENDER otherwise requires by written notice to the ASSOCIATION, no Insurance Committee will be required and all references in this DECLARATION to an Insurance Committee shall refer to the ASSOCIATION acting through its BOARD where the context requires.

6.06.1 COMMON AREAS. Proceeds on account of damage to COMMON AREAS shall be held in as many undivided shares as there are UNITS, the share of each OWNER being equal.

6.06.2 UNITS. Proceeds on account of damage to UNITS shall be held in the following undivided shares:

6.06.2.1 When the UNITS are to be repaired and restored, for the OWNERS of damaged UNITS in proportion to the cost of repairing the damage suffered by each OWNER.

6.06.2.2 When the UNITS are not to be repaired and restored as elsewhere provided, for the OWNERS of all damaged UNITS, each OWNER's share being equal to the "under roof" square footage of each OWNER's UNIT not to be repaired and restored, as proportional to the total "under roof" square footage of all UNITS within the SUBJECT PROPERTY not to be repaired and restored.

6.06.2.3 INSTITUTIONAL LENDER. In the event a mortgagee endorsement has been issued as to a UNIT, the share of the OWNER shall be held for the INSTITUTIONAL LENDER and the OWNER as their interest may appear. However, no INSTITUTIONAL LENDER shall have any right to determine or participate in the determination as to whether or not any damaged property shall be reconstructed or repaired, and no INSTITUTIONAL LENDER shall have any right to apply or have applied to the reduction of a mortgage debt

any insurance proceeds except distributions thereof made to the OWNER and INSTITUTIONAL LENDER pursuant to the provisions of this DECLARATION.

6.07 Distribution of Proceeds. Proceeds of insurance policies received by the Insurance Committee, if any has been established, shall be distributed to, or for the benefit of, the beneficial owners in the following manner:

6.07.1 Expense of the Insurance Committee. All expenses of the Insurance Committee, if any, shall be first paid or provisions made therefor.

6.07.2 Reconstruction or Repair. If the damage for which the proceeds are paid is to be repaired or reconstructed, the remaining proceeds shall be paid to defray the cost thereof as elsewhere provided. Any proceeds remaining after defraying such cost shall be distributed to the OWNERS of the damaged UNITS and their INSTITUTIONAL LENDER(S) being payable jointly to them. This is covenant for the benefit of any INSTITUTIONAL LENDER of a UNIT and may be enforced by such INSTITUTIONAL LENDER.

6.07.3 Failure to Reconstruct or Repair. If it is determined in the manner elsewhere provided that the damaged UNITS for which the proceeds are paid shall not be reconstructed or repaired, the remaining proceeds shall be distributed to the OWNERS of the damaged UNITS, remittances to OWNERS and their INSTITUTIONAL LENDER(S) being payable jointly to them. This is a covenant for the benefit of any INSTITUTIONAL LENDER of a UNIT and may be enforced by such INSTITUTIONAL LENDER .

6.07.4 Certificate. In making distribution to OWNERS and their INSTITUTIONAL LENDER(S), the Insurance Committee may rely upon a certificate of the ASSOCIATION executed by the President and Secretary as to the names of the OWNERS and INSTITUTIONAL LENDER(S) together with their respective shares of the distribution.

6.07.5 Limitation on Use of Proceeds. In no event may any hazard insurance proceeds for losses to any portion of the SUBJECT PROPERTY be used for other than expenses of the Insurance Committee or for the repair, replacement, or reconstruction of any damage, without the approval of at least two-thirds (2/3) of the OWNERS, and the approval of OWNERS whose UNITS are to be repaired with such proceeds.

6.08 ASSOCIATION as Agent. The ASSOCIATION is hereby irrevocably appointed agent for each OWNER and for the holder of a mortgage or other lien upon a UNIT and for each owner of any other interest in the SUBJECT PROPERTY to adjust all claims arising

under insurance policies purchased by the ASSOCIATION and to execute and deliver releases upon the payment of claims.

6.09 Notice of Possible Inadequate Insurance Coverage. In any legal action in which the ASSOCIATION may be exposed to liability in excess of insurance coverage protecting it and the OWNERS, the ASSOCIATION shall give notice of any excess exposure within a reasonable time to all OWNERS who may be exposed to the liability and they shall have the right to intervene and defend.

6.10 Inspection of Insurance Policies. A copy of each insurance policy purchased by the ASSOCIATION shall be made available for inspection by any OWNER or INSTITUTIONAL LENDER at reasonable times.

...

10. ASSESSMENT FOR COMMON EXPENSES.

...

10.02 Prior to the beginning of each fiscal year, the BOARD shall adopt a budget for such fiscal year which shall estimate all of the COMMON EXPENSES to be incurred by the ASSOCIATION during the fiscal year. The BOARD shall then establish the ASSESSMENT for COMMON EXPENSES for each UNIT, which shall be equal, and which shall be determined by dividing the total amount to be assessed for COMMON EXPENSES by the number of UNITS for which ASSESSMENTS for COMMON EXPENSES are to be made pursuant to the budget. The ASSOCIATION shall then notify each OWNER in writing of the amount, frequency, and due dates of the ASSESSMENT for COMMON EXPENSES.

From time to time during the fiscal year, the BOARD may modify the budget and, pursuant to the revised budget or otherwise, the BOARD may, upon written notice to the OWNERS, change the amount, frequency, and/or due dates of the ASSESSMENTS for COMMON EXPENSES.

If the expenditure of funds for COMMON EXPENSES is required in addition to funds produced by ASSESSMENTS for COMMON EXPENSES, the BOARD may make special ASSESSMENTS for COMMON EXPENSES, which shall be levied in the same manner as hereinbefore provided for regular ASSESSMENTS, and shall be payable in the manner determined by the BOARD, as stated in the notice of any special ASSESSMENTS for COMMON EXPENSES.

In the event any ASSESSMENTS for COMMON EXPENSES are made payable in equal periodic payments, as provided in the notice from the ASSOCIATION, such periodic payments shall automatically continue to be due and payable in the same amount and frequency unless and until:



(i) the notice specifically provides that the periodic payments will terminate or change upon the occurrence of a specified event or date or the payment of the specified amount; or

(ii) the ASSOCIATION notifies the OWNER in writing of a change in the amount and/or frequency of the periodic payments.

In no event shall any ASSESSMENTS for COMMON EXPENSES be due less than ten (10) days from the date of the notification of such ASSESSMENTS.

The BOARD may levy an Individual UNIT ASSESSMENT against any OWNER and that OWNER'S UNIT and any dwelling located thereon in order to cover costs incurred by the ASSOCIATION due to that OWNER'S failure to maintain his or her UNIT or the dwelling located thereon pursuant to the standards set forth in this DECLARATION, as amended, in accordance with Paragraph 11.02. Additionally, the BOARD may levy an Individual UNIT ASSESSMENT against any OWNER and that OWNER'S UNIT and any dwelling located thereon in order to reimburse the ASSOCIATION for loss or damage to the ASSOCIATION caused by that OWNER or his lessee, agent, contractor, guest or occupant, or for any other purpose permitted by this DECLARATION, as amended, or as deemed necessary by the BOARD, including for reimbursement of premiums paid by the ASSOCIATION for insurance coverage for any UNIT, for any contents located within a UNIT, or for any OWNER'S personal property.

In accordance with Paragraph 11.03 of this DECLARATION, as amended, the ASSOCIATION may levy a fine for any violation of the ASSOCIATION'S governing documents, and such fine may be treated by the ASSOCIATION as an Individual UNIT ASSESSMENT.

...

ARTICLES OF INCORPORATION  
OF  
ISLAND VILLAS HOMEOWNERS ASSOCIATION, INC.

DRAFT 1.0

DATED: 07-26-90

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Exhibit D

ARTICLES OF INCORPORATION  
OF  
ISLAND VILLAS HOMEOWNERS ASSOCIATION, INC.

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ARTICLES OF INCORPORATION  
OF  
ISLAND VILLAS HOMEOWNERS ASSOCIATION, INC.

In compliance with the provisions of Chapter 617, Florida Statutes, the undersigned, for the purpose of forming a corporation not-for-profit does hereby make, subscribe, acknowledge and file in the Office of the Secretary of State of the State of Florida as the ARTICLES OF INCORPORATION OF ISLAND VILLAS HOMEOWNERS ASSOCIATION, INC., a Florida corporation not-for-profit, the following, to wit:

ARTICLE I

DEFINITIONS

The definitions of terms set forth in the DECLARATION of ISLAND VILLAS are hereby specifically incorporated into these ARTICLES OF INCORPORATION by reference thereto as if they were fully set forth herein verbatim and at length, and such defined terms shall have the same meanings in the context of the ARTICLES OF INCORPORATION as is ascribed to them in the context of the DECLARATION.

ARTICLE II

NAME OF ASSOCIATION

The name of the ASSOCIATION shall be:

ISLAND VILLAS HOMEOWNERS ASSOCIATION, INC.

FILED  
1992 OCT - 2 AM 9:36  
SECRETARY OF STATE  
TALLAHASSEE, FLORIDA

ARTICLE III

OBJECTS AND PURPOSES

The ASSOCIATION has been created and established for the objects and purposes of and shall have exclusive jurisdiction over and the sole responsibility for the ownership, administration, management, operation, regulation, care maintenance, repair restoration, replacement, preservation and protection of the COMMON PROPERTY; the establishment, levy, imposition, enforcement, and collection of all ASSESSMENTS for which provision is made in the DECLARATION; the payment of all COMMON EXPENSES as defined in the DECLARATION; and the promotion and advancement of the health, safety and general welfare of the members of the ASSOCIATION; all as more particularly provided in the DECLARATION and in these ARTICLES, the BY-LAWS and the RULES AND REGULATIONS of the ASSOCIATION, and all having to do with and being related to ISLAND VILLAS.

## ARTICLE IV

### DUTIES AND POWERS

- 4.1 Duties and Powers, Generally. Except as may be limited by these ARTICLES, the ASSOCIATION shall have all duties, powers, rights and privileges as are, respectively imposed and conferred upon, corporations not-for-profit pursuant to the provisions of Chapter 617 Florida Statutes, and shall also have such duties and powers as are, respectively, imposed and conferred upon it pursuant to the DECLARATION, including, without limitation, such duties and powers as may be reasonably implied from, necessary for and incidental to the accomplishment of the objects and purposes for which the ASSOCIATION has been created and established.
- 4.2 Duties of the ASSOCIATION. The ASSOCIATION, acting by and through its BOARD, shall, in addition to those general and specific duties, responsibilities and obligations imposed upon it by law and those specified in the DECLARATION and the BY-LAWS, have the following specific duties, responsibilities and obligations, to wit:
- 4.2.1 Ownership and Management of COMMON PROPERTY. To own, hold, control, administer, manage, operate, regulate, care for, maintain, repair, replace, restore, preserve and protect all COMMON PROPERTY, whether real, personal or mixed including, without limitation, all COMMON STREETS AND ROADS, the SURFACE WATER MANAGEMENT SYSTEM and all walkways, signs, landscaping, landscape irrigation systems, street lighting systems, central security systems (including guard gates and guard houses), central cable television systems (if any), and all other common improvements, recreation facilities, and other facilities and appurtenances; subject, at all times, however, to the terms and provisions of any document or instrument pursuant to which the ASSOCIATION shall initially acquire title to and use any COMMON PROPERTY from DEVELOPER.
- 4.2.2 Payment of COMMON EXPENSES. To pay all COMMON EXPENSES associated with the ownership, administration, management, operation, regulation, care, maintenance, repair, replacement, restoration, preservation and protection of the COMMON PROPERTY, including, without limitation, the COMMON STREETS AND ROADS, and the SURFACE WATER MANAGEMENT SYSTEM, any recreational facilities, the management and administration of the business and affairs of the ASSOCIATION and all other COMMON EXPENSES for which provision is made in the DECLARATION.
- 4.2.3 Levy and Collection of ASSESSMENTS. To establish, make, levy, impose, enforce and collect all ASSESSMENTS for which provision is made in the DECLARATION or which shall otherwise be necessary to provide and assure the availability of such funds as may be reasonably necessary to pay all COMMON EXPENSES or otherwise conduct the business and affairs of the ASSOCIATION, including, without limitation, such funds as may be necessary to own, manage, administer, operate, care for, maintain, improve, repair, replace, restore, preserve and protect the COMMON STREETS AND ROADS, the SURFACE WATER MANAGEMENT SYSTEM, and all other COMMON PROPERTY.
- 4.2.4 Security Services. To protect the exclusivity of and provide internal protection and security services for and within ISLAND VILLAS.
- 4.2.5 Recreational Services. To provide and perform such services as deemed necessary by the BOARD for the supervision, maintenance, operation, and staff requirements for the recreational facilities.

- 4.2.6 Other Services. To provide and perform such other services and tasks, the responsibility for which has been expressly or impliedly delegated to the ASSOCIATION pursuant to the DECLARATION.
- 4.2.7 Insurance. To provide adequate insurance protection on and for the COMMON PROPERTY and, consistent with their respective duties, responsibilities and liabilities, provide adequate insurance protection on and for the ASSOCIATION itself and on and for its members, officers and directors, as well as for the members of the ARCHITECTURAL REVIEW BOARD established pursuant to the DECLARATION.
- 4.2.8 Preserve and Enhance Beauty of ISLAND VILLAS. To preserve, protect, maintain and enhance the appearance and natural beauty of the COMMON PROPERTY and the ISLAND VILLAS community generally.
- 4.2.9 Promotion of Health, Safety, and Welfare. To advance, promote, enhance and protect the health, safety and general welfare of the members of the ASSOCIATION, the residents of ISLAND VILLAS and the ISLAND VILLAS community generally; provided, however, that the ASSOCIATION shall be and hereby is specifically prohibited from engaging in any political activity or any other activity whereby its status as a corporation not-for-profit or its exemption from Federal or state income taxation, if any, shall be forfeited or jeopardized.
- 4.2.10 Enforcement of DECLARATION. To assure compliance with and adherence to and otherwise to enforce the provisions of the DECLARATION.
- 4.2.11 Establish and Enforce RULES AND REGULATIONS. To make, establish, promulgate, and publish, and to enforce such RULES AND REGULATIONS for the protection and governing the use of the COMMON PROPERTY as the BOARD of the ASSOCIATION deems to be in the best interest of the ASSOCIATION and its members.
- 4.2.12 Other Activities. To engage in any and all other activities permitted to be engaged in by a corporation not-for-profit under the laws of the State of Florida as may be necessary or appropriate for the achievement of the objects and purposes for which the ASSOCIATION has been created, formed, and established.
- 4.2.13 Operate Without Profit. To operate without profit for the sole and exclusive benefit of its members and the ISLAND VILLAS community generally.
- 4.3 Powers of ASSOCIATION. The ASSOCIATION, acting by and through its BOARD, shall, in addition to those general and specific powers conferred upon it by law and those powers specified in the DECLARATION and the BY-LAWS, have the following specific powers, to wit:
- 4.3.1 Own and Deal With COMMON PROPERTY. Except as may be limited by the terms of the DECLARATION, these ARTICLES and the BY-LAWS of the ASSOCIATION, to acquire, own, hold, control, administer, manage, operate, care for, maintain, repair, replace, restore, preserve, protect, buy, sell, lease, transfer, convey, encumber, or otherwise deal in or with real or personal property (or any interest therein, including easements) which is, or upon its acquisition by the ASSOCIATION shall thereupon become, COMMON PROPERTY as defined in these ARTICLES and in the DECLARATION.
- 4.3.2 Grant and Modify Easements. To grant and modify easements and to dedicate property owned by, or easements of, the ASSOCIATION to any governmental agency or quasi-public agency, authority, or utility company for public utilities, drainage, cable television, or telephone purposes.



- 4.3.3 Levy and Collect ASSESSMENTS. To establish, make, levy, impose, enforce and collect all ASSESSMENTS and impose, foreclose and otherwise enforce all liens for ASSESSMENTS for which provision is made in the DECLARATION in accordance with the terms and provisions of the DECLARATION, these ARTICLES and the BY-LAWS of the ASSOCIATION.
- 4.3.4 Establish Reserves. To create, establish, maintain and administer such capital expenditure and other reserve funds or accounts as shall, in the discretion of the BOARD, be reasonably necessary to provide and assure the availability of the funds necessary for the care, maintenance, repair, replacement, restoration, preservation and protection of all COMMON STREETS AND ROADS, the SURFACE WATER MANAGEMENT SYSTEM and all other COMMON PROPERTY and for such other purposes as its BOARD, in its reasonable discretion, shall deem necessary or appropriate.
- 4.3.5 Sue and Be Sued. To sue and be sued and to defend any suit.
- 4.3.6 Borrow Money. Subject to the limitations specified in Section 4.4 of these ARTICLES, to borrow such money as may reasonably be required to discharge and perform the duties, responsibilities and obligations imposed upon the ASSOCIATION pursuant to the DECLARATION and these ARTICLES.
- 4.3.7 Employ and Contract. To employ such PERSONS or to contract with such independent contractors or managing agents as shall be reasonably required in order for the ASSOCIATION to carry out, perform and discharge all or any part of its duties, obligations and responsibilities pursuant to the DECLARATION and these ARTICLES; provided, however, that any such employment contract or contract with any independent contractor or managing agent for a term of more than one (1) year shall, by its express terms, be terminable:
- (i) for cause at any time on not more than sixty (60) days written notice by the ASSOCIATION; and
  - (ii) without cause at any time after one (1) year on not more than sixty (60) days written notice by either party; and, provided further, that any such contracts shall otherwise be subject to the provisions of Section 4.4 of these ARTICLES.
- 4.3.8 Provide Insurance. To provide and contract for such insurance protection on and for the ASSOCIATION and the COMMON PROPERTY and, consistent with their respective duties, responsibilities and liabilities on and for the members, officers and directors of the ASSOCIATION as well as on and for the members of the ARCHITECTURAL REVIEW BOARD established pursuant to the DECLARATION.
- 4.3.9 Provide Security Services. To provide such equipment, facilities and personnel, or to contract with an independent contractor therefore, as may be reasonably necessary to provide internal protection, security services for and within ISLAND VILLAS.
- 4.3.10 Provide Cable Television Service. To provide such equipment, facilities and personnel, or to contract with an independent contractor therefore, as may be reasonably necessary to provide a central cable television system within ISLAND VILLAS, including its own central community antenna cable television system at the sole option of the BOARD and the DEVELOPER.

- 4.3.11 Provide Public or Quasi-Public Services. To itself provide equipment, facilities and personnel for, or to contract with an independent contractor or independent contractors, for such public or quasi-public services as may be deemed by the ASSOCIATION to be reasonably necessary or desirable for the common health, safety and general welfare of the residents of ISLAND VILLAS and the ISLAND VILLAS community generally, including, without limitation, internal security and protection services, garbage and trash pickup and disposal services, cable television services, street-lighting services, irrigation services, water and sewer services, grounds maintenance services, and social director services.
- 4.3.12 Enforce DECLARATION. To take such steps as may be necessary to enforce the provisions of the DECLARATION, including, without limitation the employment of counsel and the institution and prosecution of litigation to enforce the provisions of the DECLARATION, including, without limitation, such litigation as may be necessary to collect assessments and foreclose liens for which provisions are made in the DECLARATION.
- 4.3.13 Establish and Enforce RULES AND REGULATIONS. To make, establish, promulgate and publish, and to enforce such RULES AND REGULATIONS for the protection and governing the use of the COMMON PROPERTY as the BOARD deems to be in the best interest of the ASSOCIATION and its members.
- 4.3.14 Other Activities. To engage in any and all other activities permitted to be engaged in by a corporation not-for-profit under the laws of the State of Florida as may be necessary or appropriate for the achievement of the objects and purposes for which the ASSOCIATION has been created, formed and established.
- 4.4 Limitation on Powers. In addition to such other restrictions or limitations on the powers of the ASSOCIATION as may be imposed by law, elsewhere in these ARTICLES, in the BY-LAWS of the ASSOCIATION or in the DECLARATION, and without limiting the generality of any thereof, the ASSOCIATION shall be prohibited from taking any of the following actions without the prior approval of a majority of the total voting power of the ASSOCIATION, to-wit:
- 
- 4.4.1 Contracts for a Term in Excess of One Year. The entry into any employment contracts or other contracts for the delivery of services or materials to the ASSOCIATION having a term in excess of one (1) year, except in the case of prepaid insurance, casualty or liability contracts or policies for not more than three (3) years duration; provided that the applicable contract or policy provides for and permits short rate cancellation by the insured.
- 4.4.2 Pledge of ASSESSMENT Rights. The borrowing of any funds secured by a pledge, assignment or encumbrance of the right and duty of the ASSOCIATION to exercise its power to establish, make, levy, impose, enforce and collect any ASSESSMENTS for which provision is made in the DECLARATION whereby as a result of such pledge, assignment or encumbrance such right and power of assessment may be exercised by a party other than the ASSOCIATION or whereby the ASSOCIATION shall become obligated to establish, levy, enforce and collect any ASSESSMENT or ASSESSMENTS in a particular amount or within a particular time so as to effectively divest from the ASSOCIATION and its BOARD the right, duty and discretion to establish, make, levy, impose, enforce and collect ASSESSMENTS in such amounts and within such time periods as the BOARD of the ASSOCIATION, in its discretion, shall deem to be necessary and reasonable.

It is expressly provided, however, that the foregoing limitation and restriction upon the pledge, assignment or encumbrance of assessment rights herein contained shall not preclude the ASSOCIATION from pledging or making an assignment of or otherwise encumbering the proceeds of any ASSESSMENT which is then payable to or which will thereafter, in the ordinary course of the ASSOCIATION's business, become payable to the ASSOCIATION; provided that any such assignment, pledge or encumbrance, though then presently effective, shall allow and permit any such ASSESSMENTS to continue to be paid to and used by the ASSOCIATION as set forth in the DECLARATION unless and until the ASSOCIATION shall default on the repayment of the debt which is secured by such pledge, assignment or encumbrance.

- 4.4.3 Capital Expenditures in Excess of Fifteen Percent (15%) of COMMON EXPENSES. The expenditure in any single calendar year of an amount for capital acquisitions or capital improvements to the COMMON PROPERTY in excess of fifteen percent (15%) of the estimated total of COMMON EXPENSES for the calendar year, except such capital improvements as may be paid for by application of funds in a reserve account specifically established for that purpose.
- 4.4.4 Sale or Transfer of Real Property. The sale, transfer or other disposition, whether or not for consideration, of any real property owned by the ASSOCIATION as COMMON PROPERTY provided, however, in no event shall the ASSOCIATION be entitled or empowered to sell, convey or transfer and real property constituting COMMON PROPERTY transferred and conveyed by the DEVELOPER to the ASSOCIATION pursuant to the provisions of Section 8.1 of the DECLARATION without first receiving the prior written consent of the DEVELOPER.
- 4.4.5 Payment of Compensation to Officers or Directors. The payment to the elected directors or to officers of the ASSOCIATION for services performed in the conduct of their duties as such director or officer of the ASSOCIATION; provided, however, that nothing herein contained shall preclude the ASSOCIATION from reimbursing any such elected director or officer for reasonable expenses actually incurred and paid by any such elected director or officer in the conduct of the business and affairs of the ASSOCIATION; and provided, further, that nothing herein contained shall preclude the employment by the ASSOCIATION and payment of compensation to a manager, executive director, or management corporation of the ASSOCIATION who shall not be an elected director or officer of the ASSOCIATION.

## ARTICLE V

### MEMBERSHIP

- 5.1 Membership. Every OWNER shall automatically and mandatorily be a member of the ASSOCIATION upon becoming an OWNER. Additionally, the DEVELOPER shall automatically and mandatorily be a member of the ASSOCIATION. The DEVELOPER's membership shall not require approval of the ASSOCIATION. Membership may not be refused, waived or surrendered, but a member's voting rights and use and enjoyment of the COMMON PROPERTY may be regulated or suspended as provided in the DECLARATION, these ARTICLES, the BY-LAWS and the RULES AND REGULATIONS of the ASSOCIATION.

- 5.2 Transfer of Membership. Membership in the ASSOCIATION shall be appurtenant to and may not be separated from the ownership interest of an OWNER in the LOT, piece, parcel or tract of land within the SUBJECT PROPERTY owned by such OWNER. The membership of an OWNER in the ASSOCIATION shall not be transferred, pledged or alienated in any way, except that such membership shall automatically be transferred and assigned to a transferee upon the transfer of the ownership interest required for membership in the ASSOCIATION. The ASSOCIATION shall have the right to record any such automatic transfer upon the books and records of the ASSOCIATION without any further action or consent by the transferring OWNER or any transferee OWNER. Any attempt to make a prohibited transfer of membership, however, shall be void and of no force and effect and will not be reflected upon the books and records of the ASSOCIATION.
- 5.3 Members' Rights. The rights of every member of the ASSOCIATION shall be subject to and governed by the terms and provisions not only of the DECLARATION and these ARTICLES, but, in addition, shall at all times be subject to the terms and provisions of the BY-LAWS and RULES AND REGULATIONS of the ASSOCIATION.

## ARTICLE VI

### VOTING RIGHTS

- 6.1 Vesting of Voting Rights. An OWNER's right to vote shall vest immediately upon such OWNER's qualification for membership as provided in these ARTICLES, the BY-LAWS and the DECLARATION. All voting rights of a member shall be exercised in accordance with and subject to the restrictions and limitations provided in the DECLARATION, these ARTICLES, the BY-LAWS and the RULES AND REGULATIONS of the ASSOCIATION.
- 6.2 Membership; Number of Votes. On all matters upon which the membership shall be entitled to vote, there shall be only one vote for each LOT. Provided, however, that in the event that two (2) or more contiguous LOTS or one LOT and a portion of another LOT are owned in common by the same OWNER ~~and combined, developed, and improved by such OWNER as a single unified residential~~ homesite, the OWNER of any such combination of LOTS shall only be entitled to one vote for each such combination of LOTS so owned, upon acceptance by the ASSOCIATION as one LOT and one ASSESSMENT, as set forth in Section 9.8.2.A and B of the DECLARATION.

The OWNER shall be eligible for one vote and no fraction thereof. During such time as ASSESSMENTS are paid for more than one LOT and prior to the acceptance of the ASSOCIATION of the combination of whole or fractional LOTS into single LOTS, the voting rights shall be divided in that same direct proportion as the ASSESSMENTS are made relative to the ownership proportion.

When more than one PERSON or entity holds the ownership interest required for membership in the ASSOCIATION, each such PERSON or entity shall be a member, but the single vote of such members with respect to the LOT owned by them shall be exercised as they, among themselves, determine. However, in no event shall more than one vote be cast with respect to any LOT which is owned by more than one PERSON or entity. The ASSOCIATION may, but shall not be obligated to, recognize the vote or written assent of particular co-owner who or which is designated by all co-owners entitled to cast the vote attributable to the LOT owned by such co-owners, provided that such written designation shall be delivered to the ASSOCIATION not less than twenty-four (24) hours prior to the taking of the particular vote in question.

ARTICLE VII

BOARD OF DIRECTORS

- 7.1 Purpose. The property, business, and affairs of the ASSOCIATION shall be managed and governed by a BOARD OF DIRECTORS of the ASSOCIATION.
- 7.2 Number. The number of directors on the BOARD OF DIRECTORS from time to time shall never be less than three (3) nor more than nine (9), but shall always be an odd number. The number of directors shall be determined from time to time by the BOARD and may be increased or decreased by the BOARD from time to time, but shall never be less than three (3).
- 7.3 Qualification. Except for the initial directors designated in Section 7.6 of these ARTICLES and any directors thereafter from time to time appointed or elected by the DEVELOPER, all directors of the ASSOCIATION must be members of the ASSOCIATION in good standing.
- 7.4 Term of Office. The directors shall serve for a period of one year ending on the date of the annual meeting, or until such director's resignation or removal, pursuant to the DECLARATION, these ARTICLES, and the BY-LAWS.
- 7.5 Election of Directors. Subject to the terms and provisions of Sections 7.7 and 7.8 of these ARTICLES, the directors of the ASSOCIATION shall be elected by majority vote of the members of the ASSOCIATION in accordance with these ARTICLES and the BY-LAWS of the ASSOCIATION at the regular annual meeting of the members of the ASSOCIATION or at a special meeting of the members of the ASSOCIATION duly called for such purpose.
- 7.6 Initial Board of Directors. The Board of Directors shall initially consist of three (3) directors. The names and address of the members of the initial BOARD who shall hold office and serve until their successors are elected or appointed or until they are removed in accordance with these ARTICLES and the BY-LAWS of the ASSOCIATION are as follows:

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<u>ADDRESS</u>	<u>NAME</u>	
	DAVID T. McWILLIAMS	1790 HIGHWAY A1A, SUITE 206 SATELLITE BEACH, FL 32937
	JOAN McWILLIAMS	701 TRADEWINDS DRIVE INDIAN HARBOUR BEACH, FL 32937
	TIMOTHY F. McWILLIAMS	492 E. EAU GALLIE BLVD. INDIAN HARBOUR BEACH, FL 32937

- 7.7 Directors Appointed by the DEVELOPER. The DEVELOPER shall have the right to appoint a majority of the Directors until the DEVELOPER has conveyed at least eighty-five percent (85%) of the planned LOTS within ISLAND VILLAS or until ten (10) years after the DECLARATION is recorded in the Public Records of the COUNTY, whichever occurs first, and thereafter shall have the right to appoint one Director so long as the DEVELOPER owns any LOT. The DEVELOPER may waive its right to elect one or more Directors by written notice to the ASSOCIATION and, thereafter, such Directors shall be elected by the members. When the DEVELOPER no longer owns any LOT within ISLAND VILLAS, all of the Directors shall be elected by the members in the manner provided in the BY-LAWS.

- 7.8 Directors Elected by the Members. The members shall have the right to elect one member to the BOARD when the DEVELOPER has conveyed fifty percent (50%) of the planned LOTS within ISLAND VILLAS. The Director shall be elected by the members in the manner as provided in the BY-LAWS.
- 7.9 Duties and Powers. All of the duties and powers of the ASSOCIATION existing under and pursuant to Chapter 617 Florida Statutes, the DECLARATION, these ARTICLES and the BY-LAWS shall be exercised exclusively by the BOARD, subject to approval by the members of the ASSOCIATION only when specifically required.
- 7.10 Removal. Directors may be removed and vacancies on the BOARD shall be filled in the manner provided for by the BY-LAWS. However, any Director appointed by the DEVELOPER may only be removed by the DEVELOPER, and any vacancy on the BOARD shall be appointed by the DEVELOPER, if, at the time such vacancy is to be filled, the DEVELOPER is entitled to appoint the Directors.
- 7.11 Federal Income Tax Election. The BOARD of the ASSOCIATION shall have the power and the authority to cause the ASSOCIATION to make the annual election with respect to the ASSOCIATION's federal income tax treatment under Section 528 of the Internal Revenue Code of 1954, as amended from time to time.

#### ARTICLE VIII

##### OFFICERS

- 8.1 Officers, Generally. The affairs of the ASSOCIATION shall be administered by a President, Vice President, Secretary, Assistant Secretary, Treasurer and such other officers as the BOARD may from time to time by resolution create. The offices of the Vice President, Secretary and Treasurer or any other offices may be combined from time to time by the BOARD in its discretion, except that the office of President shall not be combined with any other office.
- 
- 8.2 Election. Except as hereinafter provided with respect to the initial officers of the ASSOCIATION, the officers of the ASSOCIATION shall be elected by the directors of the ASSOCIATION from among themselves at a meeting of the directors held immediately following the termination of the annual meeting of the members at which the directors are elected.
- 8.3 Term. All officers of the ASSOCIATION shall hold office for a term of one (1) year or until their successors are elected, but may be removed from office by the BOARD, with or without cause, at any time.
- 8.4 Duties of Officers. The duties of the officers shall be as set forth in the BY-LAWS of the ASSOCIATION.
- 8.5 Initial Officers. The names, titles and addresses of the initial officers of the ASSOCIATION who shall hold office and serve until their successors elected are as follows:

<u>OFFICE</u>	<u>NAME/ADDRESS</u>
PRESIDENT	DAVID T. McWILLIAMS 1790 HIGHWAY A1A, SUITE 206 SATELLITE BEACH, FL 32937
VICE PRESIDENT	TIMOTHY F. McWILLIAMS 492 E. EAU GALLIE BLVD INDIAN HARBOUR BEACH, FL 32937
SECRETARY/ TREASURER	JOAN McWILLIAMS 1790 HIGHWAY A1A, SUITE 206 SATELLITE BEACH, FL 32937

- 8.6 Vacancy Before First Meeting. In the event of a vacancy in any office of the ASSOCIATION prior to the first annual meeting of the members of the ASSOCIATION, such vacancy shall be filled by an individual appointed by the DEVELOPER.

#### ARTICLE IX

##### TRANSACTIONS IN WHICH OFFICERS OR DIRECTORS ARE INTERESTED

- 9.1 Contracts Valid. All contracts or transactions between the ASSOCIATION and any other individual, corporation, partnership, association, or other organization or entity in which one or more of the officers or directors of the ASSOCIATION are officers or directors, or has a direct or indirect financial interest, including the DEVELOPER and any affiliate of the DEVELOPER, shall be as valid as if the same were engaged in or entered into by or with a disinterested party. No such contract or transaction shall be invalid, void, or voidable solely for this reason, or solely because the officer or director is present at or participates in the meeting of the BOARD which authorized the contract or transaction, or solely because the vote of said officer or director is counted for such purpose. No officer or director of the ASSOCIATION shall incur liability by reason of the fact that said officer or director may be interested in any such contract or transaction.
- 9.2 Interested Directors Counted in Quorum. Interested directors may be counted in determining the presence of a quorum at any meeting of the BOARD at which a contract or transaction in which such director may be interested is authorized.
- 9.3 Duty to Disclose. Notwithstanding the foregoing, any officer or director of the ASSOCIATION shall have a duty to disclose to the BOARD of the ASSOCIATION that such officer or director is also an officer or director of or otherwise has a financial interest, direct or indirect, in any individual or business organization or entity with which the ASSOCIATION proposes to contract or otherwise transact business. Such disclosure shall be reflected in the minutes of the meeting at which any vote is taken on a proposed contract or business transaction with any individual or business organization or entity in which an officer or director of the ASSOCIATION has any interest.

ARTICLE X

INDEMNIFICATION AND RELEASE OF OFFICERS AND DIRECTORS

- 10.1 Indemnification. Every officer and every director of the ASSOCIATION shall be indemnified by the ASSOCIATION against all expenses and liabilities, including reasonable attorneys' fees, incurred by or imposed upon him in connection with any proceeding to which he may be a party or in which he may become involved by reason of his being or having been an officer or a director of the ASSOCIATION, or in connection with or on account of any settlement thereof, whether or not he is an officer or a director of the ASSOCIATION at the time that such expenses and liabilities are incurred, except in such cases wherein any such officer or director is judged guilty of willful misfeasance or malfeasance in the performance of his duties; provided, however, that any claim for reimbursement or indemnification hereunder may be settled with the approval of the BOARD in the best interest of the ASSOCIATION.
- 10.2 Right of Indemnification Cumulative, Not Exclusive. The right of Indemnification provided by this Article X shall be in addition to and not exclusive of and shall not be deemed to limit, in any way, the powers of the ASSOCIATION to indemnify any officer or director and the right of any officer or director to be indemnified by the ASSOCIATION by or under the common law or statutory laws or the State of Florida, the DECLARATION, the BY-LAWS or otherwise.
- 10.3 Release of Officers and Directors. The resignation or expiration of the term of office of, or the removal or replacement of, a director who has been elected or designated by the DEVELOPER, including those directors initially designated in these ARTICLES, and the resignation or expiration of the term of office of or the removal or replacement of an officer of the ASSOCIATION who has been appointed by the initial BOARD, including those officers initially designated in these ARTICLES, shall remise, release, acquit, satisfy and forever discharge such director or officer of and from all manner of action and actions, cause and causes of actions, suits, debts, covenants, contracts, damages, judgments, executions, claims and demands whatsoever, in law or in equity, which the ASSOCIATION or any of its members, other than DEVELOPER, had, now have, or which any heir, personal representative, successor or assign of the ASSOCIATION or its members, other than DEVELOPER hereafter can, shall or may have against any such director or officer of the ASSOCIATION for, upon, or by reason of any matter, cause or thing whatsoever from the beginning of the world to the day of such director's or officer's resignation, removal or replacement or the expiration of such director's or officer's term of office.

ARTICLE XI

BY-LAWS

The initial BY-LAWS of the ASSOCIATION shall be adopted by the BOARD and may be altered, amended or rescinded in the manner provided by the BY-LAWS. No amendment to the BY-LAWS shall change the rights and privileges of the DEVELOPER without its approval. In the event of any conflict between the provisions of these of ARTICLES and the provisions of the BY-LAWS, the provisions of these ARTICLES will control.



## ARTICLE XII

### AMENDMENTS

12.1 Amendments, Generally. These ARTICLES may only be changed, amended, modified or rescinded in the following manner:

12.1.1 Resolution of Board of Directors. The BOARD shall initially propose any amendments to these ARTICLES. Any such proposal shall be by resolution duly adopted by the BOARD setting forth the specific terms and provisions of the proposed amendment and directing that the proposed amendment be submitted to a vote of the members of the ASSOCIATION at the next annual meeting or at a special meeting of the members of the ASSOCIATION duly called for such purpose.

12.1.2 Notice of Meeting. Written notice setting forth the date and time of the meeting at which the proposed amendment is to be voted upon and also setting forth the specific terms and provisions of proposed amendment, or a summary of the changes to be effected by the proposed amendment, shall be given in accordance with the provisions of the BY-LAWS to each member of the ASSOCIATION entitled to vote thereon. Such meeting may not occur less than fifteen (15) days nor more than sixty (60) days from the date of the giving of the notice of the meeting at which the proposed amendment is to be considered and voted upon.

12.1.3 Vote of Members. A vote of the members of the ASSOCIATION entitled to vote thereon, shall be taken on the proposed amendment at the meeting of which notice has been given as provided in Section 12.1.2 above. The proposed amendment shall be adopted upon receiving the affirmative vote of three-fourths (3/4ths) of the votes of the members of the ASSOCIATION cast at such meeting, whether in PERSON or by proxy.

~~Any number of amendments may be proposed by the BOARD and voted upon by the members of the ASSOCIATION at any one meeting.~~

12.2 Written Consent. Notwithstanding anything to the contrary set forth in this Article XII, if a majority of the directors and such number of the members of the ASSOCIATION as eligible to vote and cast two-thirds (2/3) of the total voting power of the ASSOCIATION sign a written statement manifesting their intention that an amendment to these ARTICLES be adopted, then the amendment shall thereby be adopted although the requirements of Section 12.1 of these ARTICLES had been satisfied.

12.3 ARTICLES of Amendment. Upon the approval of an amendment to these ARTICLES in accordance with the provisions of this Article XII, the officers of the ASSOCIATION shall cause ARTICLES of Amendment to be executed and delivered to the Office of the Secretary of State of the State of Florida as provided by law.

12.4 Limitations on Amendments.

12.4.1 Notwithstanding anything to the contrary set forth in the DECLARATION, these ARTICLES or the BY-LAWS of the ASSOCIATION, these ARTICLES may not be changed, amended, modified or rescinded in any fashion or respect which would result in any change, amendment, modification, diminution or elimination of or otherwise affected the rights, privileges of or benefits accruing hereunder to either the DEVELOPER, the CITY, INSTITUTIONAL LENDERS, the St. Johns Water Management District without first receiving the prior written consent and approval of the DEVELOPER and such other of these parties as may be or whose rights, privileges, benefit or interest may be adversely or otherwise affected by any such amendment to these ARTICLES.

- 12.4.2 No amendment to these ARTICLES shall be made which discriminates against any OWNERS or affects less than all of the OWNERS within ISLAND VILLAS, without the written approval of all of the OWNERS so discriminated against or affected.

### ARTICLE XIII

#### DURATION AND DISSOLUTION

- 13.1 Duration. The ASSOCIATION shall have perpetual existence, unless dissolved in accordance with the provisions of Chapter 617 Florida Statutes and as otherwise set forth in this Article XIII.
- 13.2 Dissolution. Upon dissolution of the ASSOCIATION, the property and assets of the ASSOCIATION remaining after payment of all creditors of the ASSOCIATION and the costs and expenses associated with such dissolution shall be distributed to any other corporation not-for-profit which is created and established for purposes similar to this ASSOCIATION or to the CITY, the COUNTY, or any other public agency for similar purposes; provided, however, that, notwithstanding the foregoing or following provisions of this Section 13.2 that portion of the COMMON PROPERTY comprising the SURFACE WATER MANAGEMENT SYSTEM shall be distributed only as provided in Section 13.3 of these ARTICLES.

In the event that, upon dissolution, another corporation not-for-profit shall not be created and established as hereinabove provided in this Section 13.2, or in the event that the CITY, the COUNTY, or any other public agency shall refuse to accept a proposed distribution to it of the property and assets of the ASSOCIATION, any member of the ASSOCIATION or any other interested party shall be entitled to petition the Circuit Court of the Eighteenth Judicial Circuit in and for Brevard County, Florida for the establishment of a trust or the creation of a corporation not-for-profit or other legal entity for purposes similar to that of this ASSOCIATION. Any COMMON PROPERTY so distributed upon dissolution of the ASSOCIATION, as aforesaid, shall continue to be subject to and encumbered by the terms and provisions of the DECLARATION and such other restrictions and limitations as may have been imposed upon such COMMON PROPERTY in the instrument by which title thereto was originally conveyed by the DEVELOPER to the ASSOCIATION.

- 13.3 Disposition of SURFACE WATER MANAGEMENT SYSTEM on Dissolution. Notwithstanding the foregoing provisions of Section 13.2 of these ARTICLES, upon dissolution of the Association, that portion of the COMMON PROPERTY comprising the SURFACE WATER MANAGEMENT SYSTEM shall be granted, conveyed, assigned or dedicated by the ASSOCIATION to an appropriate governmental body, agency or utility to which such grant, conveyance, assignment or dedication is offered, the property comprising the SURFACE WATER MANAGEMENT SYSTEM shall be granted, conveyed, assigned or dedicated to a corporation not-for-profit, an association, trust or other legal organization or entity, approved by the St. Johns Water Management District. In the absence of any such grant, conveyance, assignment or dedication of the property comprising the SURFACE WATER MANAGEMENT SYSTEM in accordance with the foregoing provisions of this Section 13.3, any member of the ASSOCIATION, the COUNTY or the Saint John's Water Management District shall be entitled to petition the Circuit Court of the Eighteenth Judicial Circuit in and for Brevard County, Florida for the establishment of a trust or the creation of a corporation not-for-profit or other legal entity so created for such purpose.

ARTICLE XIV

NON-PROFIT STATUS

No part of the net earnings of the ASSOCIATION shall inure to the benefit of any of its members or any other individual. Accordingly, the ASSOCIATION shall not carry on any activity for the profit of its members, or distribute any gains, profits, or dividends to any of its members as such, or engage, except to an insubstantial degree, in any activities which are not in furtherance of the specific and primary objects and purposes of the ASSOCIATION. The ASSOCIATION may however, provide a rebate, reimbursement or refund of excess membership dues, fees or ASSESSMENTS to its members. In determining whether there should be any such rebate, reimbursement or refund, the earnings of the ASSOCIATION are not to be taken into account in any manner.

ARTICLE XV

REGISTERED OFFICE AND AGENT

The street and mailing address of the initial registered office of the ASSOCIATION shall be 1790 NORTH A1A, SUITE 101, SATELLITE BEACH, FLORIDA 32937, and the initial registered agent of the ASSOCIATION at that address shall be DAVID T. McWILLIAMS, subject at all times to the right of the ASSOCIATION to change either or both the registered office and the registered agent of the ASSOCIATION in the manner provided by the laws of the State of Florida from time to time. The above is also the mailing address for the corporation.

ARTICLE XVI

INCORPORATOR

The name and address of the incorporator of the ASSOCIATION is:

SANDY POINT LAND DEVELOPMENT CORP.

~~1790-NORTH-A1A, SUITE-101~~  
SATELLITE BEACH, FLORIDA 32937

IN WITNESS WHEREOF, the undersigned corporation has executed these Articles of Incorporation as of the 30th day of September, 1992.

SANDY POINT LAND DEVELOPMENT CORP.

(CORPORATE SEAL)

BY: DAVID T. McWILLIAMS, PRESIDENT

STATE OF FLORIDA

COUNTY OF BREVARD

I hereby Certify that on this day, before me, an officer duly authorized to administer oaths and take acknowledgements, personally appeared DAVID T. McWILLIAMS, PRESIDENT of SANDY POINT LAND DEVELOPMENT CORP., a Florida corporation authorized to do business in the State of Florida, on behalf of said corporation, known to me to be the person described in and who executed the foregoing instrument, who acknowledged before me that he executed the same, that I relied upon the following form of identification of the above-named person: Florida Drivers License and that an oath was taken.

Dated: Sept. 30, 1992

MY COMMISSION EXPIRES:

Rachelle M. Farnier  
Notary Public



FILED  
1992 OCT -2 AM 9:36  
SECRETARY OF STATE  
TALLAHASSEE, FLORIDA

ACCEPTANCE OF REGISTERED AGENT

The undersigned hereby accepts the designation as Registered Agent of ISLAND VILLAS HOMEOWNERS ASSOCIATION, INC.



DAVID T. McWILLIAMS

1992 OCT -2 AM 9:36  
SECRETARY OF STATE  
TALLAHASSEE, FLORIDA

FILED

REGISTERED AGENT FILING FORM

# State of Florida



## Department of State

I certify the attached is a true and correct copy of the Articles of Amendment, filed on July 11, 2007, for ISLAND VILLAS HOMEOWNERS ASSOCIATION, INC., a corporation organized under the laws of the State of Florida, as shown by the records of this office.

The document number of this corporation is N51103.

CFN 2007192347, OR BK 5802 Page 4748,  
Recorded 08/08/2007 at 11:31 AM, Scott Ellis, Clerk of  
Courts, Brevard County  
# Pgs:5

Given under my hand and the  
Great Seal of the State of Florida  
at Tallahassee, the Capitol, this the  
Thirtieth day of July, 2007



*[Handwritten Signature]*  
Kurt S. Browning  
Secretary of State

*Clayton McCullah 1065 Maitland Center Commons Blvd Maitland FL 32751*

**ARTICLES OF AMENDMENT TO ARTICLES OF INCORPORATION OF ISLAND  
VILLAS HOMEOWNERS ASSOCIATION, INC.**

Pursuant to the provisions of §617.1006, *Fla. Stat.*, Island Villas Homeowners Association, Inc. ("Association") adopts the following Articles of Amendment to its Articles of Incorporation.

FILED  
JUL 1 1988 AM 8:25  
SECRETARY OF STATE  
TALLAHASSEE, FLORIDA

**FIRST:           Amendment adopted:**

Article XII of the Articles of Incorporation of Island Villas Homeowners Association, Inc. is hereby amended as follows (additions are indicated by underlining; deletions are indicated by ~~strike-outs~~, omitted and unaltered provisions are indicated by ellipses):

ARTICLE XII  
AMENDMENTS

12.1 Amendments, Generally. These ARTICLES may only be changed, amended, modified or rescinded in the following manner:

12.1.1 Resolution of Board of Directors. The BOARD shall initially propose any amendments to these ARTICLES. Any such proposal shall be by resolution duly adopted by the BOARD setting forth the specific terms and provisions of the proposed amendment and directing that the proposed amendment be submitted to a vote of the members of the ASSOCIATION at the next annual meeting or at a special meeting of the members of the ASSOCIATION duly called for such purpose.

12.1.2 Notice of Meeting. Written notice setting forth the date and time of the meeting at which the proposed amendment is to be voted upon and also setting forth the specific terms and provisions of proposed amendment, or a summary of the changes to be effected by the proposed amendment, shall be given in accordance with the provisions of the BY-LAWS to each member of the ASSOCIATION entitled to vote thereon. Such meeting may not occur less than fifteen (15) days nor more than sixty (60) days from the date of the giving of the notice of the meeting at which the proposed amendment is to be considered and voted upon.

12.1.3 Vote of Members. A vote of the members of the ASSOCIATION entitled to vote thereon, shall be taken on the proposed amendment at the meeting of which notice has been given as provided in Section 12.1.2 above. The proposed amendment shall be adopted upon receiving the affirmative vote of ~~three-fourths (3/4ths)~~ a simple majority (i.e.: fifty-percent of all OWNERS, rounded up to the next whole OWNER, such that the number of votes in favor outnumbers the number of votes against or abstaining) ~~of the votes~~ of the members of the ASSOCIATION ~~cast at such a meeting,~~ whether in PERSON or by proxy.



Any number of amendments may be proposed by the BOARD and voted upon by the members of the ASSOCIATION at any one meeting.

12.2 Written Consent. Notwithstanding anything to the contrary set forth in this Article XII, if a majority of the directors and such number of the members of the ASSOCIATION as eligible to vote and cast two-thirds (2/3) of the total voting power of the ASSOCIATION sign a written statement manifesting their intention that an amendment to these ARTICLES be adopted, then the amendment shall thereby be adopted although the requirements of Section 12.1 of these ARTICLES had been satisfied.

12.3 ARTICLES of Amendment. Upon the approval of an amendment to these ARTICLES in accordance with the provisions of this Article XII, the officers of the ASSOCIATION shall cause ARTICLES of Amendment to be executed and delivered to the Office of the Secretary of State of the State of Florida as provided by law.

12.4 Limitations on Amendments.

12.4.1 Notwithstanding anything to the contrary set forth in the DECLARATION, these ARTICLES or the BY-LAWS of the ASSOCIATION, these ARTICLES may not be changed, amended, modified or rescinded in any fashion or respect which would result in any change, amendment, modification, diminution or elimination of or otherwise affected the rights, privileges of or benefits accruing hereunder to either the DEVELOPER, the CITY, INSTITUTIONAL LENDERS, the St. Johns Water Management District without first receiving the prior written consent and approval of the DEVELOPER and such other of these parties as may be or whose rights, privileges, benefit or interest may be adversely or otherwise affected by any such amendment to these ARTICLES.

12.4.2 No amendment to these ARTICLES shall be made which discriminates against any OWNERS or affects less than all of the OWNERS within ISLAND VILLAS, without the written approval of all of the OWNERS so discriminated against or affected

...  
**SECOND:** The date of adoption of the Amendment was the 17<sup>th</sup> day of February, 2007.

**THIRD:** Adoption of Amendment:

Article XII of the Articles of Incorporation of Island Villas Homeowners Association, Inc., entitled "Amendments" in effect prior to the adoption of the instant amendment provided that Amendments to the Articles of Incorporation may be adopted upon receiving the affirmative vote of three-fourths (3/4ths) of the votes of the members of the ASSOCIATION cast at a meeting of the members, whether in PERSON or by proxy.

The members of the corporation were entitled to vote on the Amendment. The members of the Association duly adopted the Amendment in accordance with the above-stated provision. The number of votes cast for the Amendment was sufficient for approval.

THE ASSOCIATION has caused these presents to be executed in its name, this 27<sup>th</sup> day of June, 2007.

ISLAND VILLAS HOMEOWNERS  
ASSOCIATION, INC.

By: [Signature]  
(Sign)

Richard I. Ballantyne  
(Print)

President, Island Villas Homeowners  
Association, Inc.

Melissa L. Moore  
(Witness 1 - Sign)

Melissa L. Moore  
(Witness 1 - Print)

[Signature]  
(Witness 2 - Sign)

Holly Walters  
(Witness 2 - Print)

Attest: Kim Nicholas  
(Sign)

Kim Nicholas  
(Print)

Secretary, Island Villas Homeowners  
Association, Inc.

Melissa L. Moore  
(Witness 1 - Sign)

Melissa L. Moore  
(Witness 1 - Print)

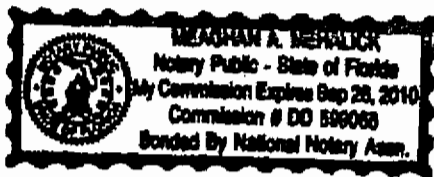
[Signature]  
(Witness 2 - Sign)

Holly Walters  
(Witness 2 - Print)

STATE OF FLORIDA  
COUNTY OF Brevard

The foregoing was acknowledged before me this 27<sup>th</sup> day of June 2007, by Richard Ballantyne, as President of Island Villas Homeowners Association, Inc., a Florida not for profit corporation, on behalf of the corporation, who is personally known to me or who has produced FLDL B453 75239 450 0 as identification.

NOTARY PUBLIC



Meaghan A. Mehalick  
(Sign)

Meaghan A. Mehalick  
(Print)

State of Florida, At Large  
My Commission Expires: 9-26-10

STATE OF FLORIDA  
COUNTY OF Brevard

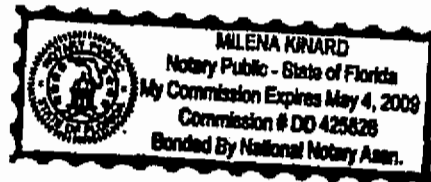
The foregoing was acknowledged before me this 27 day of June 2007, by Kimberly Nicholas, as Secretary of Island Villas Homeowners Association, Inc., a Florida not for profit corporation, on behalf of the corporation, who is personally known to me or who has produced FLDL U242 500539190 as identification.

NOTARY PUBLIC

Milena Kinard  
(Sign)

Milena Kinard  
(Print)

State of Florida, At Large  
My Commission Expires:



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260306

22 OCT 11 PM 3:48

*DeWinstead* Clerk Circuit Court  
 Recorded and Verified Brevard County, FL  
 # Pgs. 20 # Names 2  
 Trust Fund 10.50 Rec Fee 81.00  
 Stamp-Deed \_\_\_\_\_ Excise Tx \_\_\_\_\_  
 Stamp-Mtg \_\_\_\_\_ Int Tx \_\_\_\_\_  
 Service Chg 1.00 Refund \_\_\_\_\_

BY-LAWS

OF

ISLAND VILLAS HOMEOWNERS ASSOCIATION, INC.

A FLORIDA CORPORATION NOT-FOR-PROFIT

7 HOLD FOR 11/14/11

Exhibit C

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BY-LAWS  
OF  
ISLAND VILLAS HOMEOWNERS ASSOCIATION, INC.

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BY-LAWS  
OF  
ISLAND VILLAS HOMEOWNERS ASSOCIATION, INC.  
A FLORIDA CORPORATION NOT-FOR-PROFIT

Island Villas Homeowners Association, Inc. (the "ASSOCIATION") is Florida corporation not-for-profit which has been organized pursuant to the provisions of Chapter 617, Florida Statutes, for the purposes stated in its Articles of Incorporation (the "ARTICLES"), these BY-LAWS, and in that certain Declaration of Covenants, Conditions, Restrictions, Easements and Reservations for Island Villas (the "DECLARATION") dated Oct 5, 1992 and recorded on \_\_\_\_\_, 19\_\_ in Official Records Book 3237 at Pages 184 et seq. of the hereby adopted by the Board of Directors of the ASSOCIATION as the BY-LAWS of the ASSOCIATION, to wit:

ARTICLE I

DEFINITIONS

The definitions of terms set forth in the DECLARATION and in the ARTICLES are hereby specifically incorporated into these BY-LAWS by reference thereto as if they were fully set forth herein verbatim and at length, and such defined terms shall have the same meanings in the context of these BY-LAWS as is ascribed to them in the context of the DECLARATION and the ARTICLES.

ARTICLE II

NAME AND PRINCIPAL OFFICE

- 2.1 Name. The name of the ASSOCIATION is ISLAND VILLAS HOMEOWNERS ASSOCIATION, INC.
- 2.2 Principal Office. The principal office of the ASSOCIATION shall initially be located at 1790 NORTH A1A, SUITE 101, SATELLITE BEACH, FLORIDA 32937, until another office is otherwise designated by the BOARD of the ASSOCIATION; but meetings of the members and directors of the ASSOCIATION may be held, upon proper notice, at such other places within Brevard County, Florida, as may from time to time be designated by the BOARD.

ARTICLE III

CORPORATE SEAL

The ASSOCIATION shall have a seal in circular form having within its circumference the words: "ISLAND VILLAS HOMEOWNERS ASSOCIATION, INC."

ARTICLE IV

OBJECTS AND PURPOSES

The ASSOCIATION has been created and established for the objects and purposes of, and shall have exclusive jurisdiction over and the sole responsibility for, the ownership, administration, management, operation, regulation, care, maintenance, repair, restoration, replacement, preservation and protection of the COMMON PROPERTY; the establishment, levy, imposition, enforcement and collection of all ASSESSMENTS for which provision is made in the DECLARATION; and the promotion and advancement of the health, safety and general welfare of the members of the ASSOCIATION, and all having to do with and being related to ISLAND VILLAS.



## ARTICLE V

### POWERS AND DUTIES

The powers and duties of the ASSOCIATION shall be as set forth in the DECLARATION and ARTICLES, which are specifically incorporated into these BY-LAWS by reference thereto as if they were fully set forth herein verbatim and at length, as the same may be amended from time to time. Any amendments to the powers and duties of the ASSOCIATION as specified in the ARTICLES shall be and hereby are similarly incorporated into these BY-LAWS by reference.

## ARTICLE VI

### MEMBERSHIP AND VOTING RIGHTS

The qualifications for membership in the ASSOCIATION, the manner of admission to membership in the ASSOCIATION, the voting rights of members in the ASSOCIATION, the limitations on such membership and voting rights, and the manner of termination of membership in the ASSOCIATION shall all be as set forth in the DECLARATION and the ARTICLES, which are specifically incorporated into these BY-LAWS by reference thereto as if they were fully set forth herein verbatim and at length, as the same may be amended or modified from time to time. Any amendments to the DECLARATION or the ARTICLES having to do with membership and voting rights in the ASSOCIATION shall be and hereby are similarly incorporated into these BY-LAWS by reference.

## ARTICLE VII

### MEETINGS OF MEMBERS

7.1 Annual Meetings. The annual meeting of the members of the ASSOCIATION shall be held on the second Wednesday in February of each year, or other such time in January or February as deemed appropriate by the BOARD. The first annual meeting of members shall be held on such date in February of a year deemed appropriate by the BOARD, then held annually thereafter.

7.2 Special Meetings. Special meetings of the members may be called at any time for any purpose permitted pursuant to the terms and provisions of the DECLARATION, the ARTICLES or these BY-LAWS, when directed by the President or by a majority of the members of the BOARD, or upon the written request of members who have a right to vote not less than one-fourth (1/4) of all of the total voting power of the ASSOCIATION from time to time.

7.3 Notice of Meetings. Notice of any meetings, whether regular or special, shall be given to the members in writing by or at the direction of the Secretary of the ASSOCIATION or such other PERSON as is authorized to call the meeting, subject to Section 17.8 of the DECLARATION.

7.3.1 Time of Delivery and Contents. Notice of any meeting, whether regular or special, shall be given at least ten (10) days in advance of the meeting for which such notice is given, and shall include in general the nature of the business to be transacted at such meeting; provided, however, that if the business of any meeting shall involve an election of directors of the ASSOCIATION otherwise governed by Article X of these BY-LAWS or any action governed by the DECLARATION or the ARTICLES, notice of such meeting shall be given as therein provided.

7.4 Who May Attend. In the event any LOT is owned by more than one PERSON, all co-OWNERS of the LOT may attend any meeting of the members. In the event any LOT is owned by a corporation, any director or officer of the corporation may attend any meeting of the members. However, the vote for any LOT shall be cast in accordance with the provision of Article VI of these BY-LAWS. INSTITUTIONAL LENDERS have the right to attend all members meetings.

7.5 Quorum. The presence at the meeting of members of the ASSOCIATION, or their proxies, entitled to cast fifty-one percent (51%) of the votes of the entire membership shall constitute a quorum for any action of members governed by these BY-LAWS.

7.6 Voting; Proxies. At all meetings of members held pursuant to this Article VII, each member shall be entitled to vote either in PERSON or by proxy. All proxies shall be in writing and signed by the member voting by such proxy, and shall be filed with the Secretary of the ASSOCIATION prior to the roll call at the meeting at which such proxies are to be exercised. Proxies shall be valid only for the particular meeting or meetings specified therein. In the event that a LOT is owned jointly by two or more co-OWNERS, and if said co-OWNERS have not designated one (1) of them as the voting member with respect to such LOT, then a proxy, to be valid and exercisable by a third party, must be signed by all such co-OWNERS.

Notwithstanding anything to the contrary set forth in this Article VII, every proxy shall automatically cease upon sale, transfer, devise, or other disposition by the member of such member's LOT.

7.7 Majority Vote. Unless otherwise provided in these BY-LAWS, or pursuant to the DECLARATION or the ARTICLES, matters approved by a majority vote of the members voting in PERSON or by proxy at meeting at which a quorum is present, shall constitute official action by the members of the ASSOCIATION.

7.8 Adjournments. Any meeting may be adjourned or continued by a majority vote of the members present in PERSON or by proxy and entitled to vote, of if no member entitled to vote is present, then any officer of the ASSOCIATION may adjourn the meeting from time to time. If any meeting is adjourned or continued to another time or place, it shall not be necessary to give any notice of the adjourned meeting, if the time and place to which the meeting is adjourned are announced at the meeting at which the adjournment is taken, and any business may be transacted at the adjourned meeting that might have been transacted at the original meeting. If the time and place to which the meeting is adjourned are announced at the meeting at which the adjournment is taken, notice of the adjourned meeting may be given to members not present at the original meeting, without giving notice to the members which were present at such meeting.

7.9 Organization. At each meeting of the members, the President, the Vice President, or any PERSON chosen by a majority of the members present, in that order, shall act as Chairman of the meeting. The Secretary, or in his absence or inability to act, any PERSON appointed by the Chairman of the meeting, shall act as Secretary of the meeting.

7.10 Order of Business. The order of business at the annual meetings of the members shall be:

- 7.10.1 Determination of chairman of the meeting;
- 7.10.2 Calling of the roll and certifying of proxies;
- 7.10.3 Proof of notice of meeting or waiver of notice;
- 7.10.4 Reading and disposal of any unapproved minutes;
- 7.10.5 Election of inspectors of election;
- 7.10.6 Determination of number of directors;
- 7.10.7 Election of directors;
- 7.10.8 Reports of directors, officers, or committees;
- 7.10.9 Unfinished business;
- 7.10.10 New business; and
- 7.10.11 Adjournment

7.11 Minutes. The minutes of all meetings of the members shall be kept in a book available for inspection by the members or their authorized representatives, and the directors, at any reasonable time. The ASSOCIATION shall retain these minutes for a period of not less than seven years.

7.12 Actions Without a Meeting. Any action required or permitted to be taken at any annual or special meeting of the members of the ASSOCIATION, may be taken without a meeting, without prior notice, and without a vote if a consent in writing, setting forth the action so taken, shall be signed by the members having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all members entitled to vote thereon were present and voted. Within ten days after obtaining such authorization by written consent, notice shall be given to those members who have not consented in writing. The notice shall fairly summarize the material features of the authorized action. If a LOT is owned by more than one PERSON or by a corporation, the consent for such LOT need only be signed by one PERSON who would be entitled to cast the vote for the LOT as a co-OWNER pursuant to Section VI of these BY-LAWS.

## ARTICLE VIII

### LIABILITY SURVIVES TERMINATION OF MEMBERSHIP

The termination of membership in the ASSOCIATION shall not relieve or release any such former member from any liability or obligations incurred pursuant to the DECLARATION, the ARTICLES, these BY-LAWS or the RULES AND REGULATIONS of the ASSOCIATION, or such membership in the ASSOCIATION, or impair any rights or remedies which the ASSOCIATION may have against such former member arising out of or in any way connected with membership in the ASSOCIATION.

## ARTICLE IX

### BOARD OF DIRECTORS

9.1 Purpose. The property, business and affairs of the ASSOCIATION shall be managed and governed by a BOARD of the ASSOCIATION.

9.2 Number. The number of directors on the BOARD from time to time shall never be less than three (3) nor more than eleven (11), but shall always be an odd number. The number of directors shall be determined from time to time by the BOARD, and may be increased or decreased by the BOARD from time to time, but shall never be less than three (3).

9.3 Qualification. Except for the initial directors designated in Section 7.6 of the ARTICLES and any directors thereafter from time to time appointed or elected by the DEVELOPER, all directors of the ASSOCIATION must be members of the ASSOCIATION in good standing.

9.4 Term of Office. The Directors shall serve for a period of one year ending on the date of the annual meeting, or until such director's resignation or removal, pursuant to the DECLARATION, the ARTICLES, and these BY-LAWS.

9.5 Resignation. Any director may resign at any time by giving written notice of his resignation to another director or officer. Any such resignation shall take effect at the time specified therein or, if the time when such resignation is to become effective is not specified therein, immediately upon its receipt, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

9.6 Removal of Directors.

9.6.1 Developer-Appointed Directors. Any director other than a director appointed by the DEVELOPER may be removed by a majority vote of the remaining directors, if such director: (a) has been absent for the last three consecutive BOARD meetings, and/or adjournments and continuances of such meetings; or (b) is an OWNER and has been delinquent for more than thirty (30) days after written notice in the payment of ASSESSMENTS or other moneys owned to the ASSOCIATION.

9.6.2 Elected Directors. Any director other than a director appointed by the DEVELOPER may be removed with or without cause by the vote of a majority of the members of the ASSOCIATION at a special meeting of the members called by not less than ten percent (10%) of the members of the ASSOCIATION expressly for that purpose. The vacancy on the BOARD caused by any such removal may be filled by the members at such meeting or, if the members shall fail to fill such vacancy, by the BOARD, as in the case of any other vacancy on the BOARD.

9.7 Vacancies. Vacancies in the BOARD may be filled by a majority vote of the directors then in office, though less than a quorum, or by a sole remaining director, and a director so chosen shall hold office until the next annual election and until his successor is duly elected, unless sooner displaced. If there are no directors, then a special election of the members shall be called to elect the directors. Notwithstanding anything contained herein to the contrary, the DEVELOPER at all times shall have the right to appoint the maximum number of directors permitted by the ARTICLES, and any vacancies on the BOARD may be filled by the DEVELOPER to the extent that the number of directors then serving on the BOARD which were appointed by the DEVELOPER is less than the number of directors the DEVELOPER is then entitled to appoint.

In the event the ASSOCIATION fails to fill vacancies on the BOARD sufficient to constitute a quorum in accordance with these BY-LAWS, any OWNER may apply to the Circuit Court of the COUNTY for the appointment of a receiver to manage the affairs of the ASSOCIATION. At least thirty (30) days prior to applying to the Circuit Court, the LOT OWNER shall mail to the ASSOCIATION a notice describing the intended action giving the ASSOCIATION the opportunity to fill the vacancies. If during such time the ASSOCIATION fails to fill the vacancies, the LOT OWNER may proceed with the petition.

If a receiver is appointed, the ASSOCIATION shall be responsible for the salary of the receiver, court costs, and attorneys' fees. The receiver shall have all powers and duties of a duly constituted member of the BOARD, and shall serve until the ASSOCIATION fills vacancies on the BOARD sufficient to constitute a quorum.

- 9.8 Directors Appointed by the DEVELOPER. Notwithstanding anything contained herein to the contrary, the DEVELOPER shall have the right to appoint the maximum number of directors in accordance with the privileges granted to the DEVELOPER pursuant to the ARTICLES. All directors appointed by the DEVELOPER shall serve at the pleasure of the DEVELOPER, and the DEVELOPER shall have the absolute right, at any time, and in its sole discretion, to remove any director appointed by it, and to replace such director with another PERSON to serve on the BOARD. Replacement of any director appointed by the DEVELOPER shall be made by written instrument delivered to any officer or any other director, which instrument shall specify the name of the PERSON designated as successor director. The removal of any director and the designation of his successor by the DEVELOPER shall become effective immediately upon delivery of such written instrument by the DEVELOPER.
- 9.9 Past President as Member Ex-Officio. In addition to the directors of this ASSOCIATION, as set forth in Section 9.2 of these BY-LAWS, the immediate past President of the ASSOCIATION, shall become an ex-officio member of the BOARD, for the year immediately following his term of office as President, but shall not be entitled to vote, unless said immediate past President remains on the BOARD by virtue of his election to or continued service on the BOARD, as otherwise provided herein.
- 9.10 Compensation. Subject to the provisions of Section 4.4.5 of the ARTICLES, no director shall receive compensation for any service which such director may render to or on behalf of the ASSOCIATION. However, any director may be reimbursed for the actual amount of expenses reasonably incurred by such director in the performance of his duties as a director or officer of the ASSOCIATION.
- 9.11 Powers and Duties. The directors shall have the right to exercise all of the powers and duties of the ASSOCIATION, express or implied, existing under these BY-LAWS, the ARTICLES, the DECLARATION, or as otherwise provided by statute or law.

#### ARTICLE X

#### ELECTION OF DIRECTORS; NOMINATIONS COMMITTEE; ELECTION COMMITTEE

10.1 Election. Election to the BOARD shall be in the following manner:

10.1.1 Initial Election by Association. Within sixty (60) days after the members other than the DEVELOPER are entitled to elect any directors, as provided in the ARTICLES, or within sixty (60) days after the DEVELOPER notifies the ASSOCIATION that it waives its right to appoint one or more directors, the ASSOCIATION shall call and give not less than twenty (20) days nor more than forty-five (45) days notice of a special meeting of the members to elect any directors the members are then entitled to elect, or to replace the appropriate number of directors previously appointed by the DEVELOPER.

Such special meeting may be called and the notice given by any member if the ASSOCIATION fails to do so. At such special meeting, the members shall be required to elect any directors which they are entitled to elect and, if they fail to do so, any directors appointed by DEVELOPER which would have been replaced by any directors elected by the members may resign without further liability or obligation to the ASSOCIATION.

In the event such a special meeting is called and held, at the meeting the members may elect not to hold the next annual meeting of the members if such next annual meeting would be less than four (4) months after the date of the special meeting and, upon such election, the next annual meeting of the members shall not be held.

10.1.2 Election by Association. Except as provided in this Section 10.1, the members of the ASSOCIATION shall elect directors at the annual members' meetings.

10.2 Nominations at Meeting. At the meeting of the members of the ASSOCIATION at which directors are to be elected, the members present at such meeting shall be entitled to nominate any members of the ASSOCIATION for election to the BOARD. All such nominations made by members at such meeting must be seconded by another member present at such meeting.

10.3 Ballots. All elections to the BOARD shall be made on written ballots, unless dispensed with by unanimous consent, which shall:

- a. describe the vacancies to be filled;
- b. set forth the names of those nominated by the Nominations Committee for such vacancies; and
- c. contain a space for a write-in vote by the members for each vacancy.

Each voting member shall receive one ballot and such voting member shall exercise on any one ballot only one vote for each vacancy shown thereon.

10.4 Vote at Meeting. All voting for directors of the ASSOCIATION shall be by written ballot, unless dispensed with by unanimous consent, and may be as follows:

In Person or By Proxy at Meeting. All members of the ASSOCIATION, and their proxies, present at the meeting at which such election of directors is held shall be entitled to vote at such meeting by delivery to the Election Chairman, who shall be appointed by the President or other presiding officer, of either: (i) the completed written ballot delivered to each member in accordance with Section 10.3 of these BY-LAWS; or (ii) a complete substitute ballot provided by the Secretary of the ASSOCIATION at the meeting at which such election of directors is held.

10.5 Election; Vote Tabulation. Upon receipt of the written ballots from the members or their proxies present at the meeting at which directors are to be elected, the Election Chairman shall do the following:

10.5.1 Tabulate Votes. Tabulate all of the votes of the members and proxies present at the meeting, and all of the votes received by the Election Chairman.

10.5.2 Announce Director(s). Announce the name or names of the director or directors, if any, elected by the members pursuant to the DECLARATION and ARTICLES.

10.5.3 Announce Other Directors. Announce the names of the other directors appointed by the DEVELOPER.

10.6 Secrecy. The aforesaid election and vote tabulation procedures shall be undertaken by the Election Chairman in such a manner that the vote of any member or proxy shall not be disclosed to any PERSON, even to the Election Chairman.

## ARTICLE XI

### POWERS AND DUTIES OF THE BOARD

11.1 Powers and Duties, Generally. All of the powers and duties of the ASSOCIATION as are, respectively, conferred and imposed upon it pursuant to Chapter 617 Florida Statutes, the DECLARATION, the ARTICLES and these BY-LAWS shall be exercised by and through the BOARD.

11.2 Specific Powers and Duties. The BOARD shall, in addition to those general and specific powers and duties as are, respectively, conferred and imposed upon the ASSOCIATION as set forth in Article V of these BY-LAWS, have the following specific powers and duties:

11.2.1 Call Meetings. To call special meetings of the members whenever it deems necessary; provided, also, that the BOARD shall call a special meeting of the members at any time upon written request of one-fourth (1/4) of the voting power of the ASSOCIATION.

11.2.2 Keep Records. To cause to be kept a complete record of all of its acts and all affairs of the ASSOCIATION, including specifically, but without limitation, financial records and accounts in accordance with Article XVII of these BY-LAWS.

11.2.3 Elect Officers, Etc.. In accordance with Section 14.2 of these BY-LAWS, to elect all officers of the ASSOCIATION, and with respect to such officers prescribe such duties as the BOARD may deem expedient.

11.2.4 Hire and Fire Employees and Agents. To hire and fire such employees and agents of the ASSOCIATION, as it deems necessary to carry out and discharge the duties and responsibilities of the ASSOCIATION including, without limitation, a manger or executive director of the ASSOCIATION who shall not be an elected officer or director of the ASSOCIATION, in accordance with the terms and provisions of any contracts or employment or agency between the ASSOCIATION and such employees or agents, and with respect to such employees and agents to prescribe their duties any fix their compensation as the BOARD may deem expedient; all subject, however, to the provisions of Section 4.3.7 of the ARTICLES.

11.2.5 Supervise Officers, Etc.. To supervise and direct all officers, employees and agents of the ASSOCIATION, and to see that their duties are properly performed.

11.2.6 Approve Budget. To cause to be prepared, and to receive review and approve budgets for cost and expenses incurred, or to be incurred, (a) in connection with up-keep and maintenance of the COMMON PROPERTY, including, without limitation, ~~the COMMON STREETS AND ROADS,~~ the SURFACE WATER MANAGEMENT SYSTEM, the security system, and the cable television system (if any), and (b) in connection with the performance of all other duties of the ASSOCIATION as set forth in the DECLARATION, the ARTICLES and these BY-LAWS.

11.2.7 Prepare Membership Roster. To prepare a roster of all members and their LOTS and the status of all ASSESSMENTS applicable thereto, which shall be kept at the offices of the ASSOCIATION and be open to inspection by any member in the presence of an officer or other employee of the ASSOCIATION designated by the BOARD at any reasonable time during normal business hours.

11.2.8 Adopt RULES AND REGULATIONS. To adopt, publish and enforce the RULES AND REGULATIONS governing the use of the COMMON PROPERTY and the facilities incident thereto and the personal conduct of the members and their guests thereon, as more particularly set forth in the DECLARATION.

11.2.9 Require Bonding. To require and cause, at the expense of the ASSOCIATION, all or any officers or employees of the ASSOCIATION having fiscal responsibilities for the ASSOCIATION to be bonded, as the BOARD may deem appropriate.

- 11.2.10 Exercise Powers and Discharge Duties. To generally exercise all powers, rights and privileges of the ASSOCIATION and to generally discharge all duties, obligations and responsibilities of the ASSOCIATION, as the same are conferred by and imposed in the DECLARATION, the ARTICLES and these BY-LAWS, and to take any action which it deems necessary or advisable in connection therewith.

## ARTICLE XII

### MEETINGS OF THE BOARD

- 12.1 All Business. The business and affairs of the ASSOCIATION may be transacted by the BOARD at any regular or special meeting.
- 12.2 Regular Meeting. Regular meetings of the BOARD may be held at such time and place as shall be determined, from time to time, by a majority of the Directors, but not less often than semi-annually.
- 12.3 Special Meeting. Special meetings of the BOARD shall be held when called by the President or by a majority of directors after not less than two (2) days' notice to each director.
- 12.4 Majority Vote. Matters approved by a majority vote of the directors present at a meeting of the BOARD at which a quorum is present shall constitute official action of the BOARD, except as may be otherwise specifically provide or required by the terms and provisions of the DECLARATION, the ARTICLES or these BY-LAWS.
- 12.5 Waiver of Notice and Consent. The transaction of any business at any meeting of the BOARD, however called and noticed, or wherever held, shall be as valid as though made at a meeting duly held after regular call and notice if a quorum is present and, if either before or after the meeting, each of the directors not present signs a written waiver of notice, or a consent to the holding of such meeting, or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed by the Secretary of the ASSOCIATION with the corporate records of the ASSOCIATION and made a part of the minutes of the meeting.
- 12.6 Action Taken Without a Meeting. The directors shall have the right to take any action in absence of a meeting which they could take at a meeting by obtaining the written approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.
- 12.7 Quorum. A majority of the members of the BOARD from time to time shall constitute a quorum thereof. If at any meeting of the BOARD there shall be less than a quorum present, the majority of those directors present may adjourn the meeting from time-to-time until a quorum is present. In the case of the adjournment of a meeting, no further notice of the adjourned meeting need be given unless otherwise determined by a majority of those directors present at the time of adjournment.
- 12.8 Open Meeting. Any meeting of the BOARD of the ASSOCIATION shall be open to all members of the ASSOCIATION for purposes of observation. Member participation at BOARD meeting may or may not be permitted within the sole and absolute discretion of the BOARD.
- 12.9 Minutes. Except as otherwise provided in these BY-LAWS, minutes of all meetings of the BOARD and any committee thereof shall be kept in a business-like manner and shall be available for inspection by any director or member of the ASSOCIATION at any time during normal business hours. The Secretary of the ASSOCIATION shall keep the minutes of all meetings of the BOARD.



12.10 Presiding Officer. The presiding officer at all meetings of the BOARD shall be the President of the ASSOCIATION and in his or her absence the Vice President shall preside. In the absence of the President or Vice President, the directors present at such meeting shall designate a presiding officer from among themselves.

### ARTICLE XIII

#### PARLIAMENTARY RULES

All meetings of the members of the ASSOCIATION and all meetings of the BOARD of the ASSOCIATION shall be governed by the latest edition of Robert's Rules of Order; with any terms or provisions of the DECLARATION, the ARTICLES or these BY-LAWS, then the applicable terms and provisions of the DECLARATION, the ARTICLES or these BY-LAWS shall control.

### ARTICLE XIV

#### OFFICERS

14.1 Officers. The day to day business and affairs of the ASSOCIATION shall be administered by a President, Vice President, Secretary, Assistant Secretary, Treasurer, and such other officers as the BOARD may from time to time by resolution determine. The offices of Vice President, Secretary and Treasurer, or any other offices may be combined from time to time by the BOARD in its discretion, except that the office of President shall not be combined with any other office. All officers of the ASSOCIATION must be members of the BOARD.

14.2 Election. Except as provided in Section 8.5 of the ARTICLES with respect to the designation of the initial officers of the ASSOCIATION, the officers shall be elected by the vote at a meeting of the directors held immediately following the termination of the annual meeting of the members at which the directors are elected.

14.3 Term. All officers shall hold office for a term of one (1) year or until their successors are elected, but may be removed from office by the BOARD, with or without cause, at any time.

14.4 President. The President of the ASSOCIATION shall preside at all meetings of the BOARD are carried out, and shall sign all notes, contracts, leases, mortgages, deeds and all other written instruments required to be executed by or on behalf of the ASSOCIATION.

14.5 Vice President. The Vice President of the ASSOCIATION shall perform all the duties of the President in the absence of the President and shall have such other duties as may from time to time be imposed upon him by the BOARD.

**14.6 Secretary.** The Secretary of the ASSOCIATION shall be the Secretary of the BOARD.

The Secretary shall record the votes and keep or cause to be kept the minutes of all meetings of the BOARD and members of the ASSOCIATION in a minute book or books to be kept for that purpose; shall keep all other records of the ASSOCIATION; shall see that all notices are duly given as required by law and as provided in accordance with the DECLARATION, the ARTICLES, the BY-LAWS or the RULES AND REGULATIONS of the ASSOCIATION; shall record in a book kept for that purpose the names of all members of the ASSOCIATION together with their addresses as filed by such members; shall together with the President or Vice President sign all notes, contracts, leases, mortgages, deeds and all other instruments (other than checks) executed by or on behalf of the ASSOCIATION; and shall, in general, perform all duties incident to the office of Secretary and such duties as from time to time may be assigned by the President or imposed by the BOARD.

**14.7 Assistant Secretary.** The Assistant Secretary of the ASSOCIATION shall perform all duties of the Secretary in the absence of the Secretary and shall otherwise assist the Secretary in the performance of the Duties, responsibilities and obligations of the Secretary as set forth therein, and shall have such other duties as from time to time may be assigned by the President or imposed by the BOARD.

**14.8 Treasurer.** The Treasurer of the ASSOCIATION shall receive and deposit in appropriate bank accounts all monies of the ASSOCIATION and shall disburse such funds as directed by resolution of the BOARD; provided, however, that a resolution of the BOARD shall not be necessary for disbursements of funds made in the ordinary course of business of the ASSOCIATION conducted within the limits of the budget adopted by the BOARD. Further, the Treasurer shall sign all checks of the ASSOCIATION.

Additionally, the Treasurer shall keep or cause to be kept proper books of account of the ASSOCIATION; shall supervise and assist in the preparation of an annual budget and other financial statements of the ASSOCIATION; shall establish adequate reserves in accordance with the DECLARATION and as required by law; shall select and utilize, with the approval of the BOARD a Certified Public Accountant for the ASSOCIATION; and shall, in general, perform all duties incident to the financial affairs of the ASSOCIATION, and such other duties as may from time to time be assigned by the President or imposed by the BOARD.

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ARTICLE XV

FISCAL MANAGEMENT

**15.1 Fiscal Year.** The fiscal year of the ASSOCIATION shall be the calendar year.

**15.2 Accounting; Accounts.** The ASSOCIATION shall use the accrual basis method of accounting and shall maintain accounting records in accordance with good accounting practices, which shall be open to inspection in accordance with Section 16.1 of these BY-LAWS. Written summaries of the accounting records shall be prepared by or caused to be prepared by the Treasurer and shall be made available at least annually to the members of the ASSOCIATION. Such records shall include, but not be limited to, a record of all receipts and expenditures, and an accurate account for each LOT which shall designate the name and address of the OWNER thereof, the amount of the Regular ASSESSMENTS and all other ASSESSMENTS, if any, assessed against or charged to such LOT, the amounts and due dates for payment of same, and the amounts paid upon the account and the balance due thereunder.

**15.3 ASSESSMENTS.** All ASSESSMENTS, whether Regular ASSESSMENTS, Special ASSESSMENTS, Capital Expenditure ASSESSMENTS or Individual Lot ASSESSMENTS, shall be fixed, assessed, levied, enforced and collected in accordance with, and pursuant to, the terms and provisions of the DECLARATION.

- 15.4 Budget. The BOARD shall adopt an annual budget for the ASSOCIATION after review of the proposed annual budget and financial statements prepared by the Treasurer.
- 15.5 Deposit of Funds. The monies of the ASSOCIATION, whether collected by ASSESSMENTS or otherwise, shall be deposited in accounts in such bank or banks as shall be designated from time to time by the BOARD. Withdrawal of monies from such accounts shall be only by checks signed by such officers as are authorized pursuant to Article XIV of these BY-LAWS. All sums collected by the ASSOCIATION from ASSESSMENTS or any other source may be commingled in a single fund or divided into more than one fund, as determined by the BOARD; provided, however, that all reserve funds shall be maintained as, and deposited in, a separate bank account, and shall be used only for the purpose or purposes for which such reserve fund is created and maintained, unless said reserves have been waived by the BOARD.
- 15.6 Financial Statements. Financial statements of the ASSOCIATION, including, without limitation, a statement of income and expenses and a balance sheet shall be made annually by the Treasurer and approved by the BOARD in accordance with Section 14.8 of these BY-LAWS, and a copy thereof shall be furnished to each member of the ASSOCIATION not later than the first day of April of the year following the year for which the statements are prepared. The BOARD may, at its option, elect to have a review or an audit made by an auditor, accountant, or Certified Public Accountant.

#### ARTICLE XVI

##### BOOKS AND RECORDS

- 16.1 Accounting Records. All accounting records of the ASSOCIATION shall be open to inspection by members of the ASSOCIATION or their respective authorized representatives at reasonable times in the presence of an officer of the ASSOCIATION designated by the BOARD. Such authorization as a representative of a member must be in writing and signed by the PERSON giving such authorization and dated not more than fifteen (15) days prior to such inspection.
- 16.2 Other Books, Etc. All books, records, minutes, and papers of the ASSOCIATION shall be kept by the ASSOCIATION at the ASSOCIATION office and shall at all times during reasonable business hours, be subject to the inspection of any member in the presence of an officer of the ASSOCIATION designated by the BOARD, unless waived by the BOARD.

#### ARTICLE XVII

##### COMPLIANCE AND DEFAULT

- 17.1 Violations. In the event of a violation (other than the non-payment of an ASSESSMENT) by a member of any of the provisions of the DECLARATION or of the ARTICLES, these BY-LAWS, or the RULES AND REGULATIONS of the ASSOCIATION, the ASSOCIATION, through its BOARD, may notify the violating member by written notice in accordance with Section 17.8 of the DECLARATION of such violation and demand that such violation cease and be discontinued immediately and direct that any damages or injury caused thereby be immediately repaired or corrected at the sole cost and expense of the violating member.

If such violation shall continue for a period of two (2) days from date of such notice as aforesaid, or for other such unreasonable period determined by the BOARD, the ASSOCIATION, through its BOARD, shall have the right to treat such violation as an intentional, inexcusable and material breach of the DECLARATION, or the ARTICLES, these BY-LAWS, or the RULES AND REGULATIONS of the ASSOCIATION, as appropriate, and the ASSOCIATION may then, at its option, elect to undertake any of the rights provided to the ASSOCIATION in the DECLARATION, the ARTICLES and these BY-LAWS, including, without limitation, the following:

17.1.1 Action at Law. The ASSOCIATION may undertake an action at law against the violating member to recover for damages suffered by or on behalf of the ASSOCIATION or its members; and/or

17.1.2 Action in Equity; Specific Performance. The ASSOCIATION may undertake an action in equity against the violating member to enforce specific performance on the part of the violating member; and/or

17.1.3 Action in Equity; Injunctive Relief. The ASSOCIATION may undertake an action in equity against the violating member for such equitable relief as may be necessary under the circumstances, including injunctive relief.

17.1.4 ASSESSMENT of Fines. The ASSOCIATION may, subject to Section 15.5 of the DECLARATION, assess a reasonable fine and collection fee for each violation. Fines may be assessed for each violation, but no more frequently than daily. The OWNER must be given reasonable written notification of the ASSESSMENT of a fine, and reasonable time to remedy the violation.

17.2 Emergency Action. Notwithstanding the foregoing provisions of this Article XVII any violations which are deemed by the BOARD to be hazard to public health may be corrected immediately as an emergency matter by the ASSOCIATION and the cost thereof shall be charged to the violating member as and Individual Lot ASSESSMENT in accordance with the terms and provisions of the DECLARATION.

17.3 Non-payment of ASSESSMENTS. In the event of non-payment of the ASSESSMENTS pursuant to the DECLARATION, the ASSOCIATION, through its BOARD, shall be entitled to exercise all of the rights conferred upon the ASSOCIATION in the DECLARATION, including, without limitation, the right to impose, collect, enforce and foreclose any lien for ASSESSMENTS in accordance with the terms and provisions of the DECLARATION.

17.4 Negligence or Carelessness of Member. Each member shall be liable for the costs and expenses incurred by the ASSOCIATION for any maintenance, repair or replacement rendered necessary by said member's acts, neglect or carelessness or by that of the member's family, guests, employees, agents or lessees, but only to the extent that such expense is not met by the proceeds of any insurance carried by the ASSOCIATION.

Such liability shall include, without limitation, any increase in insurance rates occasioned by the use, misuse, occupancy or abandonment of any LOT or any COMMON PROPERTY, or the appurtenances thereto. Nothing herein contained, however, shall be construed so as to constitute any waiver by any insurance company of its rights of subrogation. The costs and expenses for and maintenance, repair or replacement required, as provided in this Section 17.4 shall be charged to said member as an Individual Lot ASSESSMENT pursuant to the DECLARATION.

- 17.5 Costs and Attorneys' Fees. In any proceeding arising because of an alleged default by a member under the DECLARATION, or the ARTICLES, these BY-LAWS or the RULES AND REGULATIONS of the ASSOCIATION, the prevailing party shall be entitled to recover the costs of the proceeding and such reasonable attorneys' fees, including costs and reasonable attorneys' fees on appeal, as may be determined by the Court.
- 17.6 No Waiver of Rights. The failure of the ASSOCIATION or of any member to enforce any right, provision, covenant or condition which may be granted by the DECLARATION, the ARTICLES, these BY-LAWS or the RULES AND REGULATIONS of the ASSOCIATION shall not constitute a waiver of the right of the ASSOCIATION or any member to enforce such right, provision, covenant or condition in the future.
- 17.7 Election of Remedies. All rights, remedies and privileges granted to the ASSOCIATION or any other party pursuant to any terms provisions, covenants or conditions or the DECLARATION, the ARTICLES, these BY-LAWS or the RULES AND REGULATIONS of the ASSOCIATION, or at law or in equity, shall be deemed to be cumulative and the exercise of any one (1) or more of the same shall not be deemed to constitute an election of the remedies, nor shall it preclude the party exercising the same, or any other party, from exercising such other and additional rights, remedies or privileges as may be granted by the DECLARATION, the ARTICLES, these BY-LAWS or the RULES AND REGULATIONS of the ASSOCIATION, or at law or in equity.

#### ARTICLE XVIII

##### PARAMOUNT RIGHTS OF DEVELOPER; CONFLICTS

- 18.1 Paramount Rights of DEVELOPER. With respect to any rights, privileges or powers reserved by, conferred upon or granted to the DEVELOPER pursuant to the DECLARATION, all of the terms and provisions of these BY-LAWS shall be subject to the terms and provisions of the DECLARATION, and the rights, privileges and powers, so reserved by, conferred upon or granted to the DEVELOPER pursuant to the terms and provisions of the DECLARATION shall be deemed to be paramount to any provisions of these BY-LAWS or any amendments hereto, which in any manner purport to limit or restrict any such rights, privileges and powers.
- 18.2 Conflicts. In the case of any conflict between the ARTICLES and these BY-LAWS, the terms and provisions of the ARTICLES shall control; and in the case of any conflict between the DECLARATION and these BY-LAWS, the terms and provisions of the DECLARATION shall control.

#### ARTICLE XIX

##### AMENDMENTS

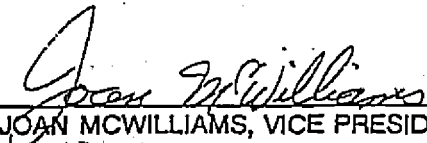
- 19.1 Vote of Directors. These BY-LAWS may be changed, amended, modified or repealed, and any new BY-LAWS of the ASSOCIATION may be adopted, only by resolution approved by at least two-thirds (2/3) of the members of the BOARD at a regular or special meeting of the BOARD duly called for such purpose.

19.2 Limitations on Amendment. Notwithstanding anything to the contrary set forth in the DECLARATION, the ARTICLES or these BY-LAWS of the ASSOCIATION, these BY-LAWS may not be changed, amended, modified or rescinded in any fashion or respect which would result in any change, amendment, modification, diminution or elimination of, or otherwise affect the rights, privileges of or benefits accruing hereunder to, either the DEVELOPER, the City, the St. Johns Water Management District without first receiving the prior written consent and approval of the DEVELOPER and such other of these parties as may be or whose rights, privileges, benefits or interest may be adversely or otherwise affected by any such amendment to these BY-LAWS.

19.3 Instrument of Amendment. Any resolution of the BOARD amending, modifying, or repealing any provisions of, or adding any provisions to, these BY-LAWS shall identify the particular ARTICLES and sections affected and set forth the exact language of such modification, amendment, or addition, or of the provisions repealed. A copy of each such resolution, certified by the Secretary of the ASSOCIATION, and a copy thereof shall be delivered to each member in accordance with the provisions of Section 17.8 of the DECLARATION.

IN WITNESS WHEREOF, we, being all of the initial directors of ISLAND VILLAS HOMEOWNERS ASSOCIATION, INC. have hereunto set our hands and seals this 5<sup>th</sup> day of October, 1992, as evidence of the adoption of these BY-LAWS by the Initial BOARD OF DIRECTORS of ISLAND VILLAS HOMEOWNERS ASSOCIATION, INC.

  
BY: DAVID T. McWILLIAMS, PRESIDENT/SECRETARY

  
BY: JOAN McWILLIAMS, VICE PRESIDENT

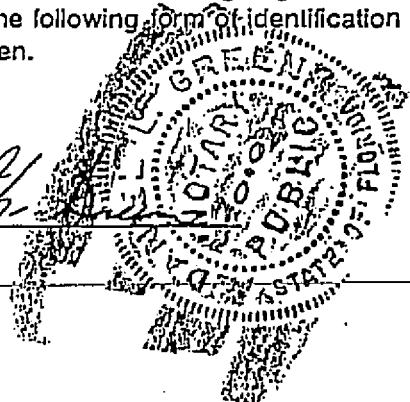
STATE OF FLORIDA

COUNTY OF BREVARD

I hereby Certify that on this day, before me, an officer duly authorized to administer oaths and take acknowledgements, personally appeared DAVID T. McWILLIAMS, PRESIDENT/SECRETARY of ISLAND VILLAS HOMEOWNERS ASSOCIATION, INC., a Florida corporation authorized to do business in the State of Florida, on behalf of said corporation, known to me to be the person described in and who executed the foregoing instrument, who acknowledged before me that he executed the same, that I relied upon the following form of identification of the above-named person: Florida Drivers License and that an oath was taken.

MY COMMISSION EXPIRES: 10-22-95

  
Notary Public

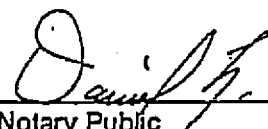


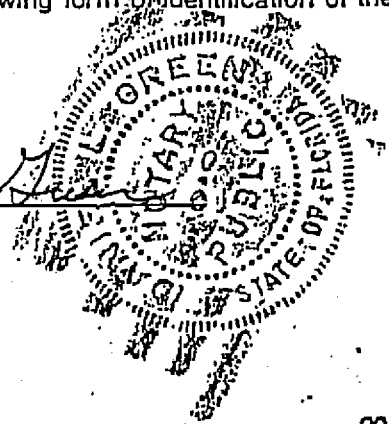
STATE OF FLORIDA

COUNTY OF BREVARD

I hereby Certify that on this day, before me, an officer duly authorized, to administer oaths and take acknowledgements, personally appeared JOAN McWILLIAMS, VICE-PRESIDENT of ISLAND VILLAS HOMEOWNERS ASSOCIATION, INC. a Florida corporation authorized to do business in the State of Florida, on behalf of said corporation, known to me to be the person described in and who executed the foregoing instrument, who acknowledged before me that he executed the same, that I relied upon the following form of identification of the above-named person: Florida Drivers License and that an oath was taken.

MY COMMISSION EXPIRES: 10-22-95

  
Notary Public



Prepared by and Return to:  
Brian S. Hess, Esq.  
Clayton & McCulloh  
1065 Maitland Center Commons Blvd.  
Maitland, FL 32751

**CERTIFICATE OF AMENDMENT TO  
BY-LAWS OF ISLAND VILLAS HOMEOWNERS ASSOCIATION, INC.  
A FLORIDA CORPORATION NOT-FOR-PROFIT**

KNOW ALL MEN BY THESE PRESENTS:

That on this 1st day of May, 2007, the undersigned, ISLAND VILLAS HOMEOWNERS ASSOCIATION, INC. (hereinafter the "Association"), pursuant to Florida Statutes and the BY-LAWS OF ISLAND VILLAS HOMEOWNERS ASSOCIATION, INC., recorded in Official Records Book 3237, Page 0821, *et seq.*, of the Public Records of Brevard County, Florida, as amended and supplemented (hereinafter referred to as the "By-Laws"), hereby certifies that an Amendment to By-Laws, which Amendment is attached hereto and by reference made a part hereof, was duly adopted on the ~~February~~<sup>17<sup>th</sup></sup> day of February, 2007. Said Amendment was approved pursuant to Article XIX, Section 19.1, of the By-Laws at the annual meeting of the members of the Association.

The Association conducted the regular meeting of the Board of Directors of the Association held in conjunction with the Annual Meeting of the members and passed the attached Amendment. Proper notice was given for the February 17, 2007 annual meeting of the members and regular meeting of the Board of Directors of the Association pursuant to the By-Laws of the Association (*i.e.*, the meeting where said Amendment was passed). Said Notice stated the purpose, time and place of the meeting.

At the regular meeting of the Board of Directors at which the Amendment was proposed and considered, the Amendment was approved by the affirmative vote of at least two-thirds (2/3) of the members of the Board of Directors.

With the exception of the above described Amendment, all other terms and conditions of the By-Laws shall remain in full force and effect.



IN WITNESS HEREOF, ISLAND VILLAS HOMEOWNERS ASSOCIATION, INC., has caused this AMENDMENT TO BY-LAWS OF ISLAND VILLAS HOMEOWNERS ASSOCIATION, INC. to be executed in its name, this 1st day of May, 2007.

Signed, sealed and delivered in the presence of:

Ramun Edwards

(Sign) Lauren Edwards

(Print) [Signature]

(Sign) [Signature]

Holly Walters

(Print) Ramun Edwards

(Sign) Lauren Edwards

(Print) [Signature]

(Sign) [Signature]

Holly Walters

(Print)

ISLAND VILLAS HOMEOWNERS ASSOCIATION, INC.

By: [Signature]

(Sign) Richard Bellantyne

(Print)

President, Island Villas Homeowners Association, Inc.

Attest: Kim Nicholas

(Sign) Kim Nicholas

(Print)

Secretary, Island Villas Homeowners Association, Inc.

Association Address: PO Box 373057  
Indian Harbour Beach, FL 32937

STATE OF FLORIDA  
COUNTY OF Brevard

The foregoing instrument was acknowledged before me this 1st day of May, 2007, by Richard Bellantyne, as President of Island Villas Homeowners Association, Inc., a Florida corporation, on behalf of the corporation, [ ] who is personally known to me or [X] who produced FLDL B45375239 450 0 as identification.

NOTARY PUBLIC

[Signature]

State of Florida, At Large  
My Commission Expires: 9/26/10



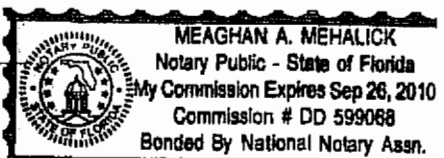
STATE OF FLORIDA  
COUNTY OF Brevard

The foregoing instrument was acknowledged before me this 1st day of May, 2007, by Kimberly Nicholas, as Secretary of Island Villas Homeowners Association, Inc., a Florida corporation, on behalf of the corporation, [ ] who is personally known to me or [X] who produced FLDL N24250053 9190 as identification.

NOTARY PUBLIC

[Signature]

State of Florida, At Large  
My Commission Expires: 9/26/10



AMENDMENT TO BY-LAWS  
OF  
ISLAND VILLAS HOMEOWNERS ASSOCIATION, INC.  
A FLORIDA CORPORATION NOT-FOR-PROFIT

The following amendment is made to BY-LAWS OF ISLAND VILLAS HOMEOWNERS ASSOCIATION, INC., recorded in Official Records Book 3237, Page 0821, *et. seq.*, of the Public Records of Brevard County, Florida (Additions are indicated by underlining, deletions are indicated by ~~strike through~~ and omitted but unaltered provisions are indicated by ellipses):

...

ARTICLE VII  
MEETINGS OF MEMBERS

7.1 Annual Meetings. The annual meeting of the members of the ASSOCIATION shall be held ~~on the second Wednesday in February of each year, or other such time in January or February as deemed appropriate by the BOARD. The first annual meeting of members shall be held on such date in February of a year deemed appropriate by the BOARD, then held annually thereafter at least once every calendar year.~~

...

7.5 Quorum. The presence at the meeting of members of the ASSOCIATION, or their proxies, entitled to cast ~~fifty-one~~ thirty percent (51% 30%) of the votes of the entire membership shall constitute a quorum for any action of members governed by these BY-LAWS.

...

ARTICLE IX  
BOARD OF DIRECTORS

...

9.4 Term of Office. The Directors shall serve for a period of one year ending on the date of the annual meeting, or until such director's resignation or removal, pursuant to the DECLARATION, the ARTICLES, and these BY-LAWS, until the commencement of the annual meeting of the members to be held in 2007. From and after the commencement of the annual meeting of the members to be held in 2007, the Directors shall serve terms of two years, except as hereinafter provided, and the members shall elect Directors for staggered terms. At the annual meeting of the Members in 2007, the Members shall elect at least two (2) Directors for a term of two (2) years and at least one (1) Director for a term of one (1) year. At the 2007 annual meeting, the two (2) Directors receiving the highest number of votes shall serve the aforementioned two (2) year terms and the one (1) Director receiving the next highest number of votes shall serve the aforementioned one (1) year term. At the

annual meeting of the Members in 2008, the Members shall elect at least one (1) Director for a term of two (2) years. Thereafter, all Directors shall serve two (2) year terms with at least two (2) Directors being elected in odd-numbered years and at least one (1) Director being elected in even-numbered years.

However, if the BOARD opts to increase the size of the BOARD above three (3) directors in accordance with Article IX of the Bylaws, as amended, in the sole determination of the BOARD, any additional director may be elected to a term of two years, and each additional director added may be elected in a staggered manner similar to the one described above.

...

## ARTICLE XII MEETINGS OF THE BOARD

- 12.1 All Business. The business and affairs of the ASSOCIATION may be transacted by the BOARD at any regular or special meeting.
- 12.2 Regular Meeting. Regular meetings of the BOARD may be held at such time and place as shall be determined, from time to time, by a majority of the Directors, but not less often than semi-annually, and after forty-eight (48) hours prior notice to the OWNERS, such notice to be given by posting the notice in a conspicuous place within the ASSOCIATION property. Additional notice, as may be required, shall be given in accordance with Florida law.
- 12.3 Special Meeting. Special meetings of the BOARD shall be held when called by the President or by a majority of directors after not less than two (2) days notice to each director, and after forty-eight (48) hours prior notice to the OWNERS, such notice to be given by posting the notice in a conspicuous place within the ASSOCIATION property, except in an emergency, to the extent allowed by Florida law.

...

- 12.8 Open Meeting. Any meeting of the BOARD of the ASSOCIATION shall be open to all members of the ASSOCIATION for purposes of observation, except as allowed otherwise by Florida law. Member participation at BOARD meeting may or may not be permitted within the sole and absolute discretion of by the BOARD, acting in accordance with Florida law.

...

## ARTICLE XVII COMPLIANCE AND DEFAULT

- 17.1 Violations. In the event of a violation (other than the non-payment of an ASSESSMENT) by a member of any of the provisions of the DECLARATION or of the ARTICLES, these BY-LAWS, or the RULES AND REGULATIONS of the ASSOCIATION, the ASSOCIATION, through its BOARD, may notify the violating member by written notice in

accordance with Section 17.8 of the DECLARATION of such violation and demand that such violation cease and be discontinued immediately and direct that any damages or injury caused thereby be immediately repaired or corrected at the sole cost and expense of the violating member.

If such violation shall continue for a period of two (2) days from date of such notice as aforesaid, or for other such unreasonable period determined by the BOARD, the ASSOCIATION, through its BOARD, shall have the right to treat such violation as an intentional, inexcusable and material breach of the DECLARATION, or the ARTICLES, these BY-LAWS, or the RULES AND REGULATIONS of the ASSOCIATION, as appropriate, and the ASSOCIATION may then, at its option, elect to undertake any of the rights provided to the ASSOCIATION in the DECLARATION, the ARTICLES and these BY-LAWS, including, without limitation, the following:

17.1.1 Action at Law. The ASSOCIATION may undertake an action at law against the violating member to recover for damages suffered by or on behalf of the ASSOCIATION or its members; and/or

17.1.2 Action in Equity; Specific Performance. The ASSOCIATION may undertake an action in equity against the violating member to enforce specific performance on the part of the violating member; and/or

17.1.3 Action in Equity; Injunctive Relief. The ASSOCIATION may undertake an action in equity against the violating member for such equitable relief as may be necessary under the circumstances, including injunctive relief.

17.1.4 ASSESSMENT of Fines. The ASSOCIATION may, subject to ~~Section 15.5~~ Section 11.03 of the DECLARATION, as amended, assess a reasonable fine and collection fee for each violation. ~~Fines may be assessed for each violation, but no more frequently than daily. The OWNER may be given reasonable written notification of the ASSESSMENT of a fine, and reasonable time to remedy the violation.~~

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OCT 10 1989  
CITY OF INDIAN HARBOUR BEACH

DRAINAGE EASEMENT

THIS INDENTURE, made this 31 day of October, 1989, between GLEASON BROTHERS AND COMPANY, a Florida Corporation, hereinafter referred to as "GLEASON BROTHERS", and the CITY OF INDIAN HARBOUR BEACH, a political subdivision of the State of Florida, hereinafter referred to as "CITY",

WITNESSETH: That GLEASON BROTHERS, for and in consideration of the sum of ONE (\$1.00) DOLLAR and other valuable considerations to it in hand paid by CITY, the receipt of which is hereby acknowledged, has granted, bargained and sold and by these presents do grant, bargain and sell to the said CITY, its successors and assigns, a Drainage Easement in and to the following described property, to wit:

Property as described on Exhibit "A" attached hereto and made a part hereof.

This easement is made for the purposes of giving and granting to CITY, its successors, legal representatives and assigns, a drainage easement of property lying east of South Patrick Drive in the City of Indian Harbour Beach, and is made, executed and delivered with the express understanding and condition that should the same ever be discontinued or abandoned for drainage purposes, the title to the same shall thereupon revert to and revert in GLEASON BROTHERS, its successors and assigns, to excavate, deepen, or enlarge existing canal so long as this does not interfere with proper drainage provided for herein.

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99 OCT 10 1989

GLEASON BROTHERS reserves the right of ingress and egress for any purpose. CITY shall have the burden of maintenance of said property.

And GLEASON BROTHERS does hereby fully warrant the title to said lands, and will defend the same against lawful claims of all persons whomsoever.

IN WITNESS WHEREOF, the said GLEASON BROTHERS has hereunto set its hand and seal the day and year first above written.

Signed, sealed, and delivered in the presence of:

William H. Gleason  
Charles H. Gleason  
Witnesses

William H. Gleason  
Charles H. Gleason  
Witnesses

GLEASON BROTHERS AND COMPANY  
a Florida Corporation

By: George G. Hellier  
George G. Hellier



ATTEST:  
W. L. Gleason  
W. L. Gleason, Secretary

(CORPORATE SEAL)

State of Florida  
ss:  
County Brevard

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the state and county aforesaid to take acknowledgements, personally appeared GEORGE G. HELLIER, well known to be the President of the Corporation named herein as GLEASON BROTHERS, to me known to be the person(s) described in and who executed the foregoing instrument and acknowledged before me that they executed same for the purpose therein expressed.

WITNESS my hand and official seal in the county and state aforesaid, this 29th day of October, 1989.

My Commission Expires:

NOTARY PUBLIC STATE OF FLORIDA  
BY COMMISSION EXP. 10/31/90  
BREVARD COUNTY, FLORIDA

State of Florida  
ss:  
County Brevard

William H. Gleason  
Notary Public

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the state and county aforesaid to take acknowledgements, personally appeared W. L. GLEASON, well known to be the secretary of the Corporation named herein as GLEASON BROTHERS, to me known to be the person(s) described in and who executed the foregoing instrument and acknowledged before me that they executed same for the purpose therein expressed.

WITNESS my hand and official seal in the county and state aforesaid, this 30th day of October, 1989.

My Commission Expires:

NOTARY PUBLIC STATE OF FLORIDA  
BY COMMISSION EXP. 10/31/90  
BREVARD COUNTY, FLORIDA

William H. Gleason  
Notary Public

EXHIBIT "A"

DESCRIPTION: DRAINAGE EASEMENT (BY SURVIVOR)

A 50 ft. wide Easement for Drainage Purposes, extending from the west R/W line of South Patrick Drive southwesterly to the easterly bank of an existing canal known as Flamingo Waterway, and being that part of Sec. 2, Twp. 27S, Rge. 37E, lying within 25 ft. northerly and southerly of the following described Centerline of Easement: From the intersection of the south line of Sec. 2, Twp. 27S, Rge. 37E, Brevard County, Florida, and the westerly R/W line of South Patrick Drive, run N 31°08'19" W along said westerly R/W line a distance of 1819.99 to the P.C. of a curve to the right having a radius of 2050 ft. and a central angle of 17°12'32"; thence northerly along said curve an arc distance of 615.77 ft. to the Point-of-Beginning of the herein described Centerline of Easement; thence S 76°55'05" W a distance of 450 ft., more or less, to the easterly line of an existing canal (Flamingo Waterway) and the terminus of the herein described Centerline of Easement.

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FOR MICROFILMING

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Return to:  
David T. McWilliams  
1790 Highway A1A, Suite 206  
Satellite Beach, FL 32937

*David T. McWilliams*  
Clerk Circuit Court  
Recorded and Verified Brevard County, FL.  
# Pgs. 6 # Names 2  
Trust Fund 3.60 Rec Fee 25.00  
Stamp-Deed .70 Excise Tx \_\_\_\_\_  
Stamp-Mtg \_\_\_\_\_ Int Tx \_\_\_\_\_  
Service Chg 7.00 Refund \_\_\_\_\_

DEED OF CONSERVATION EASEMENT

ISLAND VILLAS

THIS GRANT DEED OF CONSERVATION EASEMENT is made this 25 day of September, 1992 by Sandy Point Land Development Corporation, having an address at 1790 Highway A1A, Suite 206, Satellite Beach, Florida, 32937 hereinafter referred to as "Grantor", in favor of the ST. JOHNS RIVER WATER MANAGEMENT DISTRICT, a public body existing under Chapter 373, Florida Statutes, having a mailing address at P.O. Box 1429, Palatka, Florida 32078-1429 ("Grantee").

250638

WITNESS:

WHEREAS, Grantor is the sole owner in fee simple of certain real property in Brevard County, Florida, more particularly described in Exhibit "A" attached hereto and incorporated by this reference (the "Property"); and

92 SEP 28 AM 10:21

WHEREAS, the Property possesses environmental value (the "environmental value") of great importance to the Grantor and to the people of Brevard County, Florida; and

WHEREAS, Grantor intends, as owner of the Property, to convey to Grantee the right to preserve and protect the environmental value of the Property in perpetuity; and

WHEREAS, Grantee agrees by accepting this Grant to honor the intentions of Grantor stated herein, and to preserve and protect in perpetuity the environmental value of the Property for the benefit of this generation and the generations to come;

NOW THEREFORE, in consideration of the above and the mutual covenants, terms, conditions and restrictions contained herein, and pursuant to the provisions of 704.06, Florida Statutes, Grantor hereby voluntarily grants and conveys to Grantee a conservation easement in perpetuity over the Property of the nature and character and to the extent hereinafter set forth (the "Easement").

1. Purpose. It is the purpose of this Easement to assure that the Property will be retained forever except as herein



provided, in its existing natural condition and to prevent any use of the Property that will impair or interfere with the environmental value of the Property.

2. Rights of Grantee. To accomplish the purposes stated above, the following rights are conveyed to Grantee by this Easement:

(a) To preserve and protect the environmental value of the Property;

(b) To prevent any activity on or use of the Property that is inconsistent with this Easement, and to require the restoration of areas or features of the Property that may be damaged by a breach of this Easement.

(c) To enter upon and inspect the Property, in reasonable manner and at reasonable times to determine if the Grantor or its successors and assigns are complying with the covenants and prohibitions contained in this Conservation Easement; and

(d) To proceed at law or in equity to enforce the provisions of this Conservation Easement and the covenants set forth herein, and to prevent the occurrence of any of the prohibited activities hereinafter set forth.

---

3. Prohibited Uses. Any activity on or use of the Property inconsistent with the purpose of this Easement is prohibited. Without limiting the generality of the foregoing, the following activities and uses are expressly prohibited without the prior written approval of the Grantee:

(a) Construction or placing of buildings, roads, signs, billboards or other advertising, or other structures on or above the ground, unless otherwise permitted in this Easement;

(b) Dumping or placing of soil or other substance or material as landfill or dumping or placing of trash, waste or unsightly or offensive materials;

(c) Removal or destruction of living 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, unless proper permits have been obtained;

(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; and

(g) Acts or uses detrimental to such retention of land or water areas.

4. Allowed Uses. Normal maintenance of this area is allowed. Without limiting the generality of the foregoing, the following activities and uses are allowed with the prior written approval of the Grantee:

(a) Removal of exotic plant types such as Brazilian Pepper Trees;

(b) Removal of dead plants, or dead branches on plants as approved by the Grantee;

(c) Pruning of plants as approved by the Grantee (Mangrove trimming is prohibited unless permitted pursuant to Chapter 17-321 F.A.C.);

(d) Construction of docks over and across this area provided the docks are equal to or less than four (4) feet in width; and

(e) No more than twelve (12) dock walkways shall be allowed over and across this area; and

(f) Other approved work set forth by permit(s) obtained through Grantee.

5. Reserved Rights. Grantor reserves and excepts unto itself and its personal representatives, heirs, successors and assigns, all rights accruing from its ownership of the Property, including the right to engage in or permit or invite others to engage in all uses of the Property that are not expressly prohibited herein and are not inconsistent with the purpose of this Easement.

6. Grantee's Discretion. Enforcement of the terms of this Easement shall be at the discretion of the Grantee, and any

forbearance by Grantee to exercise its rights under this Easement in the event of any breach of any term of this Easement by Grantor shall not be construed to be a waiver by Grantee of such term or of any subsequent breach of the same or any other term of this Easement or of any of the Grantee's rights under this Easement. No delay or omission by Grantee in the exercise of any right or remedy upon any breach by Grantor shall impair such right or remedy or be construed as a waiver.

7. Acts Beyond Grantor's Control. Nothing contained in this Easement shall be construed to entitle Grantee to bring any action against Grantor for any injury to or change in the Property resulting from natural causes or other causes beyond Grantor's control, including, without limitation, fire, flood, storm and earth movement, or from any action taken by Grantor under emergency conditions to prevent, abate or mitigate significant injury to the Property resulting from such causes.

8. Assignment. This Easement is transferable, but Grantee may assign its rights and obligations under this Easement only to an organization that is a qualified organization at the time of transfer under section 170(h) of the Internal Revenue Code of 1954, as amended (or any successor provision then applicable), and the applicable regulations promulgated thereunder, and authorized to acquire and hold environmental easements under the statutes of the State of Florida (or any successor provision then applicable). As a condition of such transfer, Grantee shall require that the environmental purposes that this Grant is intended to advance, continue to be carried out.

9. Recordation. Grantor shall record this instrument in timely fashion the official records of Brevard County, Florida, and may re-record it any time as may be required to preserve its rights in this Easement.

10. Successors. The covenants, terms, conditions and restrictions of this Easement shall be binding upon, and inure to the benefit of the parties hereto and their respective personal representatives, heirs, successors and assigns and shall continue

as a servitude running in perpetuity with the Property.

IN WITNESS WHEREOF, The said Grantor have signed and sealed these presents the day and year above written

Signed, Sealed and delivered in the presence of:

Sandy Point Land Development Corporation

Mary Ann Every  
Witness Signature

Mary Ann Every  
Printed Name

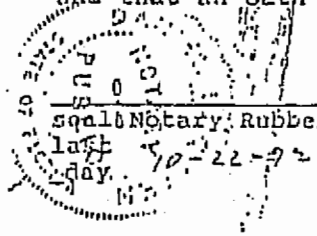
BY: [Signature]  
David T. McWilliams  
President/Secretary  
1790 Highway A1A, Suite 206  
Satellite Beach, FL 32937

Rebecca H. Jones  
Witness Signature

Rebecca H. Jones  
Printed Name

STATE OF Florida  
COUNTY OF Brevard

I hereby Certify that on this day, before me, an officer duly authorized to administer oaths and take acknowledgments, personally appeared DAVID T. McWILLIAMS known to me to be the person described in and who executed the foregoing instrument, who acknowledged before me that he executed the same, that I relied upon the following form of identification of the above-named person: \_\_\_\_\_ and that an oath ~~was~~ (was not) taken.



Witness my hand and official in the County and State aforementioned on this 25 of SEPT, 1992.

[Signature]  
Notary Signature

DANIEL L. GREEN  
Printed Notary Signature

DESCRIPTION: (BY SURVEYOR)

A PARCEL OF LAND LYING SECTIONS 2 & 3, TOWNSHIP 27 SOUTH, RANGE 37 EAST, OF BREVARD COUNTY, FLORIDA BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE SOUTHEAST CORNER OF LANSING ISLAND (ENTRANCE) ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 36 PAGE 13 OF THE PUBLIC RECORDS OF SAID BREVARD COUNTY, FLORIDA; THENCE RUN S.89°54'51"W, ALONG THE SAID SOUTH LINE OF THE ENTRANCE TO LANSING ISLAND A DISTANCE OF 138.61 FEET; THENCE N.00°05'11"W, ALONG SAID SOUTH LINE A DISTANCE OF 30.25 FEET TO A POINT ON A CIRCULAR CURVE CONCAVE TO THE NORTHEAST HAVING A RADIUS OF 392.51 FEET, A CENTRAL ANGLE OF 09°12'59", AND A CHORD BEARING OF N.72°08'59"W; THENCE NORTHWESTERLY ALONG SAID CURVE AN ARC DISTANCE OF 03.14 FEET; THENCE S.00°05'11"E, ALONG SAID SOUTH LINE A DISTANCE OF 20.67 FEET; THENCE S.82°26'59"W, ALONG SAID SOUTH LINE A DISTANCE OF 94.55 FEET; THENCE S.10°00'15"E, ALONG SAID SOUTH LINE A DISTANCE OF 10.00 FEET; THENCE S.82°26'59"W, ALONG SAID SOUTH LINE A DISTANCE OF 87.07 FEET TO THE POINT-OF-BEGINNING OF THE HEREIN DESCRIBED EASEMENT; THENCE S.06°38'15"E, A DISTANCE OF 89.34 FEET; THENCE S.04°59'45"E, A DISTANCE OF 105.35 FEET; THENCE S.12°51'06"E, A DISTANCE OF 80.88 FEET; THENCE S.04°50'11"E, A DISTANCE OF 91.07 FEET; THENCE S.00°29'55"W, A DISTANCE OF 87.20 FEET; THENCE S.36°51'29"E, A DISTANCE OF 87.31 FEET; THENCE N.73°40'11"E, A DISTANCE OF 71.45 FEET; THENCE N.78°28'35"E, A DISTANCE OF 60.33 FEET; THENCE N.73°59'52"E, A DISTANCE OF 65.43 FEET; THENCE N.78°43'18"E, A DISTANCE OF 117.24 FEET; THENCE N.87°42'32"E, A DISTANCE OF 46.03 FEET TO THE WEST RIGHT-OF-WAY LINE OF SOUTH PATRICK DRIVE (100 FOOT RIGHT-OF-WAY), SAID POINT BEING IN A CIRCULAR CURVE CONCAVE TO THE NORTHEAST HAVING A RADIUS OF 2050.00 FEET, A CENTRAL ANGLE OF 01°41'47", AND A CHORD BEARING OF S.13°43'41"E; THENCE SOUTHEASTERLY ALONG SAID CURVE AN ARC DISTANCE OF 60.69 FEET; THENCE S.76°55'05"W, A DISTANCE OF 388.33 FEET; THENCE N.11°46'05"E, A DISTANCE OF 38.18 FEET TO THE SAFE UPLAND LINE (1.00 FOOT NGVD CONTOUR LINE) OF THE FLAMINGO WATERWAY; THENCE NORTHERLY ALONG SAID SAFE UPLAND LINE FOR THE FOLLOWING SEVEN CALLS: N.53°50'23"W, -32.20 FEET; N.36°51'29"W, -82.25 FEET; N.00°29'55"E, -103.03 FEET; N.04°50'11"W, -88.74 FEET; N.12°51'06"W, -90.85 FEET; N.04°59'46"W, -106.44 FEET; N.06°38'16"W, -88.73 FEET TO THE SAID SOUTH LINE OF THE ENTRANCE OF LANSING ISLAND; THENCE N.82°26'59"E, ALONG SAID SOUTH LINE A DISTANCE OF 40.00 FEET TO THE POINT-OF-BEGINNING CONTAINING 1.14 ACRES OF LAND MORE OR LESS.

BK 3232 PG 2647

STATE OF FLORIDA, COUNTY OF BREVARD  
I HEREBY CERTIFY that the above and foregoing is a true copy of the original filed in this office.  
R. C. WINSTEAD, JR., Clerk Circuit Court

DATED 9-28-92  
BY Allen M Peterson D.C.

UNSUITABLE FOR MICROFILM

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PREPARED BY & RETURN TO:  
Joel S. Moss, Esquire  
47 W. New Haven Ave., #200  
Melbourne, FL 32901

RECORDED BY & RETURN TO:  
 MICHAEL M.M. WALLIS  
 MOSLEY, WALLIS & WHITEHEAD, P.A.  
 P.O. BOX 1210  
 MELBOURNE, FLORIDA 32902-1210

*Sandy Crawford* Clerk Circuit Court  
 Recorded and Verified Brevard County, FL  
 # Pgs. 5 # Names 3  
 Trust Fund 300 Rec Fee 21.00  
 Stamp-Duty 70 Excise Tx \_\_\_\_\_  
 Stamp-Mtg \_\_\_\_\_ Int Tx \_\_\_\_\_  
 Service Chg \_\_\_\_\_ Refund \_\_\_\_\_

GRANT OF EASEMENT

THIS INDENTURE, made and entered into by and between LANSING ISLAND DEVELOPMENT CORP., a Florida corporation, hereinafter referred to as "Grantor", and SANDY POINT LAND DEVELOPMENT CORP., a Florida Corporation, DAVID T. McWILLIAMS, as Trustee, c/o 1790 N. Highway 1A1A, Satellite Beach, FL 32937, hereinafter referred to as "Grantees".

WHEREAS, Grantor is the fee simple owner of that certain parcel being more particularly described on Exhibit "A" attached hereto, hereinafter referred to as the "Access Parcel"; and

WHEREAS, Grantee is the fee simple owner of that certain parcel being more particularly described on Exhibit "B" attached hereto, hereinafter referred to as the "Island Villas Subdivision," and

WHEREAS, Grantee desires an easement along, over and across Parcel A, for ingress and egress from South Patrick Drive to Parcel B, and

WHEREAS, Grantee desires an easement for the use of the existing utilities lying across Parcel A so that Grantee can tap into the water lines, sewer lines, power lines and gas lines so as to service Parcel B with the above utilities.

NOW, THEREFORE, in consideration of the sum of TEN DOLLARS (\$10.00) and other valuable consideration, the Grantor does grant to the Grantee, its successors, assigns, invitees or agents, at all times hereafter, and for all purposes connected with the use and enjoyment of Parcel B, a perpetual, non-exclusive easement for ingress and egress over and across the roadway which Grantor has constructed on Parcel A in order access the property described as Parcel B from South Patrick Drive.

In addition, Grantor does grant to Grantee its successors, assigns, invitees or agents at all times hereafter and for all purposes connected with the use and enjoyment of Parcel B, a

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perpetual, non-exclusive utility easement for water, sewer,  
electric and gas, <sup>and all other utilities</sup> across the existing utility lines located upon  
Parcel A in order to allow Grantee to tap into and utilize said  
utilities for the use and benefit of Harbour Lights, Phase I.

IT IS UNDERSTOOD that the grant of this easement shall be  
subject to all of the terms and conditions contained in that  
certain Lansing Island Access Parcel Cost Sharing Agreement dated  
October 30, 1991, executed by Lansing Island Development Corp.,  
Sandy Point Land Development Corp. and David T. McWilliams, as  
Trustee. Said Agreement shall also be binding upon the Homeowners  
Association(s) individual unit owners of Island Villas except as  
to the common entrance improvement costs as so defined in said  
Agreement.

IT IS UNDERSTOOD that Grantor, its successors and assigns in  
no way shall assume any liability or responsibility to Grantee,  
its successors and assigns, or any other persons using said  
utilities by invitation of Grantee either expressed or implied or  
by reason of any business conducted by Grantee or otherwise.

IT IS UNDERSTOOD that Grantee will immediately repair any  
damage to the improvements located on Exhibit "A" so caused by  
Grantee, its successors, assigns, invitees, agents or employees.

IT IS FURTHER UNDERSTOOD that Grantee shall enter into a  
separate maintenance agreement with Grantor to share in the cost  
of maintenance and replacement of all improvements located on  
that portion of Parcel A, so utilized by Grantee, which said  
improvements shall not be limited to the roads and utilities  
therein.

THIS EASEMENT shall terminate when, or at such time as  
the purposes hereof cease to exist, are abandoned by Grantee  
or become impossible to perform.

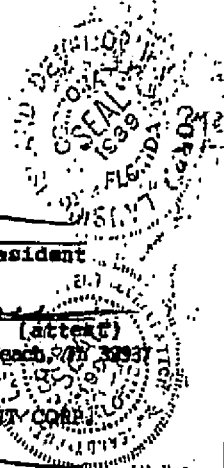
IN WITNESS WHEREOF, the Grantor has caused these presents  
to be executed this 22nd day of February, 1993.

Cherryl L. Sampson  
Cherryl L. Sampson  
Rachelle H. Farmer  
WITNESSES  
Rachelle H. Farmer

LANSING ISLAND DEVELOPMENT  
CORP.

BY: [Signature]  
DAVID T. McWILLIAMS, President

By: [Signature]  
JOHL S. MOSS, SECRETARY (attest)  
1790 N. Hwy A1A, Satellite Beach, FL 32937



Cherryl L. Sampson  
Cherryl L. Sampson  
Rachelle H. Farmer  
WITNESSES  
Rachelle H. Farmer

SANDY POINT LAND DEVELOPMENT CORP.

BY: [Signature]  
DAVID T. McWILLIAMS, President  
1790 N. Hwy A1A, Satellite Beach, FL 32937

Cherryl L. Sampson  
Cherryl L. Sampson  
Rachelle H. Farmer  
WITNESSES  
Rachelle H. Farmer

[Signature]  
DAVID T. McWILLIAMS, AS TRUSTEE  
1790 N. Hwy A1A, Satellite Beach, FL 32937

STATE OF FLORIDA  
COUNTY OF BREVARD

The foregoing instrument was acknowledged before me this 22nd day of February, 1993, by David T. McWilliams, President of Lansing Island Development Corp., a Florida Corporation, on behalf of the corporation. He is personally known to me and he did not take an oath.

Cherryl L. Sampson  
Notary Public

My Commission Expires: February 5, 1997  
Cherryl L. Sampson  
Printed Notary Name

STATE OF FLORIDA  
COUNTY OF BREVARD

The foregoing instrument was acknowledged before me this 22nd day of February, 1993, by David T. McWilliams, as Trustee, and as President of Sandy Point Land Development Corp., a Florida Corporation, on behalf of the corporation. He is personally known to me and he did not take any oath.

Cherryl L. Sampson  
Notary Public

My Commission Expires: February 5, 1997  
Cherryl L. Sampson  
Printed Notary Name

Cherryl L. Sampson  
Printed Notary Name



EXHIBIT "A"

PARCEL A:

A parcel of land in Sections 2 and 3, Township 27 South, Range 37 East, Brevard County, Florida, being more particularly described as follows: Commence at the Southwest corner of said Section 2; thence N 89° 53' 41" E along the south line of said Section 2 a distance of 1619.38 feet to the west right-of-way of South Patrick Drive; thence N 31° 08' 19" W along the said west right-of-way a distance of 1817.73 feet to the point of curvature of a circular curve concave to the northeast having a central angle of 28° 15' 30", a radius of 2050.00 feet; thence northeasterly along the arc of said curve a distance of 1011.06 feet to the point-of-beginning of the herein described parcel; thence continuing along the said right-of-way through a central angle of 2° 36' 45" a radius of 2050.00 feet, an arc length of 93.47 feet to the point-of-tangency; then N 0° 16' 04" W a distance of 206.57 feet; then S 89° 54' 49" W a distance of 480.00 feet more or less to the easterly waters edge of Flamingo Waterway; thence southeasterly along the easterly waters edge a distance of 301.00 feet more or less; then N 89° 54' 49" E a distance of 460.00 feet more or less to the point-of-beginning. Containing 3.231 acres more or less.

UNSUITABLE  
FOR  
MICROFILM

DESCRIPTIVE

DESCRIPTION: (BY SURVEYOR)

A PARCEL OF LAND LYING IN SECTIONS 2, AND 3, TOWNSHIP 27 SOUTH, RANGE 37 EAST OF BREVARD COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE SOUTHWEST CORNER OF SAID SECTION 2, AND GO NORTH 89°53'41" EAST ALONG THE SOUTH LINE OF SAID SECTION 2 A DISTANCE OF 1818.38 FEET TO THE WEST RIGHT-OF-WAY LINE OF SOUTH PATRICK DRIVE AND THE SOUTHEAST CORNER OF WINDWARD COVE AS RECORDED IN PLAT BOOK 32, PAGE 91 OF THE PUBLIC RECORDS OF BREVARD COUNTY, FLORIDA; THENCE NORTH 31°08'19" WEST ALONG SAID WEST RIGHT-OF-WAY LINE A DISTANCE OF 1818.01 FEET TO THE POINT-OF-CURVATURE OF A CIRCULAR CURVE CONCAVE TO THE NORTHEAST, HAVING A RADIUS OF 2050.00 FEET, AND A CENTRAL ANGLE OF 16°33'44"; THENCE NORTHWESTERLY ALONG SAID CURVE AN ARC DISTANCE OF 592.58 FEET TO THE POINT-OF-BEGINNING OF THE HEREIN DESCRIBED PARCEL; THENCE LEAVING SAID RIGHT-OF-WAY LINE S.76°55'05"W. A DISTANCE OF 388.34 FEET; THENCE N.11°48'05"E. A DISTANCE OF 36.18 FEET TO THE SAFE UPLAND LINE OF THE FLAMINGO WATERWAY (1.00 FOOT N.G.V.D. CONTOUR LINE); THENCE CONTINUE ALONG THE SAID SAFE UPLAND LINE FOR THE FOLLOWING 7 CALLS: N.15°55'04"W. - 22.49'; N.36°51'29"W. - 82.25'; N.00°29'55"E. - 103.03'; N.04°50'11"W. - 88.74'; N.12°51'06"W. - 90.85'; N.04°59'46"W. - 108.44'; N.06°38'15"W. - 80.13'; THENCE LEAVING SAID SAFE UPLAND LINE, N.82°26'59"E. A DISTANCE OF 238.20 FEET; THENCE S.42°39'01"W. A DISTANCE OF 22.12 FEET TO THE POINT-OF-CURVATURE OF A CIRCULAR CURVE CONCAVE TO THE SOUTHEAST, HAVING A RADIUS OF 25.00 FEET, AND A CENTRAL ANGLE OF 18°07'53"; THENCE SOUTHWESTERLY ALONG SAID CURVE AN ARC DISTANCE OF 7.91 FEET TO THE POINT-OF-TANGENCY; THENCE S.24°31'08"W. A DISTANCE OF 24.68 FEET TO THE POINT-OF-CURVATURE OF A CIRCULAR CONCAVE TO THE SOUTHEAST, HAVING A RADIUS OF 86.00 FEET; AND A CENTRAL ANGLE OF 09°52'27"; THENCE SOUTHWESTERLY ALONG SAID CURVE AN ARC DISTANCE OF 14.82 FEET; THENCE LEAVING SAID ARC, N.89°54'51"E. A DISTANCE OF 202.80 FEET TO THE SAID WEST RIGHT-OF-WAY OF SOUTH PATRICK DRIVE SAID POINT BEING ON A CIRCULAR CURVE CONCAVE TO THE NORTHEAST HAVING A RADIUS OF 2050.00 FEET AND A CENTRAL ANGLE OF 12°49'14"; THENCE SOUTHEASTERLY ALONG SAID CURVE AN ARC DISTANCE OF 458.71 FEET TO THE POINT-OF-BEGINNING, CONTAINING 4.728 ACRES OF LAND MORE OR LESS.

TOGETHER WITH ANY LANDS LYING BETWEEN THE SAID SAFE UPLAND LINE AND THE ORDINARY HIGH WATER LINE OF THE FLAMINGO WATERWAY, SUBJECT TO A DRAINAGE EASEMENT ALONG THE SOUTH 50 FEET AS DESCRIBED IN O.R.B. 2577, PAGE 2986, SAID PUBLIC RECORDS.

UNSUITABLE  
FOR  
MICROFILM

BR 0269PG4940

*Landy Crawford* City Clerk  
 5300 2100  
 70

**PUBLIC UTILITY EASEMENT**

Project: Island Villas

THIS INDENTURE, made this 30th day of July, 1990, A.D., between Sandy Pointe Land Development Corp., party of the first part, and the City of Melbourne, a municipal corporation, County of Brevard, State of Florida, party of the second part,

Wherever used herein the terms Party of the First Part and Party of the Second Part include the singular and plural forms and the masculine and feminine gender.

WITNESSETH, that the said party of the first part, for and in consideration of the sum of One Dollar (\$1.00) and other valuable considerations to him in hand paid by the party of the second part, the receipt thereof is hereby acknowledged, has revised, released and by these presents does grant and convey to the said party of the second part, its successors and assigns, an easement for public utilities for the City of Melbourne, County of Brevard, State of Florida, described as follows, to wit:

SEE EXHIBIT "A"

This easement is made for the purpose of giving and granting to the party of the second part, its successors, legal representatives and assigns, an easement in, to and across said lands for the purpose of maintaining public utilities, together with the right of ingress and egress for such purposes.

And the said party of the first part does hereby fully warrant to the title to said lands, and will defend the same against the lawful claims of all persons, whomsoever.

IN WITNESS WHEREOF, the party to these presents has hereunto set his hand and seal the day and year first above written.

Signed, sealed and delivered in the presence of:

*Sharon Moss*  
 Witness SHARON MOSS

*[Signature]*  
 Signature

*[Signature]*  
 Witness TIMOTHY McWILLIAMS

David T. McWilliams, Pres.  
 Name & Title (typed)

UNSUBMITTABLE  
 FOR  
 RECORDING

OFFICE OF CITY CLERK  
 CITY HALL  
 950 E. Browbridge Avenue  
 Melbourne, Florida 32901

BK3425PG0219

679693

94 SEP 30 PM 1:43

STATE OF Florida

COUNTY OF Brevard

The foregoing instrument was acknowledged before me this  
30th day of July, 1970, by David T.  
McWilliams.

My Commission  
Expires:

NOTARY PUBLIC STATE OF FLORIDA  
MY COMMISSION EXP. MAR. 28, 1977  
BONDED THRU GENERAL INS. DIV.

Sharon M. [Signature]  
Notary Public

This Instrument Prepared By:

David McWilliams  
McWilliams Construction  
1790 Highway 41A, Suite 101  
Satellite Beach, Florida 32937

BK3425PG0220

EXHIBIT 'A'

DESCRIPTION: (PREPARED BY BRIEL & ASSOCIATES LAND SURVEYORS, INC.)

AN EASEMENT FOR INGRESS AND EGRESS AND FOR PUBLIC UTILITIES LYING IN SECTION 2, TOWNSHIP 27 SOUTH, RANGE 37 EAST, CITY OF INDIAN HARBOUR BEACH, BREVARD COUNTY, FLORIDA BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS; FROM THE INTERSECTION OF THE WEST RIGHT OF WAY LINE OF SOUTH PATRICK DRIVE AND THE SOUTH RIGHT OF WAY LINE OF LANSING ISLAND DRIVE AS SHOWN ON THE PLAT OF LANSING ISLAND PHASE ONE AS RECORDED IN PLAT BOOK 36, PAGE 13 OF THE PUBLIC RECORDS OF BREVARD COUNTY, FL RUN ALONG SAID SOUTH RIGHT OF WAY LINE S89°54'51"W 138.61 FEET; THENCE N00°05'11"W 18.51 FEET TO THE POINT OF BEGINNING OF THE HEREIN DESCRIBED EASEMENT; THENCE DEPARTING FROM SAID RIGHT OF WAY LINE S42°52'03"W 54.11 FEET TO THE P.C. OF A CURVE CONCAVE TO THE EAST HAVING A RADIUS OF 17.00 FEET AND A CENTRAL ANGLE OF 18°20'55"; THENCE RUN SOUTHERLY ALONG THE ARC OF SAID CURVE 5.44 FEET TO THE P.T.; THENCE S24°31'08"W 25.29 FEET TO THE P.C. OF A CURVE CONCAVE TO THE EAST HAVING A RADIUS OF 78.00 FEET AND A CENTRAL ANGLE OF 32°04'09"; THENCE RUN SOUTHERLY ALONG THE ARC OF SAID CURVE 43.66 FEET TO THE P.T.; THENCE S07°33'01"E 152.09 FEET TO THE P.C. OF A CURVE CONCAVE TO THE NORTHEAST HAVING A RADIUS OF 19.00 FEET AND A CENTRAL ANGLE OF 79°52'39"; THENCE RUN SOUTHEASTERLY ALONG THE ARC OF SAID CURVE 26.49 FEET TO THE P.R.C. OF A CURVE CONCAVE TO THE SOUTHWEST HAVING A RADIUS OF 46.00 FEET AND A CENTRAL ANGLE OF 86°12'07"; THENCE RUN SOUTHEASTERLY ALONG THE ARC OF SAID CURVE 53.15 FEET TO THE P.R.C. OF A CURVE CONCAVE TO THE NORTHEAST HAVING A RADIUS OF 19.00 FEET AND A CENTRAL ANGLE OF 79°53'07"; THENCE RUN SOUTHEASTERLY ALONG THE ARC OF SAID CURVE 26.49 FEET TO THE P.T.; THENCE N78°53'19"E 98.15 FEET; THENCE S11°06'41"E 30.00 FEET; THENCE N78°53'19"E 17.10 FEET TO A POINT ON THE WEST RIGHT OF WAY LINE OF SOUTH PATRICK DRIVE, SAID POINT LYING ON A CURVE CONCAVE TO THE EAST HAVING A RADIUS OF 2050.00 FEET AND FROM WHICH POINT A RADIAL LINE BEARS N81°16'41"E; THENCE RUN SOUTHERLY ALONG THE ARC OF SAID CURVE AND SAID RIGHT OF WAY LINE 10.01 FEET AND THRU A CENTRAL ANGLE OF 00°18'47"; THENCE DEPARTING SAID RIGHT OF WAY LINE S78°53'19"W 175.72 FEET TO THE P.C. OF A CURVE CONCAVE TO THE SOUTHEAST HAVING A RADIUS OF 17.00 FEET AND A CENTRAL ANGLE OF 84°46'14"; THENCE RUN SOUTHWESTERLY ALONG THE ARC OF SAID CURVE 25.15 FEET TO THE P.T.; THENCE S05°32'55"E 108.26 FEET; THENCE S78°53'19"W 40.17 FEET; THENCE N05°32'55"W 189.82 FEET; THENCE N07°33'01"W 200.82 FEET TO THE P.C. OF A CURVE CONCAVE TO THE EAST HAVING A RADIUS OF 118.00 FEET AND A CENTRAL ANGLE OF 32°04'09"; THENCE RUN NORTHERLY ALONG THE ARC OF SAID CURVE 66.05 FEET TO THE P.T.; THENCE N24°31'08"E 81.43 FEET TO A POINT ON THE SOUTH RIGHT OF WAY LINE OF SAID LANSING ISLAND DRIVE, SAID POINT LYING ON A CURVE CONCAVE TO THE NORTH HAVING A RADIUS OF 392.51 FEET AND FROM WHICH POINT A RADIAL LINE BEARS N20°41'30"E; THENCE RUN EASTERLY ALONG SAID SOUTH RIGHT OF WAY LINE AND THE ARC OF SAID CURVE 50.99 FEET AND THRU A CENTRAL ANGLE OF 07°26'34"; THENCE S00°05'11"E 17.74 FEET TO THE POINT OF BEGINNING.  
CONTAINING 0.731 ACRES MORE OR LESS.

BK 3425 PG 221

**SKETCH OF DESCRIPTION FOR: SANDY POINTE LAND DEVELOPMENT CORP.**

Certified as to meeting the Minimum Technical Standards, Chapter 21HH-8, F.A.C., set forth by the Florida Board of Professional Land Surveyors, pursuant to Section 472.027, F.S..

ROBERT R. BRIEL, Florida Professional Land Surveyor, No. 3899

This sketch is prepared and certified for the exclusive use of the client or clients named herein. It is not valid without the embossed Surveyor's SEAL.

SKETCH	FEBRUARY 2, 1983	92-378
TYPE	DATE	JOB NO.

**ISLAND VILLAS**  
SHEET 1 OF 3

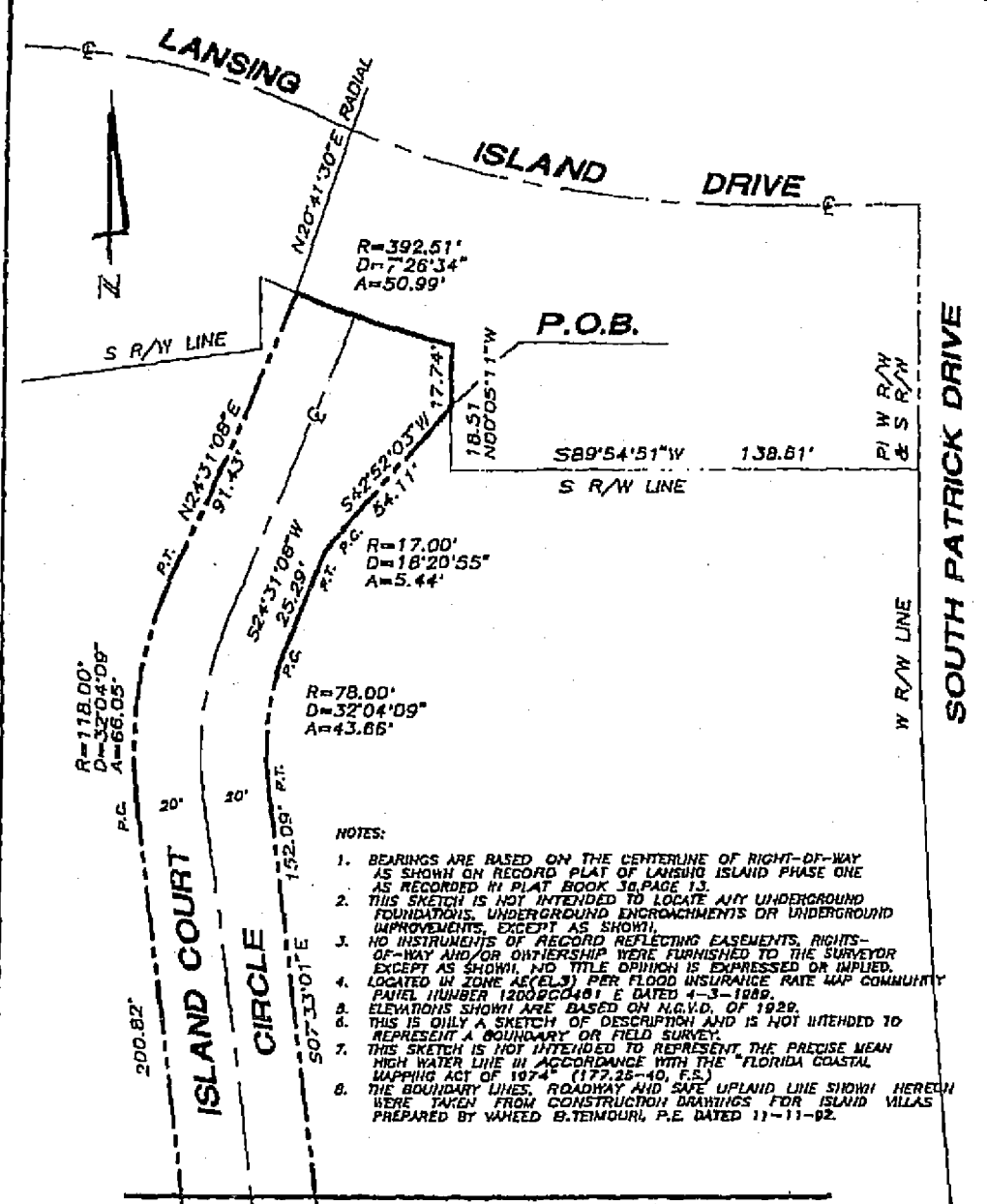
DWN BY: DSL | CHK BY: RRB | SCALE: 1"=40'



**BRIEL & ASSOCIATES**  
Land Surveyors, Inc.

325 Fifth Avenue, Suite 202 • Indiantola, Florida 32903 • (407) 724-6333

EXHIBIT 'A'



- NOTES:
1. BEARINGS ARE BASED ON THE CENTERLINE OF RIGHT-OF-WAY AS SHOWN ON RECORD PLAT OF LANSING ISLAND PHASE ONE AS RECORDED IN PLAT BOOK 36, PAGE 13.
  2. THIS SKETCH IS NOT INTENDED TO LOCATE ANY UNDERGROUND FOUNDATIONS, UNDERGROUND ENCROACHMENTS OR UNDERGROUND IMPROVEMENTS, EXCEPT AS SHOWN.
  3. NO INSTRUMENTS OF RECORD REFLECTING EASEMENTS, RIGHTS-OF-WAY AND/OR OWNERSHIP WERE FURNISHED TO THE SURVEYOR EXCEPT AS SHOWN. NO TITLE OPINION IS EXPRESSED OR IMPLIED.
  4. LOCATED IN ZONE AE(EL3) PER FLOOD INSURANCE RATE MAP COMMUNITY PANEL NUMBER 120000401 E DATED 4-3-1989.
  5. ELEVATIONS SHOWN ARE BASED ON M.G.V.D. OF 1929.
  6. THIS IS ONLY A SKETCH OF DESCRIPTION AND IS NOT INTENDED TO REPRESENT A BOUNDARY OR FIELD SURVEY.
  7. THIS SKETCH IS NOT INTENDED TO REPRESENT THE PRECISE MEAN HIGH WATER LINE IN ACCORDANCE WITH THE "FLORIDA COASTAL MAPPING ACT OF 1974" (177.25-40, F.S.)
  8. THE BOUNDARY LINES, ROADWAY AND SAFE UPLAND LINE SHOWN HEREIN WERE TAKEN FROM CONSTRUCTION DRAWINGS FOR ISLAND VILLAS PREPARED BY WAHEED B. TEIMOURI, P.E. DATED 11-11-92.

BK3425FC0222

SKETCH OF DESCRIPTION FOR SANDY PONTE LAND DEVELOPMENT CORP.

Certified as to meeting the Minimum Technical Standards, Chapter 21FH-6, F.A.C., set forth by the Florida Board of Professional Land Surveyors, pursuant to Section 472.027, F.S.

SKETCH TYPE	FEBRUARY 2, 1993	92-378
	DATE	JOB NO.

ROBERT R. BRIEL, Florida Professional Land Surveyor, No. 3899

This sketch is prepared and certified for the exclusive use of the client or clients named hereon. It is not valid without the embossed Surveyor's SEAL.

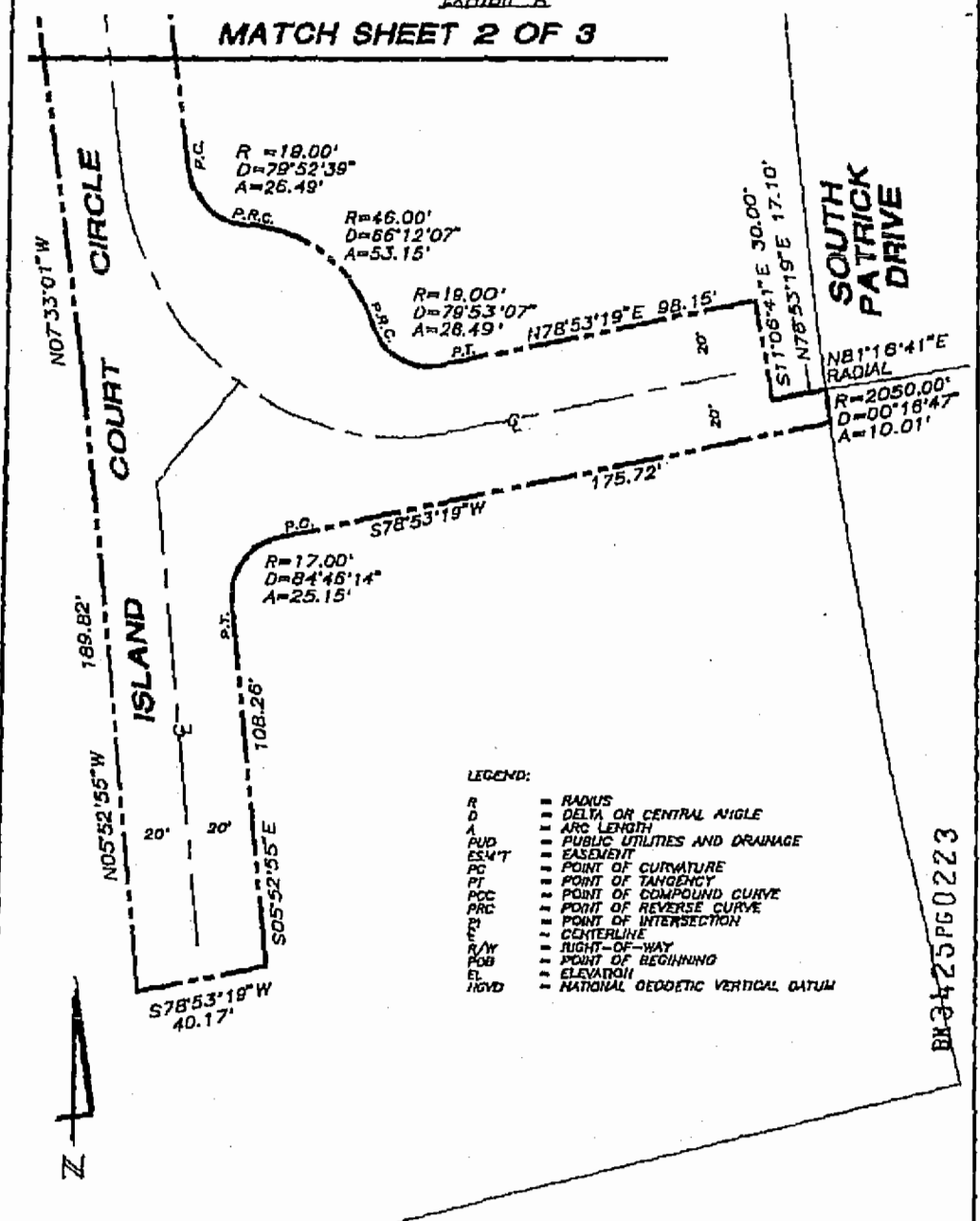
**ISLAND VILLAS**  
SHEET 2 OF 3

OWN BY: DSL    CHK BY: RRB    SCALE: 1"=40'

**BRIEL & ASSOCIATES**  
Land Surveyors, Inc.  
325 Fifth Avenue, Suite 202 • Indialantic, Florida 32903 • (407) 724-8333

EXHIBIT 'A'

MATCH SHEET 2 OF 3



- LEGEND:
- R — RADIUS
  - D — DELTA OR CENTRAL ANGLE
  - A — ARC LENGTH
  - PUD — PUBLIC UTILITIES AND DRAINAGE
  - ES&M — EASEMENT
  - PC — POINT OF CURVATURE
  - PT — POINT OF TANGENCY
  - PCC — POINT OF COMPOUND CURVE
  - PRC — POINT OF REVERSE CURVE
  - PI — POINT OF INTERSECTION
  - CL — CENTERLINE
  - R/W — RIGHT-OF-WAY
  - POB — POINT OF BEGINNING
  - EL — ELEVATION
  - HVD — NATIONAL GEODETIC VERTICAL DATUM

BK3425PG0223

SKETCH OF DESCRIPTION FOR SANDY PONTE LAND DEVELOPMENT CORP.

Certified as to meeting the Minimum Technical Standards, Chapter 21HH-8, F.A.C., set forth by the Florida Board of Professional Land Surveyors, pursuant to Section 472.027, F.S.

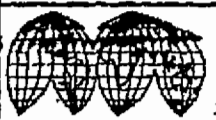
ROBERT R. BRIEL, Florida Professional Land Surveyor, No. 3898

This sketch is prepared and certified for the exclusive use of the client or clients named herein. It is not valid without the embossed Surveyor's SEAL.

SKETCH	FEBRUARY 2, 1993	92-378
TYPE	DATE	JOB NO.

ISLAND VILLAS  
SHEET 3 OF 3

OWN BY: DSL | CHK BY: RRB | SCALE: 1" = 40'



**BRIEL & ASSOCIATES**  
Land Surveyors, Inc.

325 Fifth Avenue, Suite 202 • Indianapolis, Florida 32903 • (407) 724-8333

Nicholas PA  
1815 S. Patrick  
Indian Harbour Beach FL  
32937

CFN 2001030075 02-20-2001 11:21 am  
OR Book/Page: 4290 / 1712

RECORD AND RETURN TO  
JOEL S. MOSS, P.A.  
47 W. NEW HAVEN AVENUE, SUITE 200  
MELBOURNE, FLORIDA 32901

Scott Ellis  
Clerk Of Courts, Brevard County  
#Pgs: 2 #Names: 2  
Trust: 1.50 Rec: 9.00 Serv: 0.00  
Deed: 0.70 Excise: 0.00  
Mfg: 0.00 Int Tax: 0.00

Parcel ID Number:  
Character: 01 TIN 59-2587428

### Quitclaim Deed

This Quitclaim Deed, Made this 28th day of December, 2000 A.D. Between Sandy Point Land Development Corporation, a corporation existing under the laws of the State of Florida of the County of Brevard State of Florida, grantor, and Island Villas Homeowners Association, grantee.

whose address is:

of the County of Brevard State of Florida, grantee.

Witnesseth that the GRANITOR, for and in consideration of the sum of TEN DOLLARS (\$10) DOLLARS, and other good and valuable consideration to GRANTEE in hand paid by GRANTEE, the receipt whereof is hereby acknowledged, has granted, bargained and quitclaimed to the said GRANTEE and GRANTEE'S heirs, successors and assigns forever, the following described land, situate, lying and being in the County of Brevard State of Florida to wit:  
**LEGAL SHOWN ON ADDENDUM ATTACHED HERETO AND MADE A PART HEREOF**

To Have and to Hold the same together with all and singular the appurtenances thereto belonging or in anywise appertaining, and all the estate, right, title, interest, lien, equity and claim whatsoever of grantor, either in law or equity, for the use, benefit and profit of the said grantee forever.

In Witness Whereof, the grantor has hereunto set its hand and seal the day and year first above written.

Signed, sealed and delivered in our presence:  
Sandy Point Land Development Corporation  
By: [Signature] (Seal)  
David T. McWilliams, President  
P.O. Address: 817 A N. Harbor City Boulevard, Melbourne, FL 32935

Witness  
[Signature]  
Printed Name: Gayle J. Blankenbeger  
Witness  
[Signature]  
Printed Name: Robert S. Verman

(Corporate Seal)

STATE OF Florida  
COUNTY OF Brevard

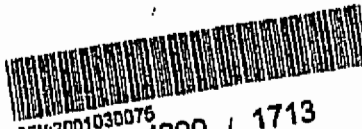
The foregoing instrument was acknowledged before me this 16th day of January, 2001 by David T. McWilliams, President of Sandy Point Land Development Corporation, a Florida Corporation, on behalf of the corporation he is personally known to me or he has produced his Florida driver's license as identification

[Signature]  
Printed Name: Gayle J. Blankenbeger  
Notary Public  
My Commission Expires: [Date]  
Gayle J. Blankenbeger  
Commission # CC 917984  
Expires March 13, 2004  
Bonded Through  
Atlantic Bonding Co., Inc.



DESCRIPTION: (BY SURVEYOR)

A PARCEL OF LAND LYING IN SECTION 2 AND SECTION 3, TOWNSHIP 27 SOUTH, RANGE 37 EAST OF BREVARD COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:  
COMMENCE AT THE SOUTHWEST CORNER OF SAID SECTION 2, AND GO NORTH 89°53'41" EAST, ALONG THE SOUTH LINE OF SAID SECTION 2 A DISTANCE OF 1818.38 FEET TO THE WEST RIGHT-OF-WAY LINE OF SOUTH PATRICK DRIVE AND THE SOUTHEAST CORNER OF WINDWARD COVE AS RECORDED IN PLAT BOOK 32, PAGE 91 OF THE PUBLIC RECORDS OF BREVARD COUNTY, FLORIDA; THENCE NORTH 31°08'19" WEST ALONG THE SAID WEST RIGHT-OF-WAY LINE A DISTANCE OF 1818.02 FEET TO THE POINT-OF-CURVATURE OF A CIRCULAR CURVE CONCAVE TO THE NORTHEAST, HAVING A CENTRAL ANGLE OF 18°30'38", AND A RADIUS OF 2050.00 FEET; THENCE NORTHEASTERLY ALONG SAID CURVE AN ARC DISTANCE OF 580.72 FEET TO THE POINT-OF-BEGINNING OF THE HEREIN DESCRIBED PARCEL; THENCE SOUTH 76°55'05" WEST A DISTANCE OF 389.25 FEET; THENCE NORTH 11°46'05" EAST A DISTANCE OF 38.25 FEET TO THE SAFE UPLAND LINE OF THE GRAND CANAL (1.00 FOOT N.G.V.D. CONTOUR LINE); THENCE CONTINUE ALONG THE SAID SAFE UPLAND LINE FOR THE FOLLOWING 7 CALLS: NORTH 15°55'04" WEST - 22.49'; NORTH 36°51'29" WEST - 82.25'; NORTH 00°29'55" EAST - 103.03'; NORTH 04°50'12" WEST - 88.74'; NORTH 12°51'06" WEST - 90.85'; NORTH 06°59'46" WEST - 108.44'; NORTH 06°38'15" WEST - 88.73'; THENCE NORTH 82°26'59" EAST A DISTANCE OF 117.07 FEET; THENCE NORTH 10°00'75" WEST A DISTANCE OF 10.00 FEET; THENCE NORTH 82°28'59" EAST A DISTANCE OF 94.55 FEET; THENCE NORTH 00°05'11" WEST A DISTANCE OF 20.87 FEET TO A CIRCULAR CURVE CONCAVE TO THE NORTHEAST, HAVING A CENTRAL ANGLE OF 09°12'59", RADIUS OF 382.61 FEET AND A CHORD BEARING AND DISTANCE OF SOUTH 72°08'59" EAST - 63.07 FEET; THENCE SOUTHEASTERLY ALONG SAID CURVE AN ARC DISTANCE OF 63.14 FEET; THENCE SOUTH 00°05'11" EAST A DISTANCE OF 38.25 FEET; THENCE NORTH 89°54'51" EAST A DISTANCE OF 138.61 FEET TO THE SAID WEST RIGHT-OF-WAY LINE OF SOUTH PATRICK DRIVE; THENCE SOUTH 00°16'03" EAST ALONG SAID WEST RIGHT-OF-WAY OF SOUTH PATRICK DRIVE A DISTANCE OF 5.76 FEET TO THE POINT-OF-CURVATURE OF A CIRCULAR CURVE CONCAVE TO THE NORTHEAST, HAVING A CENTRAL ANGLE OF 14°21'39", AND A RADIUS OF 2050.00 FEET; THENCE SOUTHEASTERLY ALONG SAID CURVE, BEING THE SAID WEST RIGHT-OF-WAY OF SOUTH PATRICK DRIVE AN ARC DISTANCE OF 513.82 FEET TO THE POINT-OF-BEGINNING. CONTAINING 5.25 ACRES OF LAND MORE OR LESS TOGETHER WITH ANY LANDS LYING BETWEEN THE SAFE UPLAND LINE AND THE ORDINARY HIGH WATER LINE. SUBJECT TO A DRAINAGE EASEMENT ALONG THE SOUTH 50 FEET.



CFM-2001030076

OR Book/Page: 4290 / 1713

RETURN TO:  
JOEL S. MOSS  
Attorney at Law  
47 W. New Haven Ave., Suite 200  
Aulbourne, FL 32301

MASTER DECLARATION

Rec Fee \$ 164.00  
Doc St \$ \_\_\_\_\_  
Init Tax \$ \_\_\_\_\_  
For Clg \$ \_\_\_\_\_

FOR  
SANDY POINT

THIS MASTER DECLARATION FOR SANDY POINT is made this 23rd day of July, 1986, by SANDY POINT LAND DEVELOPMENT CORPORATION, a Florida corporation, hereinafter referred to as "DECLARANT."

PREAMBLE:

DECLARANT, and various persons or entities affiliated with DECLARANT, own the property described herein, and intend to develop the property as a residential community. The purpose of this Declaration is to provide various use and maintenance requirements and restrictions in the best interests of the future owners of dwellings within the property, to protect and preserve the values of the property. This Declaration will also establish a master association, which will own, operate and/or maintain various portions of the property and improvements constructed within the property, will have the right to enforce the provisions of this Declaration, and will be given various other rights and responsibilities. The expenses of the master association will be shared by the homeowners associations operating the various developments within the property, and by the owners of portions of the property which are not subject to a homeowners association, who will be members of the master association as provided herein.

NOW, THEREFORE, DECLARANT, and the persons or entities joining in the execution of this Declaration, hereby declare that the SUBJECT PROPERTY, and such additions as may hereafter be made pursuant to the terms of this Declaration, shall be held, sold, conveyed, leased, mortgaged and otherwise dealt with subject to the easements, covenants, conditions, restrictions, reservations, liens and charges set forth herein, all of which are created in the best interests of the owners and residents of the SUBJECT PROPERTY, and which shall run with the SUBJECT PROPERTY and shall be binding upon all persons having and/or acquiring any right, title or interest in the SUBJECT PROPERTY or any portion thereof, and shall inure to the benefit of each and every person, from time to time, owning or holding an interest in the SUBJECT PROPERTY, or any portion thereof.

1. DEFINITIONS. The words and phrases listed below, as used in this Master Declaration, shall have the following meanings, unless the context otherwise requires:

1.1. ARTICLES mean the Articles of Incorporation of the MASTER ASSOCIATION, as amended from time to time.

1.2. ASSESSMENT means the amount of money which may be assessed against an OWNER or a MEMBER for the payment of the OWNER's or MEMBER's share of COMMON EXPENSES, and/or any other funds which an OWNER or MEMBER may be required to pay to the MASTER ASSOCIATION as provided by this DECLARATION, the ARTICLES or the BYLAWS.

1.3. BOARD means the Board of Directors of the MASTER ASSOCIATION.

1.4. BYLAWS mean the Bylaws of the MASTER ASSOCIATION, as amended from time to time.

1.5. COMMON AREAS means any property, whether improved or unimproved, or any easement or interest therein, now or hereafter owned by the MASTER ASSOCIATION or which is declared to be a COMMON AREA by this DECLARATION. COMMON AREAS may include but are not limited to parks, open areas, conservation areas, nature preserves, recreational facilities, boat docks or ramps, waterways, roads, entranceways, and other similar properties, provided that the foregoing shall not be deemed a representation or warranty that any or all of the foregoing types of COMMON AREAS will be provided.

MASTER DECLARATION-1

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PAGE  
1977

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083 JUN 24 PM 3 05

1.6. COMMON EXPENSES mean all expenses of any kind or nature whatsoever properly incurred by the MASTER ASSOCIATION, including, but not limited to, the following:

1.6.1. Expenses incurred in connection with the ownership, maintenance, repair, improvement or operation of the COMMON AREAS, or any other property to be maintained by the MASTER ASSOCIATION as provided in this DECLARATION, including, but not limited to, utilities, taxes, assessments, insurance, operation, maintenance, repairs, improvements, alterations and security.

1.6.2. Expenses of obtaining, repairing or replacing personal property owned by the MASTER ASSOCIATION.

1.6.3. Expenses incurred in connection with the administration and management of the MASTER ASSOCIATION.

1.6.4. Expenses declared to be COMMON EXPENSES by the provisions of this DECLARATION or by the ARTICLES or BYLAWS.

1.7. COMMON SURPLUS means the excess of all receipts of the MASTER ASSOCIATION over the amount of the COMMON EXPENSES.

1.8. DECLARANT means the PERSON executing this DECLARATION, or any PERSON who may be assigned the rights of DECLARANT pursuant to a written assignment executed by the then present DECLARANT and recorded in the public records of the county in which the SUBJECT PROPERTY is located. In addition, in the event any PERSON obtains title to all of the SUBJECT PROPERTY then owned by DECLARANT as a result of the foreclosure of any mortgage or deed in lieu thereof, such PERSON may elect to become the DECLARANT by a written election recorded in the public records of the county in which the SUBJECT PROPERTY is located, and regardless of the exercise of such election, such PERSON may appoint as DECLARANT any third party who acquires title to all or any portion of the SUBJECT PROPERTY by written appointment recorded in the public records of the county in which the SUBJECT PROPERTY is located. In any event, any subsequent DECLARANT shall not be liable for any default or obligations incurred by any prior DECLARANT, except as same may be expressly assumed by the subsequent DECLARANT.

1.9. DECLARATION means this Master Declaration, as it may be amended from time to time.

1.10. HOMEOWNERS ASSOCIATION means a non-profit corporation, other than the MASTER ASSOCIATION, which is formed to administer a declaration of covenants and restrictions, declaration of condominium, or similar declaration affecting any portion of the SUBJECT PROPERTY, and whose members consist of the OWNERS of the PROPERTY affected by such declaration. For purposes of this DECLARATION, the SUBJECT PROPERTY affected by any such declaration shall be deemed to be operated by, and subject to the jurisdiction of, the respective HOMEOWNERS ASSOCIATION. Notwithstanding the foregoing, if two or more parcels of PROPERTY are subject to the jurisdiction of separate HOMEOWNERS ASSOCIATIONS, and if all such parcels of PROPERTY are also subject to the jurisdiction of another HOMEOWNERS ASSOCIATION, such other HOMEOWNERS ASSOCIATION shall not be deemed a HOMEOWNERS ASSOCIATION for purposes of voting and the payment of assessments, it being the intent of this DECLARATION that only one HOMEOWNERS ASSOCIATION shall be a member of the MASTER ASSOCIATION with respect to any SUBJECT PROPERTY.

1.11. INSTITUTIONAL LENDER means the holder of a mortgage encumbering any PROPERTY, which holder in the ordinary course of business makes, purchases, guarantees, or insures mortgage loans, and which is not owned or controlled by the OWNER of the PROPERTY encumbered. An INSTITUTIONAL LENDER may include, but is not limited to, a bank, savings and loan association, insurance company, real estate or mortgage investment trust, pension or profit sharing plan, mortgage company, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, an agency of the United States or any other governmental authority, or any other similar type of lender generally recognized as an institutional-type lender. For definitional purposes only, an INSTITUTIONAL LENDER shall also mean the holder of any mortgage executed by

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of in favor of DECLARANT; whether or not such holder would otherwise be considered an INSTITUTIONAL LENDER.

1.12. LIMITED COMMON AREA means a COMMON AREA which is for the use and benefit of only a portion and not all of the SUBJECT PROPERTY, and which is intended to be used by or is for the benefit of solely the OWNERS and residents of such portion of the SUBJECT PROPERTY.

1.13. OWNER means the record owner(s) of the fee title to any PROPERTY and/or UNIT. The term OWNER shall include a UNIT OWNER.

1.14. MASTER ASSOCIATION means the corporation formed pursuant to the Articles of Incorporation attached hereto as an exhibit.

1.15. MEMBER means a member of the MASTER ASSOCIATION, as provided in this DECLARATION, the ARTICLES and the BYLAWS.

1.16. PERSON means an individual, corporation, partnership, trust or any other legal entity.

1.17. PLANNED UNIT means a UNIT which is planned to be constructed within any PROPERTY, but which is not yet constructed and/or for which the controlling governmental authority has not yet issued a certificate of occupancy. The number of PLANNED UNITS within any PROPERTY is (i) the total number of UNITS which may be constructed within the PROPERTY determined pursuant to a recorded Declaration of Condominium or amendment thereto, a site plan approved by any controlling governmental authority, a recorded plat, a land use plan on file with and/or approved by any controlling governmental authority, or a good faith written estimate of the total number of UNITS which may be constructed within the PROPERTY signed by the OWNER which shall be subject to the reasonable approval of the BOARD and in any event shall not exceed the maximum number of UNITS that may be constructed within the PROPERTY pursuant to the regulations of the controlling governmental authority, in that order of priority, (ii) less the number of UNITS actually existing within the PROPERTY. Any OWNER may limit the number of PLANNED UNITS within the OWNER'S PROPERTY by executing an agreement setting forth the maximum number of UNITS which may be constructed within such PROPERTY, which shall be executed or joined in by the MASTER ASSOCIATION and any mortgagee holding a mortgage encumbering the PROPERTY and shall be recorded in the public records of the county in which the PROPERTY is located, and in that event no more UNITS may be constructed within the PROPERTY without the written consent of the MASTER ASSOCIATION.

1.18. PROPERTY means all or any portion of the SUBJECT PROPERTY. The term PROPERTY shall include all UNITS located upon or within the PROPERTY.

1.19. SUBJECT PROPERTY means all of the property subject to this DECLARATION from time to time, which initially is the property described in Exhibit "A" attached hereto, and includes all improvements thereon.

1.20. UNIT means a residential dwelling contained within the SUBJECT PROPERTY, for which the controlling governmental authorities have issued a certificate of occupancy. Where any building contains more than one dwelling, each such dwelling shall be a UNIT. A UNIT may include, but is not limited to, a house, apartment, townhouse, patio home, cluster home, or residential condominium parcel. The term UNIT shall include any PROPERTY or interest in PROPERTY owned in conjunction with the UNIT.

1.21. UNIT OWNER means the record holder(s) of the fee title to a UNIT.

## 2. COMMON AREAS, DUTIES AND OBLIGATIONS OF THE MASTER ASSOCIATION.

### 2.1. Conveyance of COMMON AREAS to MASTER ASSOCIATION.

2.1.1. By DECLARANT. DECLARANT shall have the right to convey title to any property owned by it, or any easement or interest therein, to the MASTER ASSOCIATION as a COMMON AREA, and the MASTER ASSOCIATION shall be required to accept such conveyance. Any such conveyance shall be effective upon recording the deed or instrument of conveyance in the public records of the county where the SUBJECT PROPERTY is located.

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2.1.2. By Any Other PERSON. Any other PERSON may also convey title to any property owned by such PERSON, or any easement or interest therein, to the MASTER ASSOCIATION as a COMMON AREA, but the MASTER ASSOCIATION shall not be required to accept any such conveyance, and no such conveyance shall be effective to impose any obligation for the maintenance, operation or improvement of any such property upon the MASTER ASSOCIATION, unless the BOARD expressly accepts the conveyance by executing the deed or other instrument of conveyance or by recording a written acceptance of such conveyance in the public records of the county in which the SUBJECT PROPERTY is located.

2.2. Use and Benefit. All COMMON AREAS shall be held by the MASTER ASSOCIATION for the use and benefit of the MASTER ASSOCIATION and its MEMBERS, the residents of the SUBJECT PROPERTY, and their respective guests and invitees, the holders of any mortgage encumbering any PROPERTY from time to time, and any other persons authorized to use the COMMON AREAS or any portion thereof by DECLARANT or the MASTER ASSOCIATION, for all proper and reasonable purposes and uses for which the same are reasonably intended, subject to the terms of this DECLARATION, subject to the terms of any easement, restriction, reservation or limitation of record affecting the COMMON AREA or contained in the deed or instrument conveying the COMMON AREA to the MASTER ASSOCIATION, and subject to any rules and regulations adopted by the MASTER ASSOCIATION. An easement and right for such use is hereby created in favor of all OWNERS, appurtenant to the title to their PROPERTY.

2.3. Grant and Modification of Easements. The MASTER ASSOCIATION shall have the right to grant, modify or terminate easements over, under, upon and/or across any property owned by the MASTER ASSOCIATION, and shall have the further right to modify, relocate or terminate existing easements in favor of the MASTER ASSOCIATION.

2.4. Additions, Alterations or Improvements. The MASTER ASSOCIATION shall have the right to make additions, alterations or improvements to the COMMON AREAS, and to purchase any personal property as it deems necessary or desirable from time to time, provided however that the approval of 2/3 of the votes of the MEMBERS shall be required for any addition, alteration or improvement, or any purchase of personal property, exceeding a sum equal to the greater of \$50.00 per unit or one month's total ASSESSMENTS for COMMON EXPENSES payable by all of the MEMBERS, or if the cost of the foregoing shall in any fiscal year exceed in the aggregate a sum equal to the greater of \$100.00 per unit or 2 months' ASSESSMENTS for COMMON EXPENSES payable by all of the MEMBERS. The foregoing approval shall in no event be required with respect to expenses incurred in connection with the maintenance, repair or replacement of existing COMMON AREAS, or any existing improvements or personal property associated therewith. The cost and expense of any such additions, alterations or improvements to the COMMON AREAS, or the purchase of any personal property, shall be a COMMON EXPENSE. In addition, so long as DECLARANT owns any portion of the SUBJECT PROPERTY, DECLARANT shall have the right to make any additions, alterations or improvements to the COMMON AREAS as may be desired by DECLARANT in its sole discretion from time to time, at DECLARANT's expense.

2.5. Utilities. The MASTER ASSOCIATION shall pay for all utility services for the COMMON AREAS, or for any other property to be maintained by the MASTER ASSOCIATION, as a COMMON EXPENSE.

2.6. Taxes. The MASTER ASSOCIATION shall pay all real and personal property taxes and assessments for any property owned by the MASTER ASSOCIATION as a COMMON EXPENSE.

2.7. Insurance. The MASTER ASSOCIATION shall purchase insurance as a COMMON EXPENSE, as follows:

2.7.1. Hazard Insurance protecting against loss or damage by fire and all other hazards that are normally covered by the standard extended coverage endorsement, and all other perils customarily covered for similar types of projects, including those covered by the standard all-risk endorsement, covering 100% of the current replacement cost of all COMMON AREAS and property owned by the MASTER ASSOCIATION, excluding land foundations, excavations and other items normally excluded from insurance coverage. The MASTER ASSOCIATION shall not use hazard insurance proceeds for any purpose

other than repair, replacement or reconstruction of any damaged or destroyed property without the approval of at least 2/3 of the votes of the MEMBERS.

2.7.2. Comprehensive General Liability Insurance protecting the MASTER ASSOCIATION from claims for bodily injury, death or property damage providing for coverage of at least \$1,000,000 for any single occurrence.

2.7.3. Blanket Fidelity Bonds for anyone who handles or is responsible for funds held or administered by the MASTER ASSOCIATION, covering the maximum funds that will be in the custody or control of the MASTER ASSOCIATION or any managing agent, which coverage shall be at least the sum of three (3) months assessments on all units plus reserve funds.

2.7.4. Such other insurance as may be desired by the MASTER ASSOCIATION, such as flood insurance, errors and omissions insurance, workman's compensation insurance, or any other insurance.

2.7.5. All insurance purchased by the MASTER ASSOCIATION must include a provision requiring at least ten (10) days written notice to the MASTER ASSOCIATION before the insurance can be canceled or the coverage reduced for any reason.

2.7.6. Any deductible or exclusion under the policies shall be a COMMON EXPENSE and shall not exceed \$5,000 or such other sum as is approved by the members of the MASTER ASSOCIATION.

2.7.7. Upon request, each INSTITUTIONAL LENDER shall have the right to receive a copy or certificate of the insurance purchased by the ASSOCIATION, and shall have the right to require at least ten (10) days written notice to the INSTITUTIONAL LENDER before any insurance can be canceled or the coverage reduced for any reason. Each INSTITUTIONAL LENDER shall have the right upon notice to the MASTER ASSOCIATION to review and approve, which approval shall not be unreasonably withheld, the form, content, issuer, coverage and deductibles of all insurance purchased by the MASTER ASSOCIATION, and to require the MASTER ASSOCIATION to purchase insurance complying with the reasonable and customary requirements of the INSTITUTIONAL LENDER. In the event of a conflict between the INSTITUTIONAL LENDERS, the requirements of the INSTITUTIONAL LENDER holding mortgages encumbering UNITS which secure the largest aggregate indebtedness shall control.

2.8. Default. Any MEMBER or INSTITUTIONAL LENDER may pay for any utilities, taxes or assessments, or insurance premiums which are not paid by the MASTER ASSOCIATION when due, or may secure new insurance upon the lapse of an insurance policy, and shall be owed immediate reimbursement therefor from the MASTER ASSOCIATION, plus interest and any costs of collection, including attorneys' fees.

2.9. Damage or Destruction. In the event any improvement within any COMMON AREA is damaged or destroyed due to fire, flood, wind, or other casualty or reason, the MASTER ASSOCIATION shall restore, repair, replace or rebuild (hereinafter collectively referred to as a "repair") the damaged improvement to the condition the improvement was in immediately prior to such damage or destruction, unless otherwise approved by two-thirds (2/3) of the votes of the MEMBERS. Any excess cost of repairing any improvement over insurance proceeds payable on account of any damage or destruction shall be a COMMON EXPENSE, and the MASTER ASSOCIATION shall have the right to make a special ASSESSMENT for any such expense.

2.10. Maintenance of COMMON AREAS and other Property. The MASTER ASSOCIATION shall maintain all COMMON AREAS and property owned by the MASTER ASSOCIATION, and all improvements thereon, in good condition at all times. If pursuant to any easement the MASTER ASSOCIATION is to maintain any improvement within any property, then the MASTER ASSOCIATION shall maintain such improvement in good condition at all times. In addition, the MASTER ASSOCIATION shall have the right to assume the obligation to operate and/or maintain any property which is not owned by the MASTER ASSOCIATION if the BOARD, in its sole discretion, determines that the operation and/or maintenance of such property by the MASTER ASSOCIATION would be in the best interests of the residents of the SUBJECT PROPERTY. In such event, where applicable the MASTER ASSOCIATION shall so notify any OWNER or HOMEOWNERS

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ASSOCIATION otherwise responsible for such operation or maintenance, and thereafter such property shall be operated and/or maintained by the MASTER ASSOCIATION and not by the OWNER or HOMEOWNERS ASSOCIATION, until the BOARD determines no longer to assume the obligation to operate and/or maintain such property and so notifies the appropriate OWNER or HOMEOWNERS ASSOCIATION in writing. Without limitation, the MASTER ASSOCIATION shall have the right to assume the obligation to operate and/or maintain any walls or fences on or near the boundaries of the SUBJECT PROPERTY, and any pavement, landscaping, sprinkler systems, sidewalks, paths, signs, entrance features, or other improvements, in or within 40 feet of any public road right-of-ways within or contiguous to the SUBJECT PROPERTY. To the extent the MASTER ASSOCIATION assumes the obligation to operate and/or maintain any PROPERTY which is not owned by the MASTER ASSOCIATION, the MASTER ASSOCIATION shall have an easement and right to enter upon such PROPERTY in connection with the operation in or maintenance of same, and no such entry shall be deemed a trespass. Such assumption by the MASTER ASSOCIATION of the obligation to operate and/or maintain any property which is not owned by the MASTER ASSOCIATION may be evidenced by a supplement to this DECLARATION, or by a written document recorded in the public records of the county in which the SUBJECT PROPERTY is located, and may be made in connection with an agreement with any OWNER, HOMEOWNERS ASSOCIATION, the DECLARANT, or any governmental authority otherwise responsible for such operation or maintenance, and pursuant to any such document the operation and/or maintenance of any property may be made a permanent obligation of the MASTER ASSOCIATION. The MASTER ASSOCIATION may also enter into agreements with any other PERSON, or any governmental authority, to share in the maintenance responsibility of any property if the BOARD, in its sole and absolute discretion, determines this would be in the best interest of the OWNER. Notwithstanding the foregoing, if any UNIT OWNER or any resident of any UNIT, or their guests or invitees, damages any COMMON AREA or any improvement thereon, the UNIT OWNER of such UNIT shall be liable to the MASTER ASSOCIATION for the cost of repair or restoration to the extent otherwise provided by law and to the extent such damage is not covered by the ASSOCIATION's insurance.

2.11. Surface Water Management System. It is acknowledged the surface water management and drainage system for the SUBJECT PROPERTY is one integrated system, and accordingly shall be deemed a COMMON AREA, and an easement is hereby created over the entire SUBJECT PROPERTY for surface water drainage and for the installation and maintenance of the surface water management and drainage system for the SUBJECT PROPERTY, provided however that such easement shall be subject to improvements constructed within the SUBJECT PROPERTY as permitted by controlling governmental authorities from time to time. The surface water management and drainage system of the SUBJECT PROPERTY shall be developed, operated, and maintained in conformance with the requirements of any controlling governmental authority. The MASTER ASSOCIATION shall maintain as a COMMON EXPENSE the entire surface water management and drainage system for the SUBJECT PROPERTY, including but not limited to all lakes, canals, swale areas, retention areas, culverts, pipes, pumps, catch basins, and related appurtenances, regardless of whether or not same are within the SUBJECT PROPERTY or are owned by the MASTER ASSOCIATION. Such maintenance shall be performed in conformance with the requirements of any controlling governmental authority, and an easement for such maintenance is hereby created. Such maintenance responsibility on the part of the MASTER ASSOCIATION shall not be deemed to include the maintenance of the banks of any lake or canal, or the maintenance of any landscaping, within any PROPERTY which is not a COMMON AREA or contiguous to a COMMON AREA or which is not otherwise to be maintained by the MASTER ASSOCIATION pursuant to this DECLARATION. Such maintenance responsibility may, but is not required to, include any portion of the surface water management and drainage system for the SUBJECT PROPERTY which is owned and maintained by any controlling governmental authority.

2.12. Mortgage and Sale of COMMON AREAS. The MASTER ASSOCIATION shall not abandon, partition, subdivide, encumber, sell or transfer any COMMON AREA owned by the MASTER ASSOCIATION without the approval of at least 2/3 of the votes of the MEMBERS. If ingress or egress to any PROPERTY is through any COMMON AREA, any conveyance or encumbrance of such COMMON AREA shall be subject to an appurtenant easement for ingress and egress in favor of the OWNER(S) of such PROPERTY, unless alternative ingress and egress is provided to the OWNER(S).

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2.13. LIMITED COMMON AREAS. Notwithstanding anything contained herein to the contrary, any deed or easement of any COMMON AREA to the ASSOCIATION may limit the use of such area to the residents of only a portion of the SUBJECT PROPERTY, and in that event such COMMON AREA shall be deemed a LIMITED COMMON AREA. Furthermore, any other property to be maintained by the MASTER ASSOCIATION may be made a LIMITED COMMON AREA pursuant to an amendment or supplement to this DECLARATION, if such property will only benefit the residents of a portion of the SUBJECT PROPERTY. The costs and expenses associated with the maintenance and operation of any LIMITED COMMON AREA shall be assessed only to the HOMEOWNERS ASSOCIATION(S) whose members have the right to use such LIMITED COMMON AREAS, or to the OWNERS having the right to use such LIMITED COMMON AREAS.

2.14. Canals and Waterways. It is acknowledged that various canals and waterways are contiguous to portions of the SUBJECT PROPERTY, and in connection therewith, the MASTER ASSOCIATION is authorized, subject to compliance with all controlling governmental authorities, to maintain such canals and waterways so that same will be navigable, as a COMMON EXPENSE, and in this regard, all of the canals and waterways contiguous to the SUBJECT PROPERTY shall be deemed COMMON AREAS, provided however that same shall be subject to the rights of various OWNERS of the SUBJECT PROPERTY or various HOMEOWNERS ASSOCIATIONS, to install boat docks within the canals and waterways adjoining the SUBJECT PROPERTY.

3. MASTER ASSOCIATION. In order to provide for the administration of the SUBJECT PROPERTY and this DECLARATION, the MASTER ASSOCIATION has been organized under the Laws of the State of Florida.

3.1. Articles of Incorporation. A copy of the ARTICLES is attached hereto as Exhibit "B." No amendment to the ARTICLES shall be deemed an amendment to this DECLARATION, and this DECLARATION shall not prohibit or restrict amendments to the ARTICLES, except as specifically provided herein.

3.2. BYLAWS. A copy of the BYLAWS is attached hereto as Exhibit "C." No amendment to the BYLAWS shall be deemed an amendment to this DECLARATION, and this DECLARATION shall not prohibit or restrict amendments to the BYLAWS, except as specifically provided herein.

3.3. Powers of the MASTER ASSOCIATION. The MASTER ASSOCIATION shall have all the powers indicated or incidental to those contained in its ARTICLES and BYLAWS. In addition, the MASTER ASSOCIATION shall have the power to enforce this DECLARATION and shall have all powers granted to it by this DECLARATION. By this DECLARATION, the SUBJECT PROPERTY is hereby submitted to the jurisdiction of the MASTER ASSOCIATION.

3.4. Approval or Disapproval of Matters. Whenever the decision of the MEMBERS or OWNERS is required upon any matter, whether or not the subject of a MASTER ASSOCIATION meeting, such decision shall be expressed in accordance with the ARTICLES and BYLAWS, except as otherwise provided herein.

3.5. Acts of the MASTER ASSOCIATION. Unless the approval or action of the MEMBERS and/or a certain specific percentage of the BOARD is specifically required by this DECLARATION, the ARTICLES or BYLAWS, or by applicable law, all approvals or actions required or permitted to be given or taken by the MASTER ASSOCIATION shall be given or taken by the BOARD, without the consent of the MEMBERS, and the BOARD may so approve an act through the proper officers of the MASTER ASSOCIATION without a specific resolution. When an approval or action of the MASTER ASSOCIATION is permitted to be given or taken, such action or approval may be conditioned in any manner the MASTER ASSOCIATION deems appropriate, or the MASTER ASSOCIATION may refuse to take or give such action or approval without the necessity of establishing the reasonableness of such conditions or refusal, except as herein specifically provided to the contrary.

3.6. Management and Service Contracts. The MASTER ASSOCIATION shall have the right to contract for professional management or services on such terms and conditions as the BOARD deems desirable in its sole discretion, provided,

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however, that any such contract shall not exceed three (3) years and shall be terminable by either party without cause and without payment of a termination or penalty fee on ninety (90) days or less written notice.

### 3.7. Membership.

3.7.1. HOMEOWNERS ASSOCIATION MEMBER. Each HOMEOWNERS ASSOCIATION shall be a MEMBER of the MASTER ASSOCIATION. No OWNER of any PROPERTY or UNIT which is subject to the jurisdiction of a HOMEOWNERS ASSOCIATION shall be deemed a MEMBER of the MASTER ASSOCIATION, except for DECLARANT.

3.7.2. OWNER MEMBER. If any PROPERTY is not subject to the jurisdiction of a HOMEOWNERS ASSOCIATION, the OWNER of such PROPERTY shall be a MEMBER of the MASTER ASSOCIATION. Notwithstanding the foregoing, no governmental authority or utility company shall be deemed an OWNER MEMBER unless one or more UNITS actually exist upon the PROPERTY owned by such governmental authority or utility company, in which event the governmental authority or utility company will be an OWNER MEMBER only with respect to the PROPERTY owned in conjunction with such UNIT(S).

3.7.3. DECLARANT. DECLARANT shall be a MEMBER of the MASTER ASSOCIATION so long as DECLARANT owns any PROPERTY or mortgage encumbering any PROPERTY other than a UNIT.

3.8. MEMBERS' Voting Rights. The votes of the MEMBERS shall be established and exercised as provided in the ARTICLES and BYLAWS.

3.9. Current Lists of UNIT OWNERS. Upon request by the MASTER ASSOCIATION, any HOMEOWNERS ASSOCIATION MEMBER shall be required to provide the MASTER ASSOCIATION with the names and addresses of all or any OWNERS which are members of the HOMEOWNERS ASSOCIATION.

### 4. ASSESSMENTS FOR COMMON EXPENSES.

4.1. Responsibility. Each MEMBER shall be responsible for the payment of ASSESSMENTS for COMMON EXPENSES to the MASTER ASSOCIATION as hereinafter provided.

4.2. Determination of ASSESSMENTS for COMMON EXPENSES. Not less than 60 days prior to the beginning of each fiscal year, the BOARD shall adopt a budget for such fiscal year which shall estimate all of the COMMON EXPENSES to be incurred by the MASTER ASSOCIATION during the fiscal year. In determining the budget for any fiscal year, the BOARD may take into account COMMON AREAS, UNITS, and additions to the SUBJECT PROPERTY anticipated to be added during the fiscal year. The BOARD shall then establish the ASSESSMENT for COMMON EXPENSES per UNIT, which shall be equal to the total amount to be assessed for COMMON EXPENSES pursuant to the budget, divided by the total number of UNITS and PLANNED UNITS within the SUBJECT PROPERTY. The MASTER ASSOCIATION shall then promptly notify all MEMBERS, in writing, of the amount, frequency, and due dates of the ASSESSMENT for COMMON EXPENSES per UNIT. From time to time during the fiscal year, the BOARD may modify the budget for the fiscal year, and pursuant to the revised budget or otherwise the BOARD may, upon written notice to the MEMBERS, change the amount, frequency and/or due dates of the ASSESSMENTS for COMMON EXPENSES per UNIT. If the expenditure of funds is required by the MASTER ASSOCIATION in addition to funds produced by the regular ASSESSMENTS for COMMON EXPENSES, the BOARD may make special ASSESSMENTS for COMMON EXPENSES, which shall be levied in the same manner as hereinbefore provided for regular ASSESSMENTS for COMMON EXPENSES and shall be payable in the manner determined by the BOARD as stated in the notice of any special ASSESSMENT for COMMON EXPENSES. In the event any ASSESSMENTS for COMMON EXPENSES are made payable in equal periodic payments as provided in the notice from the MASTER ASSOCIATION, such periodic payments shall automatically continue to be due and payable in the same amount and frequency as indicated in the notice, unless and/or until: (i) the notice specifically provides that the periodic payments will terminate upon the occurrence of a specified event or the payment of a specified amount, or (ii) the MASTER ASSOCIATION notifies the MEMBER in writing of a change in the amount and/or frequency of the periodic payments. Notwithstanding the foregoing, in no event shall any ASSESSMENT for COMMON EXPENSES payable by any MEMBER be due less than ten (10) days from the date of the notification or such ASSESSMENT for COMMON EXPENSES.

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4.3. Payment of ASSESSMENTS for COMMON EXPENSES. On or before the date each ASSESSMENT for COMMON EXPENSES is due, each MEMBER shall be required to and shall pay to the MASTER ASSOCIATION an amount equal to the ASSESSMENT for COMMON EXPENSES per UNIT, multiplied by the number of UNITS and PLANNED UNITS within the PROPERTY then owned by and/or under the jurisdiction of such MEMBER. If any PROPERTY owned by DECLARANT is also under the jurisdiction of a HOMEOWNERS ASSOCIATION MEMBER, the HOMEOWNERS ASSOCIATION MEMBER and not DECLARANT shall be required to pay ASSESSMENTS for COMMON EXPENSES for the UNITS and PLANNED UNITS within such PROPERTY.

4.4. Enforcement. If any MEMBER fails to pay any ASSESSMENT for COMMON EXPENSES when due, the MASTER ASSOCIATION shall have the rights set forth in Paragraph 6.1, including but not limited to the charging and collection of interest, the recording of a Claim of Lien and the foreclosure of same, and the acceleration of ASSESSMENTS for COMMON EXPENSES for the next twelve (12) month period.

4.5. ASSESSMENTS for COMMON EXPENSES while DECLARANT Appoints a Majority of the BOARD. Notwithstanding anything contained in this Paragraph 4. to the contrary, the following provisions shall apply with respect to ASSESSMENTS for COMMON EXPENSES during the period when DECLARANT appoints a majority of the directors of the BOARD, or until DECLARANT gives the MASTER ASSOCIATION written notice that it will pay ASSESSMENTS as any other OWNER MEMBER:

4.5.1. Notwithstanding the provisions of Paragraph 4.2, the amount of the ASSESSMENT for COMMON EXPENSES per UNIT shall be established by DECLARANT based upon an estimate of what the ASSESSMENT would be if all of the development contemplated for the SUBJECT PROPERTY was completed, including all UNITS and other improvements, and if all COMMON AREAS anticipated to be ultimately conveyed to the MASTER ASSOCIATION were completed and conveyed, and if the MASTER ASSOCIATION had assumed all of the duties and obligations anticipated to be ultimately assumed by it. Said ASSESSMENT so determined may be changed from time to time by DECLARANT based upon changes in such estimate.

4.5.2. DECLARANT shall pay any amount of COMMON EXPENSES incurred by the MASTER ASSOCIATION in excess of ASSESSMENTS for COMMON EXPENSES receivable from the other MEMBERS and any other income received by the MASTER ASSOCIATION, but DECLARANT shall not be liable for any ASSESSMENTS for COMMON EXPENSES for any UNITS or any PLANNED UNITS within the PROPERTY owned by DECLARANT.

4.6. Special Provisions Adding LIMITED COMMON AREAS. Notwithstanding anything contained herein to the contrary, the COMMON EXPENSES associated with any LIMITED COMMON AREA shall be assessed only to the HOMEOWNERS ASSOCIATIONS whose members have the right in use or are benefitted by such LIMITED COMMON AREAS, and the OWNERS of the PROPERTY whose residents have the right to use or are benefitted by the LIMITED COMMON AREAS, and in connection therewith, the MASTER ASSOCIATION shall maintain a separate budget for all LIMITED COMMON AREAS.

## 5. MAINTENANCE REQUIREMENTS.

5.1. Surface Water Management. No OWNER, MEMBER, or any other PERSON shall do anything to adversely affect the surface water management and drainage of the SUBJECT PROPERTY without the prior written approval of the MASTER ASSOCIATION and any controlling governmental authority, including but not limited to the excavation or filling in of any lake or any portion of the SUBJECT PROPERTY, provided the foregoing shall not be deemed to prohibit or restrict the initial construction of improvements upon the SUBJECT PROPERTY by DECLARANT or by the developer of any portion of the SUBJECT PROPERTY in accordance with permits issued by controlling governmental authorities.

5.2. Maintenance. All UNITS, buildings and other improvements existing under, upon or over any PROPERTY from time to time shall at all times be maintained in accordance with all applicable governmental requirements, in first class condition and good working order, and in a neat and attractive manner. Exterior maintenance, including painting, shall be periodically performed as reasonably required. All paint colors shall be harmonious with

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other improvements within the SUBJECT PROPERTY. No excessive and/or unsightly mildew, rust deposits, dirt, or deterioration shall be permitted to accumulate on any building or improvement. All sidewalks, roads, streets, driveways, parking areas, and other paved or hard-surfaced areas intended for use by vehicular or pedestrian traffic shall be cleaned and kept free of debris; and cracks, damaged and/or eroding areas on same shall be repaired, replaced and/or resurfaced as necessary. All curbing and bumper stops shall be repaired or replaced if damaged. All striping, including but not limited to, parking space, traffic lane and directional markings, within any road, street, or parking area, shall be repainted as necessary, so that same will be clearly visible at all times.

5.3. Landscaping. All PROPERTY containing a UNIT, or owned in conjunction with the ownership of a UNIT, or owned and/or operated by a HOMEOWNERS ASSOCIATION, shall be tastefully landscaped to the waterline of any abutting river, lake or canal and to the pavement edge of any abutting road or parking area. Lawns shall be primarily sodded, and shall not be paved or covered with gravel, artificial turf or other covering. All diseased or dead sod, plants, shrubs or flowers shall be promptly replaced, and excessive weeds, underbrush or unsightly growth shall be removed. All landscaping shall be regularly maintained in first-class condition and appearance, including mowing, trimming, fertilization, irrigation, and weed, insect and disease control. No artificial grass, plants or other artificial vegetation shall be placed or maintained upon the exterior portion of any PROPERTY.

5.4. Garbage and Trash. Garbage, trash, refuse or rubbish shall be regularly picked up and shall not be permitted to unreasonably accumulate. Garbage, trash, refuse or rubbish that is required to be placed near any street or at any particular area in order to be collected may be so placed and kept after 5:00 p.m. on the day before the scheduled day of collection, and any trash facilities must be removed on the collection day. All garbage, trash, refuse or rubbish must be placed in appropriate trash facilities or bags. All containers, dumpsters or garbage facilities shall be screened from view and kept in a clean and sanitary condition. No noxious or offensive odors shall be permitted.

5.5. Utility Lines and Services. All utility lines and services shall be maintained in good working condition.

5.6. Outside Storage of Personal Property. The personal property of any resident of the SUBJECT PROPERTY shall be kept inside the resident's UNIT or fenced or walled in yard, except for tasteful patio furniture and other personal property commonly kept outside.

5.7. Garbage Containers, Oil and Gas Tanks, Air Conditioners. All garbage and refuse containers, air conditioning units, oil tanks, bottled gas tanks, and all permanently affixed swimming pool equipment and housing shall be underground or placed in walled-in or landscaped areas so that they will be substantially concealed or hidden from any eye-level view from any street or adjacent property.

5.8. Additional Restrictions. Nothing contained herein shall prohibit the OWNER of any PROPERTY from imposing restrictions upon such PROPERTY in addition to, or more restrictive than, the restrictions contained herein, provided, however, that any such restrictions shall not be effective to permit that which is expressly prohibited by the restrictions contained herein.

5.9. Waiver. The BOARD shall have the right to waive the application of one or more of these restrictions, or to permit a deviation from these restrictions, as to any PROPERTY or UNIT where, in the discretion of the BOARD, circumstances exist which justify such waiver or deviation. In the event of any such waiver or permitted deviation, or in the event any party fails to enforce any violation of these restrictions, such actions or inactions shall not be deemed to prohibit or restrict the right of DECLARANT, the MASTER ASSOCIATION, the BOARD, or any other person having the right to enforce these restrictions from insisting upon strict compliance with respect to all other PROPERTY and UNITS, nor shall any such actions be deemed a waiver of any of the restrictions contained herein as same may be applied in the future. Notwithstanding the foregoing, so long as DECLARANT owns any PROPERTY, or holds a mortgage encumbering any PROPERTY other than a UNIT, if

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any waiver or deviation of any restriction contained in this paragraph requires the consent of the MASTER ASSOCIATION, such consent shall be obtained from DECLARANT, and not from the MASTER ASSOCIATION, unless DECLARANT voluntarily relinquishes this right at an earlier date.

5.10. Responsibility for Maintenance and Compliance.

5.10.1. OWNERS. The OWNER of any PROPERTY shall be responsible for complying with all of the provisions of this Section with respect to such PROPERTY.

5.10.2. HOMEOWNERS ASSOCIATION. Each HOMEOWNERS ASSOCIATION shall be responsible for complying with all provisions of this Section with respect to all of the PROPERTY which is subject to the jurisdiction of the HOMEOWNERS ASSOCIATION, notwithstanding the fact that the OWNER of any portion of the PROPERTY may also be responsible for such compliance with respect to the PROPERTY owned by such OWNER.

5.10.3. Enforcement. In the event any OWNER or HOMEOWNERS ASSOCIATION fails to comply with any provision of this Section, the MASTER ASSOCIATION shall have all rights of enforcement set forth in Paragraph 6, including, but not limited to, the right to perform any maintenance which any OWNER or HOMEOWNERS ASSOCIATION has failed to perform, and to assess the applicable OWNER or HOMEOWNERS ASSOCIATION for all costs and expenses incurred by the MASTER ASSOCIATION in connection therewith.

5.10.4. Limitations. No OWNER or HOMEOWNERS ASSOCIATION shall maintain, repair and/or improve any PROPERTY for which the MASTER ASSOCIATION has the responsibility and duty for maintenance without the prior written consent of the MASTER ASSOCIATION.

5.11. Exceptions for DECLARANT and Other Developers. The foregoing use and maintenance restrictions shall not apply to DECLARANT, or to any PROPERTY while owned by DECLARANT, or to any undeveloped PROPERTY, and shall not be applied in a manner which would prohibit or restrict the development of any PROPERTY and the construction of any UNITS, buildings and other improvements thereon, or any activity associated with the sale of any new UNITS, by DECLARANT or by the developer of any PROPERTY. Specifically, and without limitation, DECLARANT and any developer(s) of any portion of the SUBJECT PROPERTY shall have the right to: (i) construct any buildings or improvements within the SUBJECT PROPERTY, and make any additions, alterations, improvements, or changes thereto; (ii) maintain customary and usual sales, leasing, general office and construction operations on any PROPERTY; (iii) place, erect or construct portable, temporary or accessory buildings or structures upon any PROPERTY for sales, leasing, construction, storage or other purposes; (iv) temporarily deposit, dump or accumulate materials, trash, refuse and rubbish in connection with the development or construction of any PROPERTY; and (v) post, display, inscribe or affix to the exterior of a UNIT or upon any PROPERTY, signs and other materials used in developing, constructing, selling, leasing or promoting any PROPERTY.

6. COLLECTION OF ASSESSMENTS, DEFAULT AND ENFORCEMENT.

6.1. Monetary Defaults and Collection of ASSESSMENTS.

6.1.1. Interest. If any MEMBER or OWNER is in default in the payment of any ASSESSMENT for more than ten (10) days after same is due, or in the payment of any other moneys owed to the MASTER ASSOCIATION for a period of more than ten (10) days after written demand by the MASTER ASSOCIATION, the MASTER ASSOCIATION may charge such MEMBER, HOMEOWNERS ASSOCIATION, or OWNER interest at the highest rate permitted by law, not exceeding fifteen percent (15%) per year, on the amount owed to the MASTER ASSOCIATION from and after said ten (10) day period.

6.1.2. Acceleration of ASSESSMENTS. In addition, if any OWNER MEMBER is in default in the payment of any ASSESSMENT or any other moneys owed to the MASTER ASSOCIATION, for more than ten (10) days after written demand by the MASTER ASSOCIATION, the MASTER ASSOCIATION shall have the right to accelerate and require such defaulting OWNER MEMBER to pay to the MASTER

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ASSOCIATION ASSESSMENTS for COMMON EXPENSES for the next twelve (12) month period, based upon the then existing amount and frequency of ASSESSMENTS for COMMON EXPENSES. In the event of such acceleration, the defaulting OWNER MEMBER shall continue to be liable for any increases in the regular ASSESSMENTS for COMMON EXPENSES, for all special ASSESSMENTS for COMMON EXPENSES and/or all other ASSESSMENTS and moneys payable to the MASTER ASSOCIATION.

6.1.3. Collection from UNIT OWNERS. In the event any HOMEOWNERS ASSOCIATION fails or refuses to pay ASSESSMENTS for COMMON EXPENSES to the MASTER ASSOCIATION, the MASTER ASSOCIATION shall have the right, but not the obligation, upon written notice to the UNIT OWNERS who are members of the HOMEOWNERS ASSOCIATION, to collect the ASSESSMENTS for COMMON EXPENSES directly from such UNIT OWNERS. In that event, until notice to the contrary from the MASTER ASSOCIATION, each UNIT OWNER who is a member of such HOMEOWNERS ASSOCIATION shall be required to pay the per UNIT ASSESSMENT for COMMON EXPENSES directly to the MASTER ASSOCIATION, plus an administrative fee established by the MASTER ASSOCIATION not in excess of 10% of the per UNIT ASSESSMENT, and if any UNIT OWNER fails or refuses to pay such sums, all of the provisions of this DECLARATION for the enforcement of the collection of ASSESSMENTS shall apply, including the charging of interest, acceleration, costs and attorneys' fees, and lien rights granted to the MASTER ASSOCIATION.

6.1.4. Collection. In the event any MEMBER, HOMEOWNERS ASSOCIATION, or OWNER fails to pay any ASSESSMENT or other moneys due to the MASTER ASSOCIATION within ten (10) days after written demand, the MASTER ASSOCIATION may take any action deemed necessary in order to collect such ASSESSMENTS or moneys including, but not limited to, retaining the services of a collection agency or attorney to collect such ASSESSMENTS or moneys, initiating legal proceedings for the collection of such ASSESSMENTS or moneys, recording a claim of lien as hereinafter provided, and foreclosing same in the same fashion as mortgage liens are foreclosed, or any other appropriate action, and the MEMBER, HOMEOWNERS ASSOCIATION, or OWNER shall be liable to the MASTER ASSOCIATION for all costs and expenses incurred by the MASTER ASSOCIATION incident to the collection of any ASSESSMENT or other moneys owed to it, and the enforcement and/or foreclosure of any lien for same, including reasonable attorneys' fees, and all sums paid by the MASTER ASSOCIATION for taxes and on account of any mortgage lien and encumbrance in order to preserve and protect the MASTER ASSOCIATION's lien. The MASTER ASSOCIATION shall have the right to bid in the foreclosure sale of any lien foreclosed by it for the payment of any ASSESSMENTS or moneys owed to it, and if the MASTER ASSOCIATION becomes the OWNER of any PROPERTY by reason of such foreclosure, it shall offer such PROPERTY for sale within a reasonable time and shall deduct from the proceeds of such sale all ASSESSMENTS or moneys due it. All payments received by the MASTER ASSOCIATION on account of any ASSESSMENTS or moneys owed to it by any MEMBER, HOMEOWNERS ASSOCIATION, or OWNER, shall be first applied to payments and expenses incurred by the MASTER ASSOCIATION, then to interest, then to any unpaid ASSESSMENTS or moneys owed to the MASTER ASSOCIATION in the inverse order that the same were due.

6.1.5. Lien for ASSESSMENT and Moneys Owed to MASTER ASSOCIATION. The MASTER ASSOCIATION shall have a lien on all PROPERTY owned and/or subject to the jurisdiction of any MEMBER, HOMEOWNERS ASSOCIATION, or OWNER, for any unpaid ASSESSMENTS (including any ASSESSMENTS which are accelerated pursuant to this DECLARATION) or other moneys owed to the MASTER ASSOCIATION by such MEMBER, HOMEOWNERS ASSOCIATION, OR OWNER, and for interest, reasonable attorneys' fees incurred by the MASTER ASSOCIATION incident to the collection of the ASSESSMENTS and other moneys, or enforcement of the lien, and for all sums advanced and paid by the MASTER ASSOCIATION for taxes and on account of superior mortgages, liens or encumbrances in order to protect and preserve the MASTER ASSOCIATION's lien. The lien is effective from and after the recording of a claim of lien in the public records of the County in which the SUBJECT PROPERTY is located, stating the description of the PROPERTY, the name of the MEMBER, HOMEOWNERS ASSOCIATION, or OWNER which owns and/ or has jurisdiction over the PROPERTY, the amount due, and the due dates. The lien is in effect until all sums secured by it have been fully paid. The claim of lien must be signed and acknowledged by an officer or agent of the MASTER ASSOCIATION. Upon payment in full of all sums secured by the lien, the PERSON making the payment is entitled to a satisfaction of the lien.

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6.1.6. The foregoing lien as to PROPERTY operated by a HOMEOWNERS ASSOCIATION MEMBER shall specifically extend to all PROPERTY which is subject to the jurisdiction of the HOMEOWNERS ASSOCIATION MEMBER, including any UNITS within such PROPERTY. However, any OWNER of any PROPERTY or UNIT subject to the jurisdiction of the HOMEOWNERS ASSOCIATION MEMBER shall be entitled to a release of the MASTER ASSOCIATION's lien as to his PROPERTY or UNIT upon the payment to the MASTER ASSOCIATION of a percentage of the total amount secured by the MASTER ASSOCIATION's lien, which percentage shall be equal to such OWNER's share of the common expenses of the HOMEOWNERS ASSOCIATION, and in addition, reasonable costs of the MASTER ASSOCIATION associated with preparing and recording a partial release of lien, plus an administrative fee of \$25.00. In the event such payment to the MASTER ASSOCIATION results in the OWNER paying a greater percentage of the common expenses of his HOMEOWNERS ASSOCIATION than the OWNER's share, the OWNER shall be entitled to reimbursement from the HOMEOWNERS ASSOCIATION for any such excess amount.

6.1.7. Transfer of PROPERTY after ASSESSMENT. The MASTER ASSOCIATION's lien shall not be affected by the sale or transfer of any PROPERTY, and (i) in the event of any such sale or transfer, both the new OWNER and the prior OWNER shall be jointly and severally liable for all ASSESSMENTS, interest, and other costs and expenses owed to the MASTER ASSOCIATION which are attributable to any PROPERTY purchased by or transferred to such new OWNER, and (ii) any new OWNER of PROPERTY which is subject to the jurisdiction of a HOMEOWNERS ASSOCIATION MEMBER shall be liable for the OWNER's share of all ASSESSMENTS, interest and other costs and expenses owed to the MASTER ASSOCIATION which are attributable to the HOMEOWNERS ASSOCIATION MEMBER.

6.1.8. Subordination of the Lien to Mortgages. The lien of the MASTER ASSOCIATION for ASSESSMENTS or other moneys shall be subordinate and inferior to the lien of any first mortgage recorded prior to the recording of a Claim of Lien by the MASTER ASSOCIATION. The sale or transfer of any PROPERTY by the foreclosure of a first mortgage or by deed in lieu thereof, shall extinguish the lien of the MASTER ASSOCIATION as to any ASSESSMENT, interest, expenses or other moneys owed to the MASTER ASSOCIATION which became due prior to such sale or transfer, unless a Claim of Lien for same was recorded prior to the recording of the mortgage, and neither the mortgagee, nor any purchaser at a foreclosure sale, nor their grantees or successors, shall be responsible for said payments, but they shall be liable for any ASSESSMENTS due after such sale or transfer. If the MASTER ASSOCIATION's lien or its rights to any lien for any such ASSESSMENTS, interest, expenses or other moneys owed to the MASTER ASSOCIATION by any OWNER or MEMBER is extinguished as aforesaid, such sums shall thereafter be COMMON EXPENSES, collectible from all OWNERS or MEMBERS including such acquirer, and its successors and assigns.

6.1.9. Notwithstanding the foregoing, if the MASTER ASSOCIATION's lien is on PROPERTY which is subject to the jurisdiction of a HOMEOWNERS ASSOCIATION MEMBER and the lien has been so extinguished as to part, but not all of the PROPERTY, same shall not reduce the liability of the HOMEOWNERS ASSOCIATION MEMBER, and the OWNERS of all PROPERTY which is subject to the jurisdiction of the HOMEOWNERS ASSOCIATION MEMBER (other than the OWNER of the PROPERTY for which the lien has been extinguished) shall be liable for a pro rata share of such extinguished sums. If any such OWNER has received a release of the lien as to his PROPERTY prior to the date on which a portion of the lien was so extinguished, the MASTER ASSOCIATION may re-record a claim of lien in the public records of the county in which the SUBJECT PROPERTY is located, in which event the OWNER shall be entitled to a release of the lien as to his PROPERTY upon the payment to the MASTER ASSOCIATION of the OWNER's pro rata share of the extinguished sums, together with the reasonable costs of the MASTER ASSOCIATION associated with preparing and recording a partial release of the lien. If any OWNER has not previously received a release of the lien as to his PROPERTY, the pro rata share of the extinguished sums shall be added to the amount originally required in order for the OWNER to be entitled to a release of the lien as to the OWNER's PROPERTY.

6.2. Non-Monetary Defaults. In the event of a violation by any MEMBER, HOMEOWNERS ASSOCIATION, or OWNER (other than the nonpayment of any ASSESSMENT or other moneys) of any of the provisions of this DECLARATION, or of the ARTICLES or BYLAWS, the MASTER ASSOCIATION shall notify the MEMBER, HOMEOWNERS

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ASSOCIATION, or OWNER of the violation, by written notice. If such violation is not cured as soon as practicable and in any event within seven (7) days after such written notice, or if the violation is not capable of being cured within such seven (7) day period, if the MEMBER, HOMEOWNERS ASSOCIATION, or OWNER fails to commence and diligently proceed to completely cure as soon as practicable such violation within seven (7) days after written notice by the MASTER ASSOCIATION, the MASTER ASSOCIATION may, at its option:

6.2.1. Commence an action to enforce the performance on the part of the MEMBER, HOMEOWNERS ASSOCIATION, or OWNER, or for such equitable relief as may be necessary under the circumstances, including injunctive relief; and/or

6.2.2. Commence an action to recover damages; and/or

6.2.3. Take any and all action reasonably necessary to correct such failure, which action may include, but is not limited to, or performing any maintenance required to be performed by this DECLARATION.

All expenses incurred by the MASTER ASSOCIATION in connection with the correction of any failure, or the commencement of any action against any MEMBER, HOMEOWNERS ASSOCIATION, or OWNER, including reasonable attorneys' fees, shall be assessed against the applicable MEMBER, HOMEOWNERS ASSOCIATION, or OWNER, and shall be due upon written demand by the MASTER ASSOCIATION. The MASTER ASSOCIATION shall have a lien for any such ASSESSMENT and any interest, costs or expenses associated therewith, including attorneys' fees incurred in connection with such ASSESSMENT, and may take such action to collect such ASSESSMENT or foreclose said lien as in the case and in the manner of any other ASSESSMENT as provided above. Any such lien shall only be effective from and after the recording of a claim of lien in the public records of the County in which the SUBJECT PROPERTY is located.

6.3. No Waiver. The failure of the MASTER ASSOCIATION to enforce any right, provision, covenant or condition which may be granted by this DECLARATION, the ARTICLES, or the BYLAWS, shall not constitute a waiver of the right of the MASTER ASSOCIATION to enforce such right, provision, covenant or condition in the future.

6.4. Rights Cumulative. All rights, remedies and privileges granted to the MASTER ASSOCIATION pursuant to any terms, provisions, covenants or conditions of this DECLARATION, the ARTICLES or the BYLAWS, shall be deemed to be cumulative, and the exercise of any one or more shall neither be deemed to constitute an election of remedies, nor shall it preclude the MASTER ASSOCIATION thus exercising the same from executing such additional remedies, rights or privileges as may be granted or as it might have by law.

6.5. Enforcement By or Against other Persons. In addition to the foregoing, this DECLARATION may be enforced by DECLARANT, or the MASTER ASSOCIATION, by any procedure at law or in equity against any PERSON violating or attempting to violate any provision herein, to restrain such violation, to require compliance with the provisions contained herein, to recover damages, or to enforce any lien created herein. The expense of any litigation to enforce this DECLARATION shall be borne by the PERSON against whom enforcement is sought, provided such proceeding results in a finding that such PERSON was in violation of this DECLARATION. In addition to the foregoing, any HOMEOWNERS ASSOCIATION or OWNER shall have the right to bring an action to enforce this DECLARATION against any PERSON violating or attempting to violate any provision herein, to restrain such violation or to require compliance with the provisions contained herein, but no HOMEOWNERS ASSOCIATION or OWNER shall be entitled to recover damages or to enforce any lien created herein as a result of a violation or failure to comply with the provisions contained herein by any PERSON, and the prevailing party in any such action shall be entitled to recover its reasonable attorneys' fees.

6.6. Certificate as to Unpaid ASSESSMENTS or Default. Within 15 days after written request by any OWNER or INSTITUTIONAL LENDER holding or making a mortgage encumbering any PROPERTY, the MASTER ASSOCIATION shall provide such OWNER or INSTITUTIONAL LENDER with a written certificate as to whether or not the OWNER, and any applicable HOMEOWNERS ASSOCIATION having jurisdiction over

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the OWNER'S PROPERTY, is in default with respect to the payment of ASSESSMENTS or with respect to compliance with the terms and provisions of this DECLARATION. Any person who relies on such certificate in purchasing or making a mortgage encumbering any PROPERTY shall be protected thereby.

6.7. Enforcement of Obligations of MASTER ASSOCIATION. The original DECLARANT, regardless of whether or not it is a MEMBER of the MASTER ASSOCIATION, and any controlling governmental authority, shall have the right to enforce the obligations of the MASTER ASSOCIATION to properly maintain and operate any property as required by this DECLARATION, and in the event the MASTER ASSOCIATION defaults with respect to any of its obligations to operate or maintain any property, and does not commence and diligently proceed to cure such default as soon as is reasonably practical and in any event within 10 days after demand by the original DECLARANT or any controlling governmental authority, the original DECLARANT or such controlling governmental authority shall have the right to perform such maintenance and in that event all reasonable costs and expenses incurred by the original DECLARANT or such governmental authority, plus interest at the highest rate permitted by law, shall be paid by the MASTER ASSOCIATION, plus any costs, expenses, and attorney's fees incurred in connection with the enforcement of the MASTER ASSOCIATION'S duties and obligations hereunder or the collection of any such sums. The original DECLARANT or the controlling governmental authority shall have the right to collect such sums from the MEMBERS of the MASTER ASSOCIATION and in connection therewith shall have all enforcement rights granted to the MASTER ASSOCIATION in connection with the collection of said moneys, including but not limited to all lien rights provided by this DECLARATION. In addition, the duties and obligations of the MASTER ASSOCIATION may be enforced by any UNIT OWNER or MEMBER, through appropriate legal proceedings.

7. DEDICATIONS. The DECLARANT reserves the right to dedicate, grant or convey any portion of the SUBJECT PROPERTY owned by it, or any interest or easement therein, to any governmental or quasi-governmental agency or private or public utility company, and shall also have the right to direct the MASTER ASSOCIATION to likewise dedicate, grant or convey any COMMON AREA, or any interest or easement in any COMMON AREA, whereupon the MASTER ASSOCIATION shall execute such documents as will be necessary to effectuate such dedication. This right of DECLARANT shall terminate when DECLARANT no longer has any interest in any portion of the SUBJECT PROPERTY, either as OWNER or mortgagee, and thereafter the right shall be vested within the MASTER ASSOCIATION. Any PROPERTY, or any interest or easement therein, which is dedicated, granted or conveyed pursuant to this Article shall not be subject to the covenants and restrictions contained within this DECLARATION, unless the instrument so dedicating, granting, or conveying such PROPERTY, interest or easement specifically provides that same is subject to the covenants and restrictions contained within this DECLARATION.

8. TERM OF DECLARATION. All of the foregoing covenants, conditions, reservations and restrictions shall run with the land and continue and remain in full force and effect at all times as against all OWNERS, their successors, heirs or assigns, regardless of how the OWNERS acquire title, for a period of fifty (50) years from the date of this DECLARATION, unless within such time, MEMBERS representing one hundred percent (100%) of the votes of the entire membership of the MASTER ASSOCIATION execute a written instrument declaring a termination of this DECLARATION (as it may have been amended from time to time). After such fifty (50) year period, unless sooner terminated as provided above, these covenants, conditions, reservations and restrictions shall be automatically extended for successive periods of ten (10) years each, until MEMBERS representing one hundred percent (100%) of the votes of the entire membership of the MASTER ASSOCIATION execute a written instrument declaring a termination of this DECLARATION (as it may have been amended from time to time). The execution of any instrument terminating this DECLARATION on behalf of a HOMEOWNERS ASSOCIATION MEMBER must be by not less than a majority of the Board of Directors of the HOMEOWNERS ASSOCIATION MEMBER. Any termination of this DECLARATION shall be effective on the date the instrument of termination is recorded in the public records of the county in which the SUBJECT PROPERTY is located, provided, however, that any such instrument, in order to be effective, must be approved in writing and signed by DECLARANT so long as DECLARANT owns any PROPERTY, or holds any mortgage encumbering any PROPERTY other than a UNIT.

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9. AMENDMENT.

9.1. This DECLARATION may be amended upon the approval of not less than two-thirds (2/3) of the votes of the entire membership of the MASTER ASSOCIATION. In addition, so long as DECLARANT owns any PROPERTY, or holds any mortgage encumbering any PROPERTY other than a UNIT, this DECLARATION may be amended from time to time, by DECLARANT and without the consent of the MASTER ASSOCIATION, its MEMBERS, or any OWNER, and no amendment may be made by the MEMBERS without the written joinder of DECLARANT. Such right of DECLARANT to amend this DECLARATION shall specifically include the right to add any property to or delete any property from the SUBJECT PROPERTY, provided that any such amendment shall require the joinder of the owners of such property or any portion thereof if different than DECLARANT. In order to be effective, any amendment to this DECLARATION must first be recorded in the public records of the county in which the SUBJECT PROPERTY is located, and in the case of an amendment made by the MEMBERS and the BOARD, such amendment shall contain a certification by the President and Secretary of the MASTER ASSOCIATION that the amendment was duly adopted, shall certify which HOMEOWNERS ASSOCIATION MEMBERS, if any, approved the amendment.

9.2. No amendment shall discriminate against any MEMBER, OWNER or PROPERTY, or class or group of MEMBERS, OWNERS or PROPERTY, unless the MEMBERS and/or OWNERS so affected join in the execution of the amendment. No amendment shall change the number of votes of any MEMBER or increase any OWNER's proportionate share of the COMMON EXPENSES, unless the OWNERS of the PROPERTY affected by such amendment join in the execution of the amendment. No amendment may prejudice or impair the priorities of INSTITUTIONAL LENDERS granted hereunder unless all INSTITUTIONAL LENDERS join in the execution of the amendment. No amendment shall make any changes which would in any way affect any of the rights, privileges, powers or options herein provided in favor of, or reserved to, DECLARANT, unless DECLARANT joins in the execution of the amendment.

10. RIGHTS OF INSTITUTIONAL LENDERS. Upon written notice to the MASTER ASSOCIATION by any INSTITUTIONAL LENDER holding, insuring or guaranteeing a mortgage encumbering any PROPERTY or UNIT, identifying the name and address of the INSTITUTIONAL LENDER and the PROPERTY or UNIT encumbered by such mortgage, any such INSTITUTIONAL LENDER will be entitled to timely written notice of:

10.1. Any condemnation or casualty loss that affects either a material portion of the SUBJECT PROPERTY or the PROPERTY or UNIT securing its mortgage.

10.2. Any 60-day default in the payment of ASSESSMENTS or charges owed to the MASTER ASSOCIATION or in the performance of any obligation hereunder by the OWNER of the PROPERTY or UNIT on which it holds the mortgage, or by the HOMEOWNERS ASSOCIATION MEMBER having jurisdiction over the PROPERTY or UNIT.

10.3. A lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the MASTER ASSOCIATION.

10.4. Any proposed action that requires the consent of a specified percentage of mortgage holders.

11. SUBJECT PROPERTY AND ADDITIONS THERETO.

11.1. SUBJECT PROPERTY. Initially only the property described in Exhibit "A" attached hereto is subject to this DECLARATION and is included within the SUBJECT PROPERTY. Additional property may be added to this DECLARATION and included within the SUBJECT PROPERTY by an amendment to this DECLARATION, or pursuant to a declaration of condominium or declaration of covenants and restrictions, recorded in the public records of the county in which the SUBJECT PROPERTY is located. Such additional property may include, but is not limited to, the property described in Exhibit "D" of this DECLARATION, or any property contiguous to, or across any canal or road from, such property. Any amendment, declaration of condominium or declaration of covenants and restrictions adding any property to this DECLARATION need only be signed by DECLARANT, if such property is owned by DECLARANT, and if the property is not owned by DECLARANT such amendment need only be signed by DECLARANT and the owner of such property.

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11.2. Automatic Additions to the SUBJECT PROPERTY. If any portion of the SUBJECT PROPERTY is within a condominium, then all property within the condominium shall be included within the SUBJECT PROPERTY, including property which is added to the condominium by an amendment to the condominium's Declaration of Condominium.

11.3. Effect on Title. This DECLARATION shall have no effect on the title to any portion of the property described in Exhibit "D" of this DECLARATION unless and until such property is included within the SUBJECT PROPERTY.

12. SEWER SERVICE. It is acknowledged that as of the recording of this DECLARATION public sewer service may not be available for all of the SUBJECT PROPERTY. In the event any portion of the SUBJECT PROPERTY is developed prior to the time that public sewer utility service is available for such PROPERTY, it is acknowledged that DECLARANT may provide such service by means of a privately owned sewage treatment plant, and in that event the UNITS that are served by such plant will be responsible to pay to DECLARANT a reasonable charge for such service not in excess of DECLARANT's actual costs incurred in connection with providing such services.

13. MISCELLANEOUS.

13.1. Damage or Destruction. In the event any existing UNITS are damaged or destroyed, such damaged or destroyed UNITS shall continue to be deemed UNITS for purposes of assessments, voting and use rights, unless and until all the PROPERTY owned in conjunction with the UNITS is developed with a different number of UNITS than existed prior to such damage or destruction, and the MASTER ASSOCIATION is so notified in writing. Thereafter, the number of assessment units assigned to such PROPERTY will be changed to equal the number of UNITS then existing within such PROPERTY. Notwithstanding the foregoing, in the event any PROPERTY is submitted to the condominium form of ownership, such PROPERTY shall be deemed to contain the number of UNITS provided in the respective declaration of condominium, as amended from time to time, unless and until the declaration of condominium is amended to provide for a different number of UNITS within the condominium, and a copy of the amended declaration of condominium is delivered to the MASTER ASSOCIATION.

13.2. Conflict With ARTICLES or BYLAWS. In the event of any conflict between the ARTICLES and the BYLAWS and this DECLARATION, this DECLARATION, the ARTICLES, and the BYLAWS, in that order, shall control.

13.3. HOMEOWNERS ASSOCIATION. Nothing contained herein shall be deemed to restrict or limit the right of DECLARANT or of any other OWNER of all or any portion of the SUBJECT PROPERTY to declare additional restrictions with respect to such PROPERTY, or to create any HOMEOWNERS ASSOCIATION to enforce such additional restrictions and assess the OWNERS subject to such additional restrictions for any purpose.

13.4. Authority of MASTER ASSOCIATION and Delegation. Nothing contained in this DECLARATION shall be deemed to prohibit the BOARD from delegating to any one of its members, or to any officer, or to any committee or any other person, any power or right granted to the BOARD by this DECLARATION including, but not limited to, the right to approve any deviation from any use restriction, and the BOARD is expressly authorized to so delegate any power or right granted by this DECLARATION.

13.5. Severability. The invalidation in whole or in part of any of these covenants, conditions, reservations and restrictions, or any section, subsection, sentence, clause, phrase, word or other provision of this DECLARATION shall not affect the validity of the remaining portions which shall remain in full force and effect.

13.6. Validity. In the event any court shall hereafter determine that any provisions as originally drafted herein violate the rule against perpetuities, the period specified in this DECLARATION shall not thereby become invalid, but instead shall be reduced to the maximum period allowed under such rules of law.

13.7. Assignment of DECLARANT's Rights. Any or all of the rights, privileges, or options provided to or reserved by DECLARANT in this DECLARATION, the ARTICLES, or the BYLAWS, may be assigned by DECLARANT, in

whole or in part, as to all or any portion of the SUBJECT PROPERTY, to any person or entity pursuant to an assignment recorded in the public records of the county in which the SUBJECT PROPERTY is located. Any partial assignee of any of the rights of DECLARANT shall not be deemed the DECLARANT, and shall have no other rights, privileges or options other than as are specifically assigned. No assignee of DECLARANT shall have any liability for any acts of DECLARANT or any prior DECLARANT unless such assignee is assigned and agrees to assume such liability.

13.8. Performance of MASTER ASSOCIATION's Duties by DECLARANT. DECLARANT shall have the right from time to time, at its sole discretion, to perform at DECLARANT's expense the duties and obligations required hereunder to be performed by the MASTER ASSOCIATION, and in connection therewith to reduce the budget of the MASTER ASSOCIATION and the ASSESSMENTS for COMMON EXPENSES payable by the MEMBERS, provided however that any such performance on the part of DECLARANT may be discontinued by DECLARANT at any time, and any such performance shall not be deemed to constitute a continuing obligation on the part of DECLARANT.

13.9. Property Owned by DECLARANT. For purposes of this DECLARATION, any property owned and any mortgage held by any subsidiary of DECLARANT, for the parent corporation of DECLARANT, or any subsidiary of such parent, shall be deemed owned or held by DECLARANT.

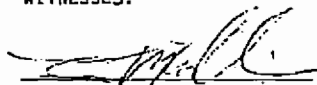
13.10. Inapplicability of Condominium Act. It is acknowledged that the MASTER ASSOCIATION is not intended to be a condominium association, and is not intended to and shall not be governed by the provisions of Florida Statutes, Chapter 718.

13.11. Actions Against DECLARANT. The MASTER ASSOCIATION shall not institute any legal proceedings against DECLARANT without the consent of 100% of the votes of the MEMBERS.

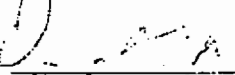
13.12. Sale and Development Easement. As long as DECLARANT owns any PROPERTY, DECLARANT reserves and shall have an easement over, upon, across and under the SUBJECT PROPERTY as may be reasonably required in connection with the development, construction, sale, leasing, and promotion of the SUBJECT PROPERTY, or any portion thereof, by DECLARANT.

IN WITNESS WHEREOF, DECLARANT has executed this DECLARATION this 23rd day of July, 1986.

WITNESSES:

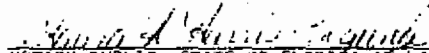
  
David T. McWilliams

SANDY POINT LAND DEVELOPMENT CORPORATION, a Florida corporation

By:   
its President

STATE OF FLORIDA }  
COUNTY OF BREVARD } SS:

The foregoing instrument was acknowledged before me this 23rd day of July, 1986, by David T. McWilliams, President of SANDY POINT LAND DEVELOPMENT CORPORATION, a Florida corporation, on behalf of the corporation.

  
NOTARY PUBLIC, STATE OF FLORIDA AT LARGE

My commission expires:

(Notary Seal)

Notary Public, State of Florida at Large  
My Commission expires Oct. 3, 1988

SANDYPT/MASTER.DEC

JOINDER TO MASTER DECLARATION FOR SANDY POINT

The undersigned, being the owner of a portion of the property described on Exhibit "A" of the Master Declaration for Sandy Point, to which this Joinder is attached, hereby joins in the making of said Declaration.

WITNESSES:

MCWILLIAMS DEVELOPMENT CO., INC.,  
a Florida corporation

Richard A. Johnson  
Esq.

BY: David T. McWilliams  
its president

STATE OF FLORIDA }  
COUNTY OF BREVARD } SS:

The foregoing instrument was acknowledged before me this 23rd day of July, 1986, by David T. McWilliams, President of MCWILLIAMS DEVELOPMENT CO., INC., a Florida corporation, on behalf of the corporation.

My commission expires:

Thomas A. Morris - Tallahassee  
NOTARY PUBLIC, State of Florida

Notary Public, State of Florida  
My Commission Expires Oct. 2, 1988

All of the Plat of Windward Cove according to the Plat thereof recorded in Plat Book 32, at Page 91, of the Public Records of Brevard County, Florida.

and

DESCRIPTION: Parcel 3 Overall By Surveyor

A parcel of land in Sections 2 and 3, Township 27 South, Range 37 East, Brevard County, Florida. Being more particularly described as follows: Commence at the southwest corner of said Section 2; thence N 89° 53' 41" E along the south line of said Section 2 a distance of 1619.38 feet to the west right-of-way of South Patrick Drive; thence N 31° 08' 19" W along the said west right-of-way a distance of 1200.00 feet; thence S 86° 03' 02" W a distance of 300.00 feet to the Point-of-Beginning of the herein described parcel; thence N 27° 56' 14" W a distance of 1140.68 feet to the centerline of a 50 foot wide easement for drainage purposes as described in Official Record Book 2577 Page 2986 of the Public Records of Brevard County, Florida; thence N 68° 00' 00" E along the said centerline a distance of 300.00 feet to the west right-of-way of South Patrick Drive, being a point on a circular curve concave to the Northeast, having a central angle of 10° 55' 47", a radius of 2050.00 feet; thence northeasterly along the arc of said curve a distance of 391.06 feet; thence S 89° 54' 49" W a distance of 460 feet more or less to the easterly waters edge of Flamingo Waterway; thence southeasterly along the said easterly waters edge a distance of 1563 feet more or less; thence N 86° 03' 02" E a distance of 510 feet more or less to the Point-of-Beginning. Containing 12.613 acres more or less.

Exhibit "A" to Master Declaration  
OFF. REC:

2716

PAGE:

1996

Rec Fee \$ 50  
Taxes \$ \_\_\_\_\_  
Misc \$ \_\_\_\_\_  
Total \$ \_\_\_\_\_

RECORDED AND VERIFIED  
BREVARD COUNTY FLORIDA  
AMENDMENT TO MASTER DECLARATION

RECORDS SECTION  
BREVARD COUNTY FLORIDA  
2000 E. Highway Ave., Suite 800  
MELBOURNE, FL 32901

FOR  
SANDY POINT

SANDY POINT LAND DEVELOPMENT CORPORATION, a Florida corporation, being the "DECLARANT" pursuant to the Master Declaration for Sandy Point, recorded in Official Records Book 2716, Page 1977, of the Public Records of Brevard County, Florida (the "Master Declaration"), hereby amends the Master Declaration by adding thereto paragraph 5.12, which will read as follows:

5.12 REMOVAL OF RED MANGROVES AND SMOOTH CORDGRASS. No OWNER, MEMBER, or any other PERSON shall remove any red mangroves or smooth cordgrass vegetation from the SUBJECT PROPERTY without the prior written consent of the Corps. of Engineers of the Department of the Army.

This Amendment is made by DECLARANT pursuant to the authority to amend the MASTER DECLARATION contained in paragraph 9.1 thereof.

WITNESSES: SANDY POINT DEVELOPMENT CORPORATION,  
a Florida corporation  
BY: David T. McWilliams  
David T. McWilliams, its President

STATE OF FLORIDA }  
COUNTY OF BREVARD } SS:

The foregoing instrument was acknowledged before me this 27th day of January, 1987, by David T. McWilliams, President of SANDY POINT DEVELOPMENT CORPORATION, a Florida corporation, on behalf of the corporation.

My commission expires: \_\_\_\_\_  
Yaura H. Segura  
NOTARY PUBLIC, STATE OF FLORIDA AT LARGE  
(Notary Seal)

REC. FEE 5.00  
DEED \$ \_\_\_\_\_  
PROPERTY TAX \$ \_\_\_\_\_  
SALES TAX \$ \_\_\_\_\_  
REFUND \$ \_\_\_\_\_  
Cash on hand \$ \_\_\_\_\_

PREPARED BY: Eric A. Simon, Esquire  
4901 NW 17th Way, #303  
Ft. Lauderdale, FL 33309

OFF: 2770

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295207

87 JAN 30 PM 2:25

AMENDMENT TO MASTER DECLARATION OF SANDY POINT; ARTICLES OF INCORPORATION, OF SANDY POINT MASTER ASSOCIATION, INCORPORATED, AND BYLAWS OF SANDY POINT MASTER ASSOCIATION, INCORPORATED, a Florida Corporation not for profit

THIS AMENDMENT TO THE MASTER DECLARATION OF SANDY POINT ARTICLES OF INCORPORATION, OF SANDY POINT MASTER ASSOCIATION, INCORPORATED, AND BYLAWS OF SANDY POINT MASTER ASSOCIATION, INCORPORATED; a Florida Corporation not for profits, HEREIN AFTER REFERRED TO AS "AMENDMENT," is made this 10th day of November, 1993, by DAVID T. MCWILLIAMS, PRESIDENT, SANDY POINT LAND DEVELOPMENT CORPORATION, a Florida Corporation, on behalf of the Corporation, hereby makes the following AMENDMENTS TO MASTER DECLARATION OF SANDY POINT, ARTICLES OF INCORPORATION OF SANDY POINT MASTER ASSOCIATION, INCORPORATED, BYLAWS OF SANDY POINT MASTER ASSOCIATION, INCORPORATED, a Florida Corporation not for profit:

1. INTENT AND PURPOSE OF THIS AMENDMENT: It is the intent and purpose of this AMENDMENT to provide Windward Cove Homeowners Association, Dockside Villas Homeowners Association, and the undeveloped commercial property, herein referred to as "Commercial Property" equal voting rights with regard to any and all issues and decisions made with respect to the COMMON AREAS, as defined in the MASTER DECLARATION OF SANDY POINT, Paragraph 1.5, as recorded in the OFFICIAL RECORD BOOK 2716, PAGE 1977, BREVARD COUNTY, FLORIDA.

2. "DECLARANT:" For purposes of this AMENDMENT, "DECLARANT" is the same as defined in the MASTER DECLARATION OF SANDY POINT, Paragraph 1.7, as recorded in the OFFICIAL RECORD BOOK 2716, PAGE 1978, BREVARD COUNTY, FLORIDA.

3. UNILATERAL AMENDMENT BY DECLARANT: DECLARANT, pursuant to MASTER DECLARATION OF SANDY POINT, Paragraph 9.1, as recorded in the OFFICIAL RECORD BOOK 2716, PAGE 1992, BREVARD COUNTY, FLORIDA, pursuant to ARTICLES OF INCORPORATION, SANDY POINT MASTER ASSOCIATION, INC., ARTICLE IX, as recorded in the OFFICIAL RECORD BOOK 2716, PAGE 2003, BREVARD COUNTY, FLORIDA, AND pursuant to BYLAWS OF SANDY POINT MASTER ASSOCIATION, INC., SECTION 9.3, as recorded in the OFFICIAL RECORD BOOK 2716, PAGE 2016, BREVARD COUNTY, FLORIDA, UNILATERALLY adopts the following AMENDMENTS:

A. BOARD OF DIRECTORS: DECLARANT unilaterally amends the following sections, including but not limited to, ARTICLES OF INCORPORATION, SANDY POINT MASTER ASSOCIATION, INC., ARTICLE V, as recorded in the OFFICIAL RECORD BOOK 2716, PAGE 2001, BREVARD COUNTY, FLORIDA, AND BYLAWS OF SANDY POINT MASTER ASSOCIATION, INC., SECTION 5.1, as recorded in the OFFICIAL RECORD BOOK 2716, PAGE 2009, BREVARD COUNTY, FLORIDA, respectively, to the following:

Handwritten: CHRYL L. DENABURG, ATTORNEY AT LAW, 307 E. NEW HAVEN AVE., SUITE 2, MELBOURNE, FL 32901

Handwritten: Sandy Crawford, Clerk Circuit Court. Recorded and Verified Brevard County, FL. # Pgs. 4, # Names 2, Trust Fund 2.50, Rec Fee 17.00. Stamp-Deed, Stamp-Mtg, Service Chg, Excise Tx, Int Tx, Refund.

Vertical stamp: BX3369PG1645

(1) The affairs of the MASTER ASSOCIATION shall be managed by a BOARD of DIRECTORS comprised of 3 (three) members and no more than 3, with one representative from each of the following:

- a. WINDWARD COVE HOMEOWNERS ASSOCIATION;
- b. DOCKSIDE VILLAS HOMEOWNERS ASSOCIATION;
- c. COMMERCIAL PROPERTY.

(2) THE BOARD OF DIRECTORS OF WINDWARD COVE HOMEOWNERS ASSOCIATION, a Florida Corporation, Incorporated, not for profit, and THE BOARD OF DIRECTORS OF DOCKSIDE VILLAS HOMEOWNERS ASSOCIATION, a Florida Corporation, Incorporated, not for profit, and the DECLARANT, ON BEHALF OF THE COMMERCIAL PROPERTY shall each elect 1 (one) member to serve as their representative on the BOARD OF DIRECTORS of the MASTER ASSOCIATION. The DECLARANT will make such election ON BEHALF OF THE COMMERCIAL PROPERTY until a BOARD OF DIRECTORS for said COMMERCIAL PROPERTY exists. At such time, THE BOARD OF DIRECTORS OF THE COMMERCIAL PROPERTY will be responsible for the election of their representative to serve on the BOARD OF DIRECTORS OF THE MASTER ASSOCIATION; at such time, the DECLARANT, ON BEHALF OF THE COMMERCIAL PROPERTY, WILL NO LONGER ELECT THE REPRESENTATIVE TO SERVE ON THE BOARD OF DIRECTORS OF THE MASTER ASSOCIATION.

(3) DECLARANT relinquishes his right to appoint any director(s) other than 1 (one) representative for the Commercial property, so long as there remains no elected representative. Whether appointed or elected, the Commercial Property will have 1 (one) and only 1 (one) representative.

(3) Any SUBSEQUENT change to the number of members serving on the BOARD OF DIRECTORS shall be by 2/3 (two-thirds) VOTE of the 3 existing BOARD OF DIRECTORS.

(4) Each of the 3 (three) members of the BOARD OF DIRECTORS shall have equal voting rights with one vote each.

(5) Each BOARD MEMBER shall vote for any issue related to the COMMON AREAS, as defined in the MASTER DECLARATION OF SANDY POINT, as recorded in the OFFICIAL RECORD BOOK 2716, PAGE 1977, BREVARD COUNTY, FLORIDA.



4. **TIME OF AMENDMENT:** DECLARANT acknowledges this AMENDMENT was made when the BOARD OF DIRECTORS consisted SOLELY of DAVID T. MCWILLIAMS, DECLARANT. This Amendment is to provide for the election of one BOARD OF DIRECTOR from each Homeowner's Association, in addition to DAVID T. MCWILLIAMS, representing the Undeveloped Commercial Property.

5. **DECLARANT'S INTENT:** I am making this AMENDMENT TO THE MASTER DECLARATION OF SANDY POINT, knowingly, freely and voluntarily, without coercion or duress. I have chosen to execute this document without the assistance of my own counsel, and did have the opportunity to seek legal advice prior to executing this document.

5. **EXECUTION AND RECORDING:** It is my sole intent this executed AMENDMENT TO THE MASTER DECLARATION OF SANDY POINT be recorded in the public records OF BREVARD COUNTY, FLORIDA, the County in which the SUBJECT PROPERTY is located.

6. **CONFLICTS:** All AMENDMENTS made hereto SUPERSEDE AND OVERRIDE any conflicting provision in the MASTER DECLARATION FOR SANDY POINT, THE ARTICLES OF INCORPORATION OF SANDY POINT MASTER ASSOCIATION, INCORPORATED, AND THE BY-LAWS OF SANDY POINT MASTER ASSOCIATION, INCORPORATED, a Florida Corporation not for profit, when applied to uphold the underlying INTENT AND PURPOSE, stated in Paragraph 1. above.

In the event of any conflict, any applicable Florida Statute, this AMENDMENT, THE DECLARATION, the ARTICLES, the BYLAWS shall govern in that order.

IN WITNESS WHEREOF, DECLARANT, has executed this AMENDMENT TO THE MASTER DECLARATION FOR SANDY POINT, this 10<sup>th</sup> day of NOVEMBER 1993.

SANDY POINT LAND DEVELOPMENT, CORPORATION, a Florida Corporation, by

[Signature]  
WITNESS

[Signature]  
PRESIDENT, DAVID T. McWILLIAMS

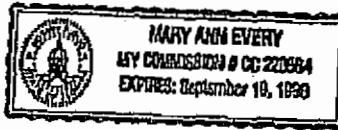
[Signature]  
WITNESS

STATE OF FLORIDA  
COUNTY OF BREVARD

The foregoing instrument was acknowledged before me this 10<sup>th</sup> day of NOVEMBER, 1993, by DAVID T. McWILLIAMS, PRESIDENT OF SANDY POINT LAND DEVELOPMENT CORPORATION, a Florida Corporation, on behalf of the Corporation.

[Signature]  
Notary Public  
STATE OF FLORIDA  
AT LARGE  
(SEAL)

My Commission Expires:



BK3369PG1648

# State of Florida



Department of State

I certify that the attached is a true and correct copy of the Articles  
of Incorporation of

SANDY POINT MASTER ASSOCIATION, INC.

a corporation organized under the Laws of the State of Florida,  
filed on July 21, 1986.

The document number of this corporation is W15972.

A NON-PROFIT ORGANIZATION.

Given under my hand and the  
Great Seal of the State of Florida,  
at Tallahassee, the Capital, this the  
21st day of July 1986.



CR2E022 (10-85)

George Firestone  
Secretary of State

CR2E040 (4-84)

EXHIBIT "B" TO DECLARATION

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2716

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1997

ARTICLES OF INCORPORATION,  
OF  
SANDY POINT MASTER ASSOCIATION, INC.

FILED  
MAY 21 3 04  
STATE  
FLA

PREAMBLE:

SANDY POINT LAND DEVELOPMENT CORPORATION, a Florida corporation ("DECLARANT"), and various parties affiliated with it, own certain property in Brevard County, Florida. DECLARANT intends to record a Master Declaration for Sandy Point (the "DECLARATION") which will affect the property. This Association is being formed to administer the DECLARATION and to perform, among other things, the duties and exercise the powers pursuant to the DECLARATION, as and when the DECLARATION is recorded in the Public Records of Brevard County, Florida, with these Articles attached as an Exhibit. All of the definitions contained in the DECLARATION shall apply to these Articles, and to the Bylaws of the Association. Until such time as the DECLARATION is so recorded, the incorporator shall be the member of the Association.

ARTICLE I - NAME

The name of the corporation is: SANDY POINT MASTER ASSOCIATION, INC. (hereinafter referred to as the "MASTER ASSOCIATION").

ARTICLE II - PURPOSE

The purposes for which the MASTER ASSOCIATION is organized are as follows:

1. To operate as a corporation not-for-profit pursuant to Chapter 617 of the Florida Statutes.
2. To administer, enforce and carry out the terms and provisions of the DECLARATION, as same may be amended from time to time.
3. To administer, enforce and carry out the terms and provisions of any other declaration of covenants and restrictions, or similar document, submitting property to the jurisdiction of, or assigning responsibilities, rights or duties to the MASTER ASSOCIATION, and accepted by the BOARD.
4. To promote the health, safety, welfare, comfort, and social and economic welfare of the MASTER ASSOCIATION MEMBERS, and the OWNERS and residents of the SUBJECT PROPERTY, as authorized by the DECLARATION, by these ARTICLES, and by the BYLAWS.

ARTICLE III - POWERS

The MASTER ASSOCIATION shall have the following powers:

1. All of the common law and statutory powers of a corporation not-for-profit under the laws of Florida which are not in conflict with the terms of these ARTICLES.
2. All of the powers, express or implied, granted to the MASTER ASSOCIATION by the DECLARATION or which are reasonably necessary in order for the MASTER ASSOCIATION to administer, enforce, carry out and perform all of the acts, functions, rights and duties provided in, or contemplated by, the DECLARATION.
3. To make, establish and enforce rules and regulations governing the use and maintenance of the SUBJECT PROPERTY.

MASTER ARTICLES-1

OFF. REC.  
2716

PAGE  
1998

4. To make and collect ASSESSMENTS against MEMBERS of the MASTER ASSOCIATION to defray the costs, expenses, reserves and losses incurred or to be incurred by the MASTER ASSOCIATION and to use the proceeds thereof in the exercise of the MASTER ASSOCIATION's powers and duties.

5. To own, purchase, sell, mortgage, lease, administer, manage, operate, maintain, improve, repair and/or replace real and personal property.

6. To purchase insurance for the protection of the MASTER ASSOCIATION, its officers, Directors and MEMBERS, and such other parties as the MASTER ASSOCIATION may determine to be in the best interests of the MASTER ASSOCIATION.

7. To operate, maintain, repair, and improve all COMMON AREAS, and such other portions of the SUBJECT PROPERTY as may be determined by the BOARD from time to time.

8. To provide, purchase, acquire, replace, improve, maintain and/or repair such buildings, structures, street lights and other structures, landscaping, paving and equipment, both real and personal, related to the health, safety and social welfare of the MEMBERS of the MASTER ASSOCIATION and the OWNERS and residents of the SUBJECT PROPERTY as the BOARD in its discretion determines necessary or appropriate.

9. To employ personnel necessary to perform the obligations, services and duties required of or to be performed by the MASTER ASSOCIATION and/or to contract with others for the performance of such obligations, services and/or duties.

10. To operate and maintain the surface water management and drainage system for the SUBJECT PROPERTY as permitted by the controlling governmental authority.

11. To sue and be sued.

#### ARTICLE IV - MEMBERS

##### 1. MEMBERS.

1.01 HOMEOWNERS ASSOCIATION MEMBER. Each HOMEOWNERS ASSOCIATION shall be a MEMBER of the MASTER ASSOCIATION. Such membership shall be established upon the filing of the articles of incorporation of the HOMEOWNERS ASSOCIATION with the Secretary of State of the State of Florida, and the recording of such articles of incorporation in the public records of the county in which the SUBJECT PROPERTY is located, along with, or as an exhibit to, a declaration of condominium, declaration of covenants and restrictions, or similar document, submitting any PROPERTY to the jurisdiction of the HOMEOWNERS ASSOCIATION or providing that the HOMEOWNERS ASSOCIATION will operate any PROPERTY.

1.02 OWNER MEMBERS. If any PROPERTY is not subject to the jurisdiction of a HOMEOWNERS ASSOCIATION, the OWNER of such PROPERTY shall be a MEMBER of the MASTER ASSOCIATION. Such memberships shall be initially established upon the recording of these ARTICLES and the DECLARATION among the public records of the county in which the SUBJECT PROPERTY is located.

1.02.1 Notwithstanding the foregoing, no governmental authority or utility company shall be deemed an OWNER MEMBER unless one or more UNITS actually exist upon the PROPERTY owned by such governmental authority or utility company, in which event the governmental authority or utility company will be an OWNER MEMBER only with respect to the PROPERTY owned in conjunction with such UNIT(s).

1.03. DECLARANT. DECLARANT shall be a MEMBER of the MASTER ASSOCIATION so long as DECLARANT owns any PROPERTY, or holds a mortgage encumbering any PROPERTY other than a UNIT.

MASTER ARTICLES-2

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1999

2. Transfer of Membership.

2.01 In the case of an OWNER MEMBER, transfer of membership in the MASTER ASSOCIATION shall be established by the recording in the Public Records of the county in which the SUBJECT PROPERTY is located, of a deed or other instrument establishing a transfer of record title to any PROPERTY for which membership has already been established as hereinabove provided, the OWNER(S) designated by such instrument of conveyance thereby becoming an OWNER MEMBER(S), and the prior OWNER's membership thereby being terminated. In the event of death of an OWNER MEMBER, his membership shall be automatically transferred to his heirs or successors in interest. Notwithstanding the foregoing, the MASTER ASSOCIATION shall not be obligated to recognize such a transfer of membership until such time as the MASTER ASSOCIATION receives a true copy of the deed or other instrument establishing the transfer of ownership of the PROPERTY, and it shall be the responsibility and obligation of the former and new OWNER of the PROPERTY to provide such true copy of said instrument to the MASTER ASSOCIATION.

2.02 In the event any portion of the PROPERTY owned by an OWNER MEMBER is submitted to the jurisdiction of a HOMEOWNERS ASSOCIATION, the membership of the OWNER MEMBER associated with such PROPERTY shall automatically terminate upon the recording in the Public Records of the county in which the SUBJECT PROPERTY is located, of the declaration of condominium, declaration of covenants and restrictions, or similar document, submitting such PROPERTY to the jurisdiction of the HOMEOWNERS ASSOCIATION, and the HOMEOWNERS ASSOCIATION shall simultaneously become a HOMEOWNERS ASSOCIATION MEMBER with respect to such PROPERTY. Notwithstanding the foregoing, the MASTER ASSOCIATION shall not be obligated to recognize such a transfer of membership until such time as the MASTER ASSOCIATION receives a true copy of the recorded declaration.

2.03 In the event a declaration of condominium, declaration of covenants and restrictions, or similar document, submitting any PROPERTY to the jurisdiction of a HOMEOWNERS ASSOCIATION is terminated, the HOMEOWNERS ASSOCIATION's membership in the MASTER ASSOCIATION with respect to such PROPERTY shall automatically terminate upon the recording of such termination in the Public Records of the county in which the SUBJECT PROPERTY is located. The OWNERS of the PROPERTY formerly subject to the jurisdiction of the HOMEOWNERS ASSOCIATION shall thereupon become OWNER MEMBERS of the MASTER ASSOCIATION unless and until the PROPERTY is again submitted to the jurisdiction of a HOMEOWNERS ASSOCIATION.

3. The share of a MEMBER in the funds and assets of the MASTER ASSOCIATION cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to the PROPERTY associated with the membership of the MEMBER, nor may a membership be separately assigned, hypothecated or transferred in any manner except as an appurtenance to such PROPERTY.

4. MEMBERS' Voting Rights. The total number of MEMBERS' votes shall be equal to the total number of UNITS and PLANNED UNITS within the SUBJECT PROPERTY from time to time. On all matters upon which the membership shall be entitled to vote, there shall be one (1) vote for each UNIT and PLANNED UNIT.

4.01 Each HOMEOWNERS ASSOCIATION MEMBER shall have the number of votes equal to the number of UNITS and PLANNED UNITS within the PROPERTY operated by, or subject to the jurisdiction of, that HOMEOWNERS ASSOCIATION at the time of such vote. A HOMEOWNERS ASSOCIATION MEMBER shall cast its votes in the manner provided by the BYLAWS.

4.02 Each OWNER MEMBER shall have the number of votes equal to the number of UNITS and PLANNED UNITS within the PROPERTY associated with the membership of such OWNER MEMBER at the time of such vote.

5. The BYLAWS shall provide for an annual meeting of the MEMBERS of the MASTER ASSOCIATION and may make provision for special meetings of the MEMBERS.

ARTICLE V - DIRECTORS

1. The affairs of the MASTER ASSOCIATION shall be managed by a BOARD consisting of not less than three (3) Directors, and which shall always be an odd number. The number of Directors shall be determined in accordance with the BYLAWS. In the absence of such determination, there shall be three (3) Directors.

2. The directors of MASTER ASSOCIATION shall be elected by the MEMBERS, except that DECLARANT shall have the right to appoint directors of the MASTER ASSOCIATION as follows:

2.01 DECLARANT shall have the right to appoint all of the directors of the MASTER ASSOCIATION until the earlier of the following: (i) five years after fifty percent (50%) of the UNITS that will be ultimately contained within the SUBJECT PROPERTY have been built and conveyed to purchasers; (ii) one year after ninety percent (90%) of the UNITS that may be ultimately built within the SUBJECT PROPERTY have been built and conveyed to purchasers; or (iii) 12 years after the DECLARATION is recorded in the Public Records of the county in which the SUBJECT PROPERTY is located.

2.02 Thereafter, MEMBERS other than DECLARANT shall have the right to elect a majority of the Directors, and DECLARANT shall have the right to appoint all other directors so long as DECLARANT owns any PROPERTY, or holds a mortgage encumbering any PROPERTY other than a UNIT.

2.03 Thereafter, DECLARANT shall no longer have the right to appoint any Directors.

3. All of the duties and powers of the MASTER ASSOCIATION existing under Chapter 617 of the Florida Statutes, the DECLARATION, these ARTICLES and the BYLAWS shall be exercised exclusively by the BOARD, its agents, contractors or employees, subject to approval by the MEMBERS only when specifically required.

4. Directors may be removed and vacancies on the BOARD shall be filled in the manner provided by the BYLAWS, however, any Director appointed by the DECLARANT may only be removed by the DECLARANT, and any vacancy on the BOARD shall be appointed by the DECLARANT if, at the time such vacancy is to be filled, the number of remaining Directors appointed by the DECLARANT is less than the maximum number of Directors which may, at that time, be appointed by the DECLARANT as set forth above.

5. The names and addresses of the Directors who shall hold office until their successors are elected or appointed, or until removed, are as follows:

- DAVID T. McWILLIAMS, 1790 N. A1A, Suite 101, Satellite Beach, Florida 32937.
- TIM McWILLIAMS, 1790 N. A1A, Suite 101, Satellite Beach, Florida 32937.
- JOEL S. MOSS, 2007 South Melbourne Court, Melbourne, Florida 32901.

ARTICLE VI - OFFICERS

The officers of the MASTER ASSOCIATION shall be a President, Vice President, Secretary, Treasurer and such other officers as the BOARD may from time to time by resolution create. The officers shall serve at the pleasure of the BOARD, and the BYLAWS may provide for the removal from office of officers, for filling vacancies, and for the duties of the officers. The names of the officers who shall serve until their successors are designated by the BOARD are as follows:

- PRESIDENT . . . . . DAVID T. McWILLIAMS
- VICE PRESIDENT . . . . . JOEL S. MOSS
- VICE PRESIDENT/SECRETARY/TREASURER . . . . . TIM McWILLIAMS

ARTICLE VII - INDEMNIFICATION

1. The MASTER ASSOCIATION shall indemnify any PERSON who was or is a party or is threatened to be made a party, to any threatened, pending or

contemplated action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he is or was a Director, employee, officer or agent of the MASTER ASSOCIATION, 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 if he acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interest of the MASTER ASSOCIATION; and, with respect to any criminal action or proceeding, if he had no reasonable cause to believe his conduct was unlawful; except, that no indemnification shall be made in respect to any claim, issue or matter as to which such PERSON shall have been adjudged to be liable for gross negligence or willful misfeasance or malfeasance in the performance of his duty to the MASTER ASSOCIATION unless and only to the extent that the court in which such action or suit was brought shall determine, upon application, that despite the adjudication of liability, but in view of all the circumstances of the case, such PERSON is fairly and reasonably entitled to indemnity for such expenses which such court shall deem proper. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, in and of itself, create a presumption that the PERSON did not act in good faith and in a manner which he reasonably believed to be in, or not opposed to, the best interest of the MASTER ASSOCIATION; and with respect to any criminal action or proceeding, that he had no reasonable cause to believe that his conduct was unlawful.

2. To the extent that a Director, officer, employee or agent of the MASTER ASSOCIATION has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Paragraph 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.

3. Any indemnification under Paragraph 1 above (unless ordered by a court) shall be made by the MASTER ASSOCIATION only as authorized in the specific case upon a determination that indemnification of the Director, officer, employee or agent is proper under the circumstances because he has met the applicable standard of conduct set forth in Paragraph 1 above. Such determination shall be made (a) by the BOARD by a majority vote of a quorum consisting of Directors who were not parties to such action, suit or proceeding, or (b) if such quorum is not obtainable, or, even if obtainable, a quorum of disinterested Directors so directs, by independent legal counsel in written opinion, or (c) by a majority of the MEMBERS.

4. Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the MASTER ASSOCIATION in advance of the final disposition of such action, suit or proceeding as authorized by the BOARD in the specific case upon receipt of an undertaking by or on behalf of the Director, officer, employee or agent to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the MASTER ASSOCIATION as authorized in this Article.

5. The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under the laws of the State of Florida, any Bylaw, agreement, vote of MEMBERS or otherwise; and as to action taken in an official capacity while holding office, shall continue as to a PERSON who has ceased to be a Director, officer, employee, or agent and shall inure to the benefit of the heirs, executors and administrators of such a PERSON.

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



ARTICLE VIII - BYLAWS

The first BYLAWS shall be adopted by the BOARD, and may be altered, amended or rescinded in the manner provided by the BYLAWS.

ARTICLE IX - AMENDMENTS

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

1. A majority of the BOARD shall adopt a resolution setting forth the proposed amendment in directing that it be submitted to a vote at a meeting of the MEMBERS, which may be the annual or a special meeting.

2. Written notice setting forth the proposed amendment or a summary of the changes to be affected thereby shall be given to each MEMBER entitled to vote thereon within the time and in the manner provided in the BYLAWS for the giving of notice of meeting of MEMBERS. If the meeting is an annual meeting, the proposed amendment or such summary may be included in the notice of such annual meeting.

3. At such meeting, a vote of the MEMBERS entitled to vote thereon shall be taken on the proposed amendment. The proposed amendment shall be adopted upon receiving the affirmative vote of a majority of the votes of the entire membership of the ASSOCIATION.

4. Any number of amendments may be submitted to the MEMBERS and voted upon by them at any one meeting.

5. If all of the Directors and all of the MEMBERS eligible to vote sign a written statement manifesting their intention that an amendment to these ARTICLES be adopted, then the amendment shall thereby be adopted as though the above requirements have been satisfied.

6. In addition to the above, so long as DECLARANT appoints a majority of the directors of the MASTER ASSOCIATION, DECLARANT shall be entitled to unilaterally amend these ARTICLES and the BYLAWS. Furthermore, no amendment shall make any changes which would in any way affect any of the rights, privileges, power or options herein provided in favor of, or reserved to, DECLARANT, unless DECLARANT joins in the execution of the amendment.

7. Upon the approval of an amendment to these ARTICLES, Articles of Amendment shall be executed and delivered to the Department of State as provided by law, and a copy certified by the Department of State shall be recorded in the public records of the county in which the SUBJECT PROPERTY is located.

ARTICLE X - TERM

The MASTER ASSOCIATION shall have perpetual existence.

ARTICLE XI - INCORPORATOR

The name and street address of the incorporator is: SANDY POINT LAND DEVELOPMENT CORPORATION, a Florida corporation, 1790 North A1A, Suite 101, Satellite Beach, Florida 32937.

ARTICLE XII - INITIAL REGISTERED OFFICE ADDRESS  
AND NAME OF INITIAL REGISTERED AGENT

The street address of the initial registered office of the MASTER ASSOCIATION is 1790 North A1A, Suite 101, Satellite Beach, Florida 32937. The initial registered agent of the ASSOCIATION at that address is SANDY POINT LAND DEVELOPMENT CORPORATION, a Florida corporation.

ARTICLE XIII - DISSOLUTION

The MASTER ASSOCIATION may be dissolved as provided by law, provided that any such dissolution shall require the consent of all of the MEMBERS, and

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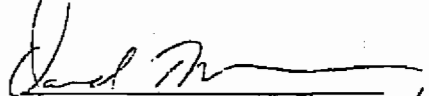
shall also require the consent of any applicable governmental authorities. In the event of dissolution or final liquidation of the MASTER ASSOCIATION, its assets, both real and personal of the MASTER ASSOCIATION, shall be dedicated to an appropriate public agency or utility to be devoted to purposes as nearly as practicable to the same as those to which they were required to be devoted by the MASTER ASSOCIATION. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any nonprofit corporation, association, trust or other organization, to be devoted to purposes as nearly as practicable to the same as those to which they were required to be devoted by the MASTER ASSOCIATION. No such disposition of MASTER ASSOCIATION properties shall be effective to divest or diminish any right or title of any MEMBER vested under the DECLARATION unless made in accordance with the provisions of such DECLARATION.

IN WITNESS WHEREOF, the incorporator and the initial registered agent have executed these ARTICLES.

WITNESSES:

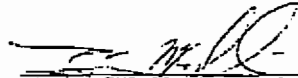
SANDY POINT LAND DEVELOPMENT CORPORATION, a Florida corporation

  
 \_\_\_\_\_  
 K. [Name]

By:   
 David T. Williams, President

STATE OF FLORIDA }  
 COUNTY OF BREVARD } SS

The foregoing Articles of Incorporation were acknowledged before me this 18 day of July, 1986, by David T. Williams President of SANDY POINT LAND DEVELOPMENT CORPORATION, a Florida corporation, on behalf of the corporation, as incorporator and as registered agent.

  
 \_\_\_\_\_  
 NOTARY PUBLIC, State of Florida at Large

My Commission expires: 12/29/87 (Notary Seal)

SANDYPT/MASTER.ART

Notary Public, State of Florida at Large  
 My Commission Expires October 29, 1989  
 Bonded thru Huckleberry, Sibley & Harvey Insurance and Bonds, Inc.

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BYLAWS  
OF  
SANDY POINT MASTER ASSOCIATION, INC.  
a Florida corporation not-for-profit

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1. GENERAL.

1.1. Identity. These are the BYLAWS OF SANDY POINT MASTER ASSOCIATION, INC., hereinafter referred to as the "MASTER ASSOCIATION," a corporation not-for-profit formed under the laws of the State of Florida. The MASTER ASSOCIATION has been organized for the purposes stated in the Articles of Incorporation, and shall have all of the powers provided in these BYLAWS, the Articles of Incorporation, the Master Declaration for Sandy Point (hereinafter referred to as the "DECLARATION"), and any other statute or law of the State of Florida, or any other power incident to any of the above powers.

1.2. Principal Office. The principal office of the MASTER ASSOCIATION shall be at such place as the BOARD may determine from time to time.

1.3. Fiscal Year. The fiscal year of the MASTER ASSOCIATION shall be the calendar year, unless otherwise determined by the BOARD.

1.4. Seal. The seal of the MASTER ASSOCIATION shall have inscribed upon it the name of the MASTER ASSOCIATION, the year of its incorporation and the words "Corporation Not-for-Profit." Said seal may be used by causing it, or a facsimile thereof, to be impressed, affixed or otherwise reproduced upon any instrument or document executed in the name of the MASTER ASSOCIATION.

1.5. Inspection of Books and Records. The records of the MASTER ASSOCIATION shall be open to inspection by the MEMBERS, the owner of any PROPERTY, and all holders, insurers, or guarantors of any first mortgage encumbering any PROPERTY, upon request, during normal business hours or under other reasonable circumstances. Such records of the MASTER ASSOCIATION shall include current copies of the DECLARATION, ARTICLES, BYLAWS, any Rules and Regulations of the MASTER ASSOCIATION, and any amendments thereto, any contracts entered into by the MASTER ASSOCIATION, and the books, records and financial statements of the MASTER ASSOCIATION. The MASTER ASSOCIATION shall be required to make available to prospective purchasers of any PROPERTY or UNIT current copies of the MASTER DECLARATION, ARTICLES and BYLAWS, and the most recent annual financial statement of the MASTER ASSOCIATION.

1.6. Definitions. Unless the context otherwise requires, all terms used in these BYLAWS shall have the same meaning as are attributed to them in the DECLARATION and the ARTICLES.

2. MEMBERSHIP IN GENERAL.

2.1. Qualification. The qualification of MEMBERS, the manner of their admission to membership and the termination of such membership shall be as set forth in the ARTICLES.

2.2. Changes in MEMBERS. Change of membership in the MASTER ASSOCIATION shall be as provided in the ARTICLES.

2.3. Member Register. The secretary of the MASTER ASSOCIATION shall maintain a register in the office of the MASTER ASSOCIATION showing the names and addresses of the MEMBERS of the MASTER ASSOCIATION. Each HOMEOWNERS ASSOCIATION MEMBER shall at all times advise the secretary of the names of the officers and directors of the HOMEOWNERS ASSOCIATION MEMBER, and of the number of UNITS and PLANNED UNITS within the PROPERTY subject to the jurisdiction of the HOMEOWNERS ASSOCIATION MEMBER. Furthermore, upon request from the MASTER ASSOCIATION, the HOMEOWNERS ASSOCIATION MEMBER shall supply the MASTER ASSOCIATION with a current list of the names and addresses of THE OWNERS of UNITS or PROPERTY subject to the jurisdiction of the HOMEOWNERS ASSOCIATION. Each OWNER MEMBER shall at all times advise the secretary of any change of address of the MEMBER, of any change of ownership of the MEMBER'S UNITS or PROPERTY, and of any change in the UNITS and PLANNED UNITS within the MEMBER'S PROPERTY. The MASTER ASSOCIATION shall not be responsible for reflecting any

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EXHIBIT "C" OF DECLARATION

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changes, until notified of such changes in writing. Any mortgagee of any PROPERTY may register by notifying the MASTER ASSOCIATION in writing of its mortgage. In the event the ASSOCIATION files a claim of lien which affects any PROPERTY encumbered by the mortgage of a registered mortgagee, a copy of the claim of lien shall be mailed to the registered mortgagee.

### 3. MEMBERSHIP VOTING.

3.1. Voting Rights. There shall be one vote for each UNIT and each PLANNED UNIT as provided in the DECLARATION and the ARTICLES.

3.2. Majority Vote and Quorum Requirements. The acts approved by a majority of the votes present in person or by proxy at a meeting at which a quorum is present shall be binding upon all MEMBERS and UNIT OWNERS for all purposes, except where otherwise provided by law, in the DECLARATION, the ARTICLES or in these BYLAWS. Unless otherwise so provided, at any regular or special meeting, the presence in person or by proxy of persons entitled to cast a majority of the votes of the entire membership at the time of such vote shall constitute a quorum.

### 3.3. Determination as to Voting Rights.

3.3.1. OWNER MEMBERS. If the PROPERTY associated with the membership of an OWNER MEMBER is owned by more than one individual or by an entity, the votes for the UNITS and PLANNED UNITS within the PROPERTY of the OWNER MEMBER may be cast at any meeting by any co-OWNER of the PROPERTY, but if when the vote is to be cast, a dispute arises between the co-OWNERS as to how the vote will be cast, they shall lose the right to cast the votes of the OWNER MEMBER on the matter being voted upon, but their vote shall continue to be counted for purposes of determining the existence of a quorum. For purposes of this Paragraph, the principals or partners of any entity (other than a corporation) shall be deemed co-owners, and the Directors and officers of a corporation shall be deemed co-owners.

3.3.2. HOMEOWNERS ASSOCIATION MEMBER. The board of directors of the HOMEOWNERS ASSOCIATION shall designate a person (the "REPRESENTATIVE") to act on behalf of the HOMEOWNERS ASSOCIATION at all MEMBERS' meetings of the MASTER ASSOCIATION. The REPRESENTATIVE shall be designated by a certificate signed by the president or vice president of the HOMEOWNERS ASSOCIATION, and filed with the Secretary of the MASTER ASSOCIATION. The person designated by such certificate, in the absence of a revocation of same, shall conclusively be deemed to be the person entitled to cast the votes for the HOMEOWNERS ASSOCIATION MEMBER at any meeting. In the absence of such certificate, or in the event the person designated in such certificate does not appear in person or by proxy at any meeting, the votes of the HOMEOWNERS ASSOCIATION MEMBER may be cast at any meeting by the president, vice president, secretary, or treasurer, in that order, of the HOMEOWNERS ASSOCIATION MEMBER.

3.4. Proxies. Every OWNER MEMBER or REPRESENTATIVE of a HOMEOWNERS ASSOCIATION MEMBER entitled to vote at a meeting of the MEMBERS, or to express consent or dissent without a meeting, may authorize another person to act on the MEMBER's or REPRESENTATIVE's behalf by a proxy signed by such MEMBER or REPRESENTATIVE or their respective attorney-in-fact. Any such proxy shall be delivered to the Secretary of the MASTER ASSOCIATION, or the person acting as secretary at the meeting, at or prior to the time designated in the order of business for so delivering such proxies. No proxy shall be valid after the expiration of eleven (11) months from the date thereof, unless otherwise provided in the proxy. Every proxy shall be revocable at any time at the pleasure of the MEMBER or REPRESENTATIVE executing it. Any proxy issued by a REPRESENTATIVE of a HOMEOWNERS ASSOCIATION MEMBER may only authorize a director or officer of the HOMEOWNERS ASSOCIATION to act on the REPRESENTATIVE's behalf.

### 4. MEMBERSHIP MEETINGS.

4.1. Who May Attend. As to a HOMEOWNERS ASSOCIATION MEMBER, its REPRESENTATIVE, and any of its directors or officers, may attend any meeting of the MEMBERS. As to an OWNER MEMBER, any person entitled to cast the votes of the OWNER MEMBER, and in the event any UNIT or PROPERTY is owned by more than one PERSON, all co-owners of the UNIT or PROPERTY, as described in

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Paragraph 3.3.1, may attend any meeting of the MEMBERS. However, the votes of any MEMBER shall be cast in accordance with the provisions of Article 3 above. Any PERSON not expressly authorized to attend a meeting of the MEMBERS, as set forth above, may be excluded from any meeting of the MEMBERS by the presiding officer of the meeting. INSTITUTIONAL LENDERS have the right to attend all meetings of the MEMBERS.

4.2. Place. All meetings of the MEMBERS shall be held at the principal office of the MASTER ASSOCIATION or at such other place and at such time as shall be designated by the BOARD and stated in the notice of meeting.

4.3. Notices. Written notice stating the place, day and hour of any meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be given to each MEMBER not less than 10 nor more than 60 days before the date of the meeting, either personally or by first class mail, by or at the direction of the President, the Secretary or the officer or persons calling the meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States Mail, addressed to the MEMBER at the MEMBER's address as it appears on the records of the MASTER ASSOCIATION, unless such MEMBER shall have filed a written request with the Secretary of the MASTER ASSOCIATION stating that notices to him be mailed to some other address. For the purpose of determining MEMBERS entitled to notice of, or to vote at, any meeting of the MEMBERS of the MASTER ASSOCIATION, or in order to make a determination of the MEMBERS for any other purpose, the BOARD shall be entitled to rely upon the MEMBER register as same exists ten days prior to the giving of the notice of any meeting, and the BOARD shall not be required to take into account any changes in membership occurring after that date but may, in their sole and absolute discretion, do so. Notwithstanding the foregoing, if the PROPERTY of an OWNER MEMBER is owned by more than one person or by an entity, only one notice shall be required to be sent with respect to the OWNER MEMBER, which shall be made to the person designated in the certificate referred to in Paragraph 3.3.1, and in the absence of such certificate, may be made to any one co-owner as defined in Paragraph 3.3.1 of these BYLAWS. Notice to a HOMEOWNERS ASSOCIATION MEMBER shall be made to its REPRESENTATIVE, and in the absence of a REPRESENTATIVE shall be sent to the president of the HOMEOWNERS ASSOCIATION MEMBER.

4.4. Waiver of Notice. Whenever any notice is required to be given to any MEMBER under the provisions of the ARTICLES or these BYLAWS, or as otherwise provided by law, a waiver thereof in writing signed by the PERSON or PERSONS entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice. Attendance of a MEMBER at a meeting shall constitute a waiver of notice of such meeting, except when the MEMBER objects at the beginning of the meeting to the transaction of any business because the meeting is not lawfully called or convened.

4.5. Annual Meeting. The annual meeting for the purpose of electing directors and transacting any other business shall be held at eight o'clock p.m. on the third Monday in March of each year, or at such other time in the months of March or April of each year as shall be selected by the BOARD and as is contained in the notice of such meeting. If the BOARD fails to call such meeting by the end of March of any year, then within thirty (30) days after the written request of any MEMBER, Officer or Director of the MASTER ASSOCIATION, the Secretary shall call an annual meeting. During the period when DECLARANT appoints a majority of the directors, no annual meetings will be required.

4.6. Special Meetings. Special meetings of the MEMBERS may be requested at any time by written notice to the Secretary by any Director, the President, or any MEMBER(S) having not less than 25% of the votes of the entire membership, or as otherwise provided by law. Such request shall state the purpose of the proposed meeting. Business transacted at all special meetings shall be confined to the subjects stated in the notice of meeting. Notice of any special meeting shall be given by the Secretary, or other officer of the MASTER ASSOCIATION, to all of the MEMBERS within thirty (30) days after same is duly requested, and the meeting shall be held within forty-five (45) days after same is duly requested.

4.7. Adjournments. Any meeting may be adjourned or continued by a majority of the votes present at the meeting in person or by proxy, regardless of a quorum, or if no MEMBER entitled to vote is present at a meeting, then any officer of the MASTER ASSOCIATION, may adjourn the meeting from time to time. If any meeting is adjourned or continued to another time or place, it shall not be necessary to give any notice of the adjourned meeting, if the time and place to which the meeting is adjourned are announced at the meeting at which the adjournment is taken, and any business may be transacted at the adjourned meeting that might have been transacted at the original meeting. If the time and place to which the meeting is adjourned are announced at the meeting at which the adjournment is taken, notice of the adjourned meeting may be given to MEMBERS not present at the original meeting, without giving notice to the MEMBERS which were present at such meeting.

4.8. Organization. At each meeting of the MEMBERS, the President, the Vice President, or any person chosen by a majority of the MEMBERS present, in that order, shall act as chairman of the meeting. The Secretary, or in his absence or inability to act, any person appointed by the chairman of the meeting shall act as Secretary of the meeting.

4.9. Order of Business. The order of business at the annual meetings of the MEMBERS shall be:

- 4.9.1. Determination of chairman of the meeting;
- 4.9.2. Calling of the roll and certifying of proxies;
- 4.9.3. Proof of notice of meeting or waiver of notice;
- 4.9.4. Reading and disposal of any unapproved minutes;
- 4.9.5. Election of inspectors of election;
- 4.9.6. Determination of number of Directors;
- 4.9.7. Nomination and election of Directors;
- 4.9.8. Reports of Directors, officers or committees;
- 4.9.9. Unfinished business;
- 4.9.10. New business; and
- 4.9.11. Adjournment

4.10. Minutes. The minutes of all meetings of the MEMBERS shall be kept in a book available for inspection by the MEMBERS or their authorized REPRESENTATIVES, and the members of the BOARD, at any reasonable time. The MASTER ASSOCIATION shall retain these minutes for a period of not less than seven (7) years.

4.11. Actions Without a Meeting. Any action required or permitted to be taken at any annual or special meeting of the MEMBERS of the MASTER ASSOCIATION, may be taken without a meeting, without prior notice, and without a vote if a consent in writing, setting forth the action so taken, shall be signed by the MEMBERS having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all MEMBERS entitled to vote thereon were present and voted. Within ten (10) days after obtaining such authorization by written consent, notice shall be given to those MEMBERS who have not consented in writing. The notice shall fairly summarize the material features of the authorized action. As to OWNER MEMBERS, if the UNIT(S) for which membership is established in the MASTER ASSOCIATION is owned by more than one person or by an entity, the consent for such UNIT(S) need only be signed by one person who would be entitled to cast the vote(s) for the UNIT(S) as a co-owner pursuant to Paragraph 3.3.1 of these BYLAWS. As to a HOMEOWNERS ASSOCIATION MEMBER, such consent may be signed by the REPRESENTATIVE or by the President of the HOMEOWNERS ASSOCIATION MEMBER.

5. BOARD.

5.1. Number of Directors.

5.1.1. The affairs of the MASTER ASSOCIATION shall be managed by a BOARD comprised of not less than three nor more than eleven directors. So long as the DECLARANT is entitled to appoint any Director pursuant to the ARTICLES, the number of Directors will be determined, and may be changed from time to time, by the DECLARANT by written notice to the BOARD. In the absence of such notification, there shall be three directors.

5.1.2. After the DECLARANT is no longer entitled to appoint any DIRECTORS, the number of DIRECTORS on the BOARD shall, in the absence of a determination to the contrary by the MEMBERS, be increased to equal the number of HOMEOWNERS ASSOCIATION MEMBERS (plus one if the number of HOMEOWNERS ASSOCIATION MEMBERS is an even number, but in no event more than eleven). Thereafter, the number of DIRECTORS on the BOARD may be changed at any meeting where the MEMBERS are to elect any DIRECTORS.

5.1.3. Notwithstanding the foregoing, in no event shall there be less than three (3) Directors, and the number of Directors shall always be an odd number, and in any event the MEMBERS shall not have the right to change the number of Directors so long as the DECLARANT has the right to determine the number of Directors as set forth above.

5.2. Election of Directors by Members. Election of Directors to be elected by the MEMBERS of the MASTER ASSOCIATION shall be conducted in the following manner:

5.2.1. At any time after the DECLARANT no longer has the right to appoint one or more Directors or upon the earlier voluntary relinquishment by the DECLARANT of its right to appoint any or all Director(s), a special meeting of the MEMBERS may be called to elect new Directors. In the absence of such a meeting, the Directors appointed by the DECLARANT may continue to serve until the next annual meeting of the MEMBERS. In the event such a special meeting is called and held, and Directors are elected by the MEMBERS, at such special meeting the MEMBERS may elect to not hold the next annual meeting of the MEMBERS if such next annual meeting is less than six (6) months after the date of the special meeting. Upon such election, the next annual meeting shall not be held.

5.2.2. Except as provided above, the MEMBERS shall elect Directors at the annual MEMBERS' meetings, unless a special meeting of the MEMBERS is called in order to fill a vacancy on the BOARD as provided in Paragraphs 5.15.2 and 5.16 below.

5.2.3. Prior to any special or annual meeting at which Directors are to be elected by the MEMBERS, the existing BOARD may nominate a committee, which committee shall nominate one PERSON for each Director to be elected by the MEMBERS, on the basis that the number of Directors to serve on the BOARD will not be altered at the MEMBERS' meeting. Nominations for additional directorships created at the meeting may be made from the floor, and other nominations may be made from the floor.

5.2.4. The election of Directors by the MEMBERS shall be by ballot (unless dispensed with by unanimous consent) and by a plurality of the votes cast, each MEMBER voting being entitled to cast his votes for each of as many nominees as there are vacancies to be filled. There shall be no cumulative voting.

5.2.5. Except with respect to Directors appointed by the DECLARANT, until such time as one (1) Director is elected from each HOMEOWNERS ASSOCIATION, no two (2) Directors shall be elected or appointed from any one (1) HOMEOWNERS ASSOCIATION, unless (i) no person from another HOMEOWNERS ASSOCIATION is nominated at a meeting to elect Directors, or (ii) no person nominated from another HOMEOWNERS ASSOCIATION is able or willing to serve. For purposes of this Paragraph, a Director who is a member, officer, director or REPRESENTATIVE of a HOMEOWNERS ASSOCIATION shall be deemed to be "elected from the HOMEOWNERS ASSOCIATION."

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5.3. Staggering of Directors and Term of Office. All Directors elected by the MEMBERS shall be assigned a number, starting with the number one (1) and continuing consecutively for each Director elected by the MEMBERS. Directors assigned an odd number shall be elected at the annual meeting occurring during an odd numbered year, and Directors assigned an even number shall be elected at the annual meeting occurring during an even numbered year. Directors elected by the MEMBERS shall hold office until their successors are duly elected, or until such Director's death, resignation or removal, as hereinafter provided or as otherwise provided by statute or by the ARTICLES.

5.4. Organizational Meeting. The newly elected BOARD shall meet for the purposes of organization, the election of officers and the transaction of other business immediately after their election or within ten days of same at such place and time as shall be fixed by the Directors at the meeting at which they were elected, and no further notice of the organizational meeting shall be necessary.

5.5. Regular Meetings. Regular meetings of the BOARD may be held at such time and place as shall be determined, from time to time, by a majority of the Directors.

5.6. Special Meetings. Special meetings of the BOARD may be called by any Director, or by the President, at any time.

5.7. Notice of Meetings. Notice of each meeting of the BOARD shall be given by the Secretary, or by any other officer or Director, which notice shall state the day, place and hour of the meeting. Notice of such meeting shall be delivered to each Director and each MEMBER either personally or by telephone or telegraph, at least 24 hours before the time at which such meeting is to be held, or by first class mail, postage prepaid, at least three days before the day on which such meeting is to be held. Notice of a meeting of the BOARD need not be given to any director or MEMBER who signs a waiver of notice either before or after the meeting. Attendance of a Director or a MEMBER at a meeting shall constitute a waiver of notice of such meeting and a waiver of any and all objections to the place, the time or the manner in which the meeting has been called or convened, except when a Director or a MEMBER states, at the beginning of the meeting, an objection to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the BOARD need be specified in any notice or waiver of notice of such meeting.

5.8. Attendance at BOARD Meetings. All meetings of the BOARD shall be open to all MEMBERS and INSTITUTIONAL LENDERS. A Director may appear at a BOARD meeting by telephone conference, but in that event a telephone speaker shall be attached so that any discussion may be heard by the Directors and any MEMBERS present as in an open meeting.

5.9. Quorum and Manner of Acting. A majority of the BOARD determined in the manner provided in these BYLAWS shall constitute a quorum for the transaction of any business at a meeting of the Directors. The act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the BOARD, unless the act of a greater number of Directors is required by statute, the DECLARATION, the ARTICLES or by these BYLAWS.

5.10. Adjourned Meetings. A majority of the Directors present at a meeting, whether or not a quorum exists, may adjourn any meeting of the BOARD to another place and time. Notice of any such adjourned meeting shall be given to the Directors and MEMBERS who are not present at the time of the adjournment and, unless the time and place of the adjourned meeting are announced at the time of the adjournment, to the other Directors and MEMBERS. Any business that might have been transacted at the meeting as originally called may be transacted at any adjourned meeting without further notice.

5.11. Presiding Officer. The presiding officer of the Directors' meetings shall be the Chairman of the BOARD if such an officer is elected; and if none, the President of the MASTER ASSOCIATION shall preside if the President is a Director. In the absence of the presiding officer, the Directors shall designate one of their members to preside.

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5.12. Order of Business. The order of business at a Directors' meeting shall be:

- 5.12.1. Calling of role;
- 5.12.2. Proof of due notice of meeting;
- 5.12.3. Reading and disposal of any unapproved minutes;
- 5.12.4. Reports of officers and committees;
- 5.12.5. Election of officers;
- 5.12.6. Unfinished business;
- 5.12.7. New business, and
- 5.12.8. Adjournment.

5.13. Minutes of Meetings. The minutes of all meetings of the BOARD shall be kept in a book available for inspection by the MEMBERS of the MASTER ASSOCIATION, or their authorized REPRESENTATIVES, and the Directors at any reasonable time.

5.14. Committees. The BOARD may, by resolution duly adopted, appoint committees. Any committee shall have and may exercise such powers, duties and functions as may be determined by the BOARD from time to time, which may include any powers which may be exercised by the BOARD and which are not prohibited by law from being exercised by a committee.

5.15. Resignation. Any Director of the MASTER ASSOCIATION may resign at any time by giving written notice of his resignation to the BOARD or Chairman of the BOARD or the President or the Secretary. Any such resignation shall take effect at the time specified therein or, if the time when such resignation is to become effective is not specified therein, immediately upon its receipt; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

5.16. Removal of Directors. Directors may be removed as follows:

5.16.1. Any Director other than a Director appointed by the DECLARANT may be removed by majority vote of the remaining Directors, if such Director has been absent for the last three consecutive Directors' Meetings, and/or adjournments and continuances of such meetings.

5.16.2. Any Director other than a Director appointed by the DECLARANT may be removed with or without cause by MEMBERS having a majority of the votes of the entire membership at a special meeting of the MEMBERS called by MEMBERS having not less than thirty-three and one-third (33-1/3%) percent of the votes of the entire membership expressly for that purpose. The vacancy on the BOARD caused by any such removal may be filled by the MEMBERS at such meeting or, if the MEMBERS shall fail to fill such vacancy, by the BOARD as in the case of any other vacancy on the BOARD, subject to the requirements of Paragraph 5.2.5.

5.17. Vacancies. Subject to the requirements of Paragraph 5.2.5, vacancies in the BOARD may be filled by a majority vote of the Directors then in office, though less than a quorum, or by a sole remaining Director, and the Director so chosen shall hold office until the next annual election and until their successors are duly elected and shall have qualified, unless sooner displaced. If there are no Directors in office, then a special election of the MEMBERS shall be called to elect the Directors. Notwithstanding anything contained herein to the contrary, the DECLARANT at all times shall have the right to appoint the maximum number of Directors permitted by the ARTICLES, and any vacancies in the BOARD may be filled by the DECLARANT to the extent that the number of Directors then serving on the BOARD which were appointed by the DECLARANT is less than the number of Directors the DECLARANT is then entitled to appoint.

5.18. Directors Appointed by the DECLARANT. Notwithstanding anything contained herein to the contrary, the DECLARANT shall have the right to appoint the maximum number of Directors in accordance with the privileges granted to the DECLARANT pursuant to the ARTICLES. All Directors appointed by the DECLARANT shall serve at the pleasure of the DECLARANT, and the DECLARANT shall have the absolute right, at any time, and in its sole discretion, to remove any Director appointed by it, and to replace such Director with another PERSON to serve on the BOARD. Replacement of any Director appointed by the DECLARANT shall be made by written notice to the MASTER ASSOCIATION which shall specify the name of the PERSON designated as successor Director. The removal of any Director and the designation of his successor by the DECLARANT shall become effective immediately upon delivery of such written instrument by the DECLARANT. The DECLARANT may waive its right to appoint one or more Directors which it has the right to appoint at any time upon written notice to the MASTER ASSOCIATION, and thereafter such Director(s) shall be elected by the MEMBERS.

5.19. Compensation. The Directors shall not be entitled to any compensation for serving as Directors unless the MEMBERS approve such compensation, provided however the MASTER ASSOCIATION may reimburse any Director for expenses incurred on behalf of the MASTER ASSOCIATION without approval by the MEMBERS.

5.20. Powers and Duties. The Directors shall have the right to exercise all of the powers and duties of the MASTER ASSOCIATION, express or implied, existing under these BYLAWS, the ARTICLES, the DECLARATION, or as otherwise provided by statute or law. Such powers and duties of the Directors shall include, without limitation (except as limited elsewhere herein), the following:

5.20.1. The operation, care, upkeep and maintenance of the COMMON AREAS, and any other portion of the SUBJECT PROPERTY determined to be maintained by the BOARD.

5.20.2. The determination of the expenses required for the operation of the MASTER ASSOCIATION.

5.20.3. The collection of ASSESSMENTS for COMMON EXPENSES from MASTER ASSOCIATION MEMBERS required to pay same.

5.20.4. The employment and dismissal of personnel.

5.20.5. The adoption and amendment of rules and regulations covering the detail of the operation and use of PROPERTY owned and/or maintained by the MASTER ASSOCIATION.

5.20.6. Maintaining bank accounts on behalf of the MASTER ASSOCIATION and designating signatories required therefor.

5.20.7. Obtaining and reviewing insurance for PROPERTY owned and/or maintained by the MASTER ASSOCIATION.

5.20.8. The making of repairs, additions and improvements to, or alterations of, PROPERTY owned and/or maintained by the MASTER ASSOCIATION.

5.20.9. Borrowing money on behalf of the MASTER ASSOCIATION; provided, however, that (i) the consent of the MEMBERS having at least two-thirds (2/3) of the votes of the entire membership, obtained at a meeting duly called and held for such purpose in accordance with the provisions of these BYLAWS, shall be required for the borrowing of any sum in excess of \$25,000.00; and (ii) no lien to secure repayment of any sum borrowed may be created on any PROPERTY without the consent of the OWNER of such PROPERTY.

5.20.10. Contracting for the management and maintenance of PROPERTY owned and/or maintained by the MASTER ASSOCIATION authorizing a management agent or company to assist the MASTER ASSOCIATION in carrying out its powers and duties by performing such functions as the submission of proposals, collection of ASSESSMENTS, preparation of records, enforcement of rules, and maintenance, repair and replacement of the COMMON AREAS with funds as shall be made available by the MASTER ASSOCIATION for such purposes. The MASTER

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ASSOCIATION and its officers shall, however, retain at all times the powers and duties granted by all MASTER ASSOCIATION documents and the DECLARATION, including, but not limited to, the making of ASSESSMENTS, promulgation of rules; and execution of contracts on behalf of the MASTER ASSOCIATION.

5.20.11. Exercising all powers specifically set forth in the DECLARATION, the ARTICLES, these BYLAWS, and as otherwise provided by statute or law, and all powers incidental thereto or implied therefrom.

5.20.12. Entering into and upon any portion of the SUBJECT PROPERTY, including UNITS, when necessary to maintain, care and preserve any PROPERTY in the event the respective HOMEOWNERS ASSOCIATION or OWNER fails to do so.

5.20.13. Collecting delinquent ASSESSMENTS by suit or otherwise, abating nuisances, and enjoining or seeking damages from the MEMBERS and/or OWNERS for violations of these BYLAWS and the terms and conditions of the DECLARATION or of the Rules and Regulations of the MASTER ASSOCIATION.

5.20.14. Acquiring and entering into agreements whereby the MASTER ASSOCIATION acquires leaseholds, memberships, and other possessory or use interests in lands or facilities, whether or not contiguous to the lands operated by the MASTER ASSOCIATION, intended to provide for the enjoyment, recreation, or other use and benefit of the MEMBERS and/or OWNERS and declaring expenses in connection therewith to be COMMON EXPENSES; all in such form and in such manner as may be deemed by the BOARD to be in the best interest of the MASTER ASSOCIATION, and the participation in the acquisition of any interest in lands or facilities for the foregoing purposes may be direct or indirect, meaning, without limiting the generality of the foregoing, by direct ownership of land or acquisition of stock in a corporation owning land.

## 6. OFFICERS.

6.1. Members and Qualifications. The officers of the MASTER ASSOCIATION shall include a President, a Vice President, a Treasurer and a Secretary, all of whom shall be elected by the Directors of the MASTER ASSOCIATION and may be pre-emptively removed from office with or without cause by vote of the Directors at any meeting by concurrence of a majority of the Directors. Any person may hold two or more offices except that the President shall not also be the Secretary. The BOARD may, from time to time, elect such other officers and designate their powers and duties as the BOARD shall find to be appropriate to manage the affairs of the MASTER ASSOCIATION from time to time. Each officer shall hold office until his successor shall have been duly elected and shall have qualified, or until his death, or until he shall have resigned, or until he shall have been removed, as provided in these BYLAWS.

6.2. Resignations. Any officer of the MASTER ASSOCIATION may resign at any time by giving written notice of his resignation to any Director, the President or the Secretary. Any such resignation shall take effect at the time specified therein, or if there is no time specified therein, immediately upon its receipt; and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make such resignation effective.

6.3. Vacancies. A vacancy in any office, whether arising from death, resignation, removal or any other cause may be filled for the unexpired portion of the term of the office which shall be vacant in the manner prescribed in these BYLAWS for the regular election or appointment of such office.

6.4. The President. The President shall be the chief executive officer of the MASTER ASSOCIATION. He shall have all of the powers and duties which are usually vested in the office of president of an association or corporation including, but not limited to, the power to appoint committees from among the MEMBERS from time to time, as he may in his discretion deem appropriate to assist in the conduct of the affairs of the MASTER ASSOCIATION.

6.5. The Vice President. The Vice President shall, in the absence or disability of the President, exercise the powers and perform the duties of the

President. He shall also assist the President generally and exercise such other powers and perform such other duties as may be prescribed by the BOARD.

6.6. The Secretary. The Secretary shall prepare and keep the minutes of all proceedings of the Directors and the MEMBERS. He shall attend to the giving and serving of all notices to the MEMBERS and Directors and other notices required by law. He shall have custody of the seal of the MASTER ASSOCIATION and affix the same to instruments requiring a seal when duly executed. He shall keep the records of the MASTER ASSOCIATION, except those of the Treasurer, and shall perform all other duties incident to the office of secretary of an association, and as may be required by the BOARD or the President.

6.7. The Treasurer. The Treasurer shall have custody of all property of the MASTER ASSOCIATION, including funds, securities, and evidences of indebtedness. He shall keep books of account for the MASTER ASSOCIATION in accordance with good accounting practices, which, together with substantiating papers, shall be made available to the BOARD for examination at reasonable times. He shall submit a Treasurer's Report to the BOARD at reasonable intervals and shall perform all other duties incident to the office of treasurer. He shall collect all ASSESSMENTS and shall report promptly to the BOARD the status of collections.

6.8. Compensation. The officers of the MASTER ASSOCIATION shall not be entitled to compensation unless the BOARD specifically votes to compensate them. However, neither this provision, nor the provision that Directors will not be compensated unless otherwise determined by the MEMBERS, shall preclude the BOARD from employing a Director or an officer as an employee of the MASTER ASSOCIATION and compensating such employee, nor shall they preclude the MASTER ASSOCIATION from contracting with a Director for the management of PROPERTY subject to the jurisdiction of the MASTER ASSOCIATION, or for the provision of services to the MASTER ASSOCIATION, and in either such event to pay such Director a reasonable fee for such management or provision of services.

## 7. FINANCES AND ASSESSMENTS:

### 7.1. Adoption of the Budget.

7.1.1. Not less than sixty days prior to the commencement of any calendar year of the MASTER ASSOCIATION, the BOARD shall adopt a budget for such calendar year, necessary to defray the COMMON EXPENSES of the MASTER ASSOCIATION for such calendar year. The COMMON EXPENSES of the MASTER ASSOCIATION shall include all expenses of any kind or nature whatsoever incurred, or to be incurred, by the MASTER ASSOCIATION for the operation of the PROPERTY owned and/or operated by the MASTER ASSOCIATION, and for the proper operation of the MASTER ASSOCIATION itself, including, but not limited to, the expenses of the operation, maintenance, repair, or replacement of the COMMON AREAS; costs of carrying out the powers and duties of the MASTER ASSOCIATION; all insurance premiums and expenses, including fire insurance and extended coverage; reasonable reserves for purchases, deferred maintenance, replacements, betterments, and unknown contingencies; and all other expenses designated as COMMON EXPENSES by these BYLAWS, the DECLARATION, the ARTICLES, or any other applicable statute or law of the State of Florida. If pursuant to any agreement entered into by the MASTER ASSOCIATION, any expense of the MASTER ASSOCIATION is to be shared with any PERSON(S), then the annual budget of the MASTER ASSOCIATION shall contain a separate classification for such expense(s). In the event the BOARD fails to adopt an annual budget for any year, the prior year's budget shall remain in effect until a new budget is adopted or the existing budget is amended or revised.

7.1.2. If, after the adoption of any budget, it shall appear that the adopted budget is insufficient to provide adequate funds to defray the COMMON EXPENSES of the MASTER ASSOCIATION for the fiscal year in which the adopted budget applies to, the BOARD may adopt an amended budget to provide such funds. All of the above provisions shall apply to the adoption of an amended budget.

## 7.2. Assessments and Assessment Roll.

7.2.1. As soon as practicable after the adoption of a budget, or an amended budget, the BOARD shall fix and determine the amount and frequency of the MEMBERS' ASSESSMENTS for COMMON EXPENSES, pursuant to the DECLARATION, the ARTICLES and these BYLAWS. Such ASSESSMENTS shall be due not more frequently than monthly, and shall each be in an amount no less than required to provide funds in advance for payment of all of the anticipated current operating expenses and for all of the unpaid operating expenses previously incurred. Any periodic ASSESSMENTS for COMMON EXPENSES, whether quarterly, monthly or otherwise, shall be equal unless the BOARD determines unequal ASSESSMENTS are required to provide funds in advance for the expenses of the MASTER ASSOCIATION, or unless the BOARD changes the number of assessment units assigned to the MEMBERS as provided in the DECLARATION. As soon as practicable after the determination of the ASSESSMENTS for COMMON EXPENSES, the MASTER ASSOCIATION shall notify each MEMBER, in writing, of the amount, frequency and due date of such MEMBER's ASSESSMENTS, provided, however, that no ASSESSMENT shall be due in less than (10) days from the date of such notification.

7.2.2. In the event the expenditure of funds by the MASTER ASSOCIATION is required that cannot be paid from the ASSESSMENTS for COMMON EXPENSES, the BOARD may make special ASSESSMENTS, which shall be levied in the same manner as hereinbefore provided for ASSESSMENTS for COMMON EXPENSES and shall be payable in the manner determined by the BOARD. Each MEMBER's share of any special ASSESSMENT shall be in the same proportion as the MEMBER's share of the ASSESSMENTS for COMMON EXPENSES.

7.2.3. The MASTER ASSOCIATION shall maintain an ASSESSMENT roll for each MEMBER, designating the name and current mailing address of the MEMBER, the amount of each ASSESSMENT payable by such MEMBER, the dates and amounts in which the ASSESSMENTS come due, the amounts paid upon the account of the MEMBER, and the balance due.

7.3. Depositories. The funds of the MASTER ASSOCIATION shall be deposited in such banks and depositories as may be determined and approved by appropriate resolutions of the Board from time to time. Funds shall be withdrawn only upon checks and demands for money signed by such officers, Directors or other persons as may be designated by the BOARD.

7.4. Application of Payments and Commingling of Funds. All sums collected by the MASTER ASSOCIATION from ASSESSMENTS may be commingled in a single fund or divided into more than one fund, as determined by the BOARD.

7.5. Accounting Records and Reports. The MASTER ASSOCIATION shall maintain accounting records according to good accounting practices. The records shall be open to inspection by MEMBERS and all INSTITUTIONAL LENDERS, or their authorized representatives, at reasonable times. The records shall include, but not be limited to, (a) a record of all receipts and expenditures, and (b) the assessment roll of the MEMBERS referred to above. The BOARD may, and upon the vote of a majority of the MEMBERS shall, conduct a review of the accounts of the MASTER ASSOCIATION by a certified public accountant, and if such a review is made, a copy of the report shall be made available to each MEMBER and INSTITUTIONAL LENDER, upon written request to the MASTER ASSOCIATION.

## 8. PARLIAMENTARY RULES.

8.1. Roberts' Rules of Order (latest edition) shall govern the conduct of the MASTER ASSOCIATION meetings when not in conflict with the DECLARATION, the ARTICLES or these BYLAWS.

9. AMENDMENTS. Except as otherwise provided, these BYLAWS may be amended in the following manner:

9.1. Notice. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is to be considered.

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9.2. Initiation. A resolution to amend these BYLAWS may be proposed by any Director, or by one or more of the MEMBERS or their authorized representatives.

9.3. Adoption of Amendments.

9.3.1. A resolution for the adoption of the proposed amendment shall be adopted either: (a) by a majority of all of the Directors of the MASTER ASSOCIATION; or (b) by MEMBERS having not less than a majority of the votes of the entire membership of the MASTER ASSOCIATION. Any amendment approved by the MEMBERS may provide that the BOARD may not further amend, modify or repeal such amendment.

9.3.2. Notwithstanding the foregoing, so long as DECLARANT appoints a majority of the directors of the MASTER ASSOCIATION, DECLARANT shall have the right to unilaterally amend these BYLAWS without the joinder or approval of any Directors or any MEMBER.

9.4. No amendment shall make any changes in the qualification for membership nor in the voting rights or property rights of MEMBERS without approval by all of the MEMBERS and the joinder of all record owners of mortgages upon the UNITS. No amendment shall be made that is in conflict with the DECLARATION, the ARTICLES or these BYLAWS. So long as the DECLARANT owns any PROPERTY, or holds any mortgage encumbering any PROPERTY other than a UNIT, no amendment shall make any changes which would in any way affect any of the rights, privileges, powers or options herein provided in favor of, or reserved to, the DECLARANT, unless the DECLARANT shall join in the execution of the amendment.

9.5. Execution and Recording. No modification of, or amendment to, these BYLAWS shall be valid unless recorded in the public records of the county in which the SUBJECT PROPERTY is located.

10. RULES AND REGULATIONS. The BOARD may, from time to time, adopt, or amend previously adopted, Rules and Regulations concerning the use of the COMMON AREAS and concerning the use, operation and maintenance of other portions of the SUBJECT PROPERTY in order to further implement and carry out the intent of the DECLARATION, the ARTICLES, and these BYLAWS. The BOARD shall make available to any MEMBER, upon request, a copy of the Rules and Regulations adopted from time to time by the BOARD.

11. MISCELLANEOUS.

11.1. Tenses and Genders. The use of any gender or of any tense in these BYLAWS shall refer to all genders or to all tenses, wherever the context so requires.

11.2. Partial Invalidity. Should any of the provisions hereof be void or become unenforceable at law or in equity, the remaining provisions shall, nevertheless, be and remain in full force and effect.

11.3. Conflicts. In the event of any conflict, any applicable Florida statute, the DECLARATION, the ARTICLES, these BYLAWS, and the Rules and Regulations of the MASTER ASSOCIATION shall govern, in that order.

11.4. Captions. Captions are inserted herein only as a matter of convenience and for reference, and in no way are intended to or shall define, limit or describe the scope of these BYLAWS or the intent of any provisions hereof.

11.5. Waiver of Objections. The failure of the BOARD or any officers of the MASTER ASSOCIATION to comply with any terms and provisions of the DECLARATION, the ARTICLES, or these BYLAWS which relate to time limitations shall not, in and of itself, invalidate the act done or performed. Any such defect shall be waived if it is not objected to by a MEMBER of the MASTER ASSOCIATION within thirty (30) days after the MEMBER is notified, or becomes aware, of the defect. Furthermore, if such defect occurs at a general or special meeting, the defect shall be waived as to all MEMBERS who received notice of the meeting and failed to object to such defect at the meeting.

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The foregoing was adopted as the BYLAWS of the MASTER ASSOCIATION at the First Meeting of the BOARD on the 23rd day of July, 1986.

By: [Signature]  
Its \_\_\_\_\_

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A parcel of land in Sections 2 and 3, Township 27 South, Range 37 East, Brevard County, Florida, being more particularly described as follows: Commence at the Southwest corner of said Section 2; thence N. 89° 53' 41" E along the south line of said section 2 a distance of 1619.38 feet to the west right-of-way of South Patrick Drive and the Point-of-Beginning of the herein described parcel; thence N 31° 08' 19" W along the said west right-of-way a distance of 1817.73 feet to the point-of-curvature of a circular curve concave to the northeast having a central angle of 30° 52' 15", a radius of 2950.00 feet; thence northeasterly along the arc of said curve a distance of 1104.53 feet to the point-of-tangency; thence N 0° 16' 04" W along the west right-of-way of South Patrick Drive a distance of 2031.83 feet; thence N 89° 59' 19" W a distance of 800 feet more or less to the waters edge of Flamingo Waterway; thence southeasterly along the watersedge of Flamingo Waterway a distance of 4725 feet more or less, to the south line of Section 2; thence N 89° 53' 41" E along the said south line a distance of 1200 feet more or less, to the Point-of-Beginning. Containing 74.09 acres more or less. Subject to a 50 foot easement as described in Official Record Book 892 Page 992 and Official Record Book 2577 Page 2986 of the Public Records of Brevard County, Florida.