

**This Instrument Prepared by
and after Recording Return to:**

Sandra E. Krumbein Sadov, Esq.
Shutts & Bowen LLP
200 East Broward Boulevard
Suite 2100
Fort Lauderdale, FL 33301

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**DECLARATION OF COVENANTS AND RESTRICTIONS
FOR
WATERFORD LAKES**

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DECLARATION OF COVENANTS AND RESTRICTIONS

FOR

WATERFORD LAKES

THIS DECLARATION OF COVENANTS AND RESTRICTIONS FOR WATERFORD LAKES ("Declaration") is made this 26th day of MARCH, 2021, by FORESTAR (USA) REAL ESTATE GROUP INC., a Delaware corporation ("Declarant"), and is joined in by WATERFORD LAKES TOWNHOME HOMEOWNERS ASSOCIATION, INC., a Florida corporation not-for-profit ("Association").

WHEREAS, Declarant is the owner in fee simple of the real property more particularly described on Exhibit "A" attached hereto and made a part hereof ("Property"); and

WHEREAS, Declarant desires to develop a planned residential community to be known as "Waterford Lakes" (as hereinafter defined) upon the Property; and

WHEREAS, the Association is joining in this Declaration in order to acknowledge its obligations hereunder; and

WHEREAS, the Property is part of a mixed-use community known as Silverleaf and is subject to the "Master Documents" (as hereinafter defined).

NOW, THEREFORE, in consideration of the premises and covenants herein contained, Declarant hereby declares that the Property shall be owned, held, used, transferred, sold, conveyed, demised and occupied subject to the covenants, restrictions, easements, reservations, regulations, burdens and liens hereinafter set forth, all of which shall run with the Property and any part thereof and which shall be binding upon all parties having any right, title or interest in the Property or any part thereof, their heirs, successors and assigns.

ARTICLE I

MUTUALITY OF BENEFIT AND OBLIGATION

Section 1. **Mutuality.** The covenants, restrictions and agreements set forth in this Declaration are made for the mutual and reciprocal benefit of every parcel within the Property, and are intended to create mutual equitable servitudes upon each such parcel in favor of the other parcels, to create reciprocal rights among the respective Owners, and to create privity of contract and an estate between the grantees of each and every parcel within the Property, their heirs, successors and assigns.

Section 2. **Benefits and Burdens.** Every person who is an Owner does by reason of taking title to land located within the Property agree to all the terms and provisions of this Declaration and shall be entitled to its benefits and subject to its burdens.

ARTICLE II

DEFINITIONS

A number of terms are defined within the body of this Declaration, and such terms, when used within this Declaration, shall have the meanings specified where defined herein. The following words, when used in this Declaration shall have the following meanings:

Section 1. **Act or HOA Act.** The homeowners' association act, Chapter 720, Florida Statutes, as amended through the date of recording this Declaration amongst the Public Records of the County.

Section 2. **Architectural Review Committee or ARC.** The committee created pursuant to Article IX hereof.

Section 3. **Articles.** The Articles of Incorporation of the Association filed in the Office of the Secretary of State of the State of Florida, a true copy of which is attached hereto as **Exhibit "B"** and incorporated herein by this reference, as such Articles may be amended from time to time.

Section 4. **Assessments.** All assessments for which all the Owners are obligated to pay to the Association and includes "Individual Home Assessments," "Special Assessments" and "Benefited Assessments" (as such terms are defined herein), "Assessments" levied by the Master Association and any and all other assessments which are levied by the Association and the Master Association, in accordance with the Subdivision Documents and the Master Documents.

Section 5. **Association.** The Waterford Lakes Townhome Homeowners Association, Inc., a Florida corporation not-for-profit, its successors and assigns, existing pursuant to the Articles, and which Association is responsible for the ownership, administration, operation, maintenance, preservation, enforcement and architectural control of the Subdivision as provided in this Declaration. The "Association" is NOT a condominium association and is not intended to be governed by Chapter 718, the Condominium Act, Florida Statutes. The Association is a "Subassociation" as defined in the Master Declaration.

Section 6. **Backyard Area.** The area located at the rear of a Home.

Section 7. **Benefited Assessment.** Assessments charged against one or more Lots for Association expenses as described in Article VIII, Section 4.

Section 8. **Board.** The Board of Directors or other legally recognized governing body of the Association.

Section 9. **Bylaws.** The Bylaws of the Association, which have been or will be adopted by the Board, a copy of which are attached hereto as **Exhibit "C"** and incorporated herein by this reference, as such Bylaws may be amended from time to time.

Section 10. **Common Area.** All real property (including easements, licenses and rights to use real property) that is more particularly described in Article III, Section 2 of this Declaration, together with all personal property located within or appurtenant to any Common Area. All of the Common Area shall be owned initially by Declarant until conveyed and transferred to the Association as provided in this Declaration; thereafter, the Common Area shall be owned by the Association and not by the Owners. Notwithstanding the foregoing, upon recordation of the Plat, the Association shall be responsible for all maintenance of the Common Area regardless of ownership, as more particularly provided herein.

Section 11. **Common Structural Elements.** Shall have the meaning set forth in Article III, Section 7.

Section 12. **Community Systems.** Any and all television (cable, satellite or otherwise), telecommunication, internet access, alarm/monitoring, utility or other lines, conduits, wires, satellites, amplifiers, towers, antennae, equipment, materials, installations and fixtures (including those based on, containing or serving future technological advances not now known) installed by Declarant, an affiliate of Declarant, any other entity in which Declarant or an affiliate of Declarant may have an interest (financial or otherwise) or any third party expressly granted the rights by Declarant to provide Community Systems

within the Property or pursuant to any grant of easement or authority by Declarant and serving the Common Area and/or more than one Lot.

Section 13. **Contributing Home.** Any Home conveyed by Declarant or a Participating Builder(s) to an Owner (other than a Participating Builder) which has been issued a certificate of occupancy for the Home constructed thereon by the appropriate governmental agency, except if conveyed to an Institutional Mortgagee by foreclosure or a deed in lieu of foreclosure, upon which an affirmative covenant to pay Assessments, as more particularly set forth herein, is imposed.

Section 14. **Contributing Home Owner.** The Owner of a Contributing Home.

Section 15. **Conservation Easement.** Those certain Conservation Easements granted to the SJRWMD and recorded in Official Records Book 2090, Page 540; Official Records Book 2582, Page 938 (both as modified by instrument recorded in Official Records Book 3092, Page 540); Official Records Book 2738, Page 1744; Official Records Book 4303, Page 1768; Official Records Book 4487, Page 99; and, Official Records Book 4591, Page 760 (as modified by instrument recorded in Official Records Book 4943, Page 850); all of the Public Records of the County, as the same may be amended from time to time, and any additional conservation easements granted to SJRWMD which are part of the Property. The Conservation Easement encumbers the lands as more particularly described and shown on the Plat or as otherwise subsequently approved by SJRWMD and recorded in the Public Records of the County in accordance with the District Permit. The Owner's use of any portion of the Property encumbered by the Conservation Easement shall be governed and regulated by the provisions of the Conservation Easement, this Declaration and other Subdivision Documents.

Section 16. **County.** St. Johns County, Florida, being the county in which the Property is located.

Section 17. **Declarant.** Forestar (USA) Real Estate Group Inc., a Delaware corporation, and its successors and such of its assigns as to which Forestar (USA) Real Estate Group Inc., a Delaware corporation, specifically assigns all or part of the rights of Declarant hereunder by an express written assignment, whether recorded in the Public Records of the County or not. The written assignment may give notice as to which rights of Declarant are to be exercised and as to which portion of the Property. In the event of such a partial assignment, the assignee may exercise such rights of Declarant as are specifically assigned to it. Any such assignment may be made on a non exclusive basis.

Section 18. **Declaration.** This Declaration of Covenants and Restrictions for Waterford Lakes, as amended from time to time, together with any Supplemental Declarations or amendments hereto, which may be recorded among the Public Records of the County.

Section 19. **Drainage System.** All structures, including culverts and swales, required to collect and convey rainfall runoff from the Subdivision to the water management tract(s) on and/or adjacent to the Property. The Drainage System is located upon and designed to serve all of the Subdivision and is a private drainage system. The Drainage System shall be maintained by the Association in accordance with the District Permit.

Section 20. **DRI.** That certain Development of Regional Impact Order approved by the Board of County Commissioners of the County by Resolution No. 2019-165 as it has been and may be amended from time to time.

Section 21. **FDEP.** The State of Florida Department of Environmental Protection, or any agency or department that is the successor thereto.

Section 22. **Home.** One (1) of the four hundred (400) attached residential dwelling units contained within multiple buildings ("Buildings") constructed or to be constructed within the Subdivision, each of which is designed and intended for use and occupancy as a single-family residence. The term Home shall include the Lot.

Section 23. **Improvements.** All structures or artificially created conditions and appurtenances thereto of every type and kind located within the Property, including, but not limited to, as and if applicable, buildings and all support and ancillary structures thereto, walkways, paths, recreation areas and facilities and ancillary structures, berms, fountains, sprinkler systems, streets and roadways, driveways and parking areas, fences, walls, landscaping, poles, signs, mailboxes, street lights and signs and any alterations, repair or replacement of any of the foregoing.

Section 24. **Institutional Mortgage.** Any mortgage held by an Institutional Mortgagee on any property within the Subdivision.

Section 25. **Institutional Mortgagee or Institutional Lender.** Any lending institution owning a first mortgage encumbering any Lot within the Property, which owner and holder of said mortgage shall either be a bank, life insurance company, federal or state savings and loan association, real estate or mortgage investment trust, building and loan association, mortgage banking company or any subsidiary thereof licensed to do business in the State of Florida or qualified to make mortgage loans in the State of Florida, national banking association chartered under the laws of the United States of America, or any "secondary mortgage market institution," including the Federal National Mortgage Association ("FNMA"), Government National Mortgage Association ("GNMA"), Federal Home Loan Mortgage Corporation ("FHLMC") and such other secondary mortgage market institutions as the Board shall hereafter approve in writing; any and all lenders, and the successors and assigns of such lenders, which have loaned money to Declarant and which hold a mortgage on any portion of the Property securing any such loan; any pension or profit-sharing funds qualified under the Internal Revenue Code; the Veterans Administration ("VA"), the Federal Housing Administration ("FHA") or the Department of Housing and Urban Development ("HUD") or such other lender as is generally recognized in the community as an institutional lender; or Declarant, its successors and assigns.

Section 26. **Interest.** The maximum non-usurious interest rate allowed by law on the subject debt or obligation; if no such rate is designated by law, then eighteen percent (18%) per annum.

Section 27. **Legal Fees.** (i) all fees for attorney and paralegal services incurred in connection with negotiations, mediation, arbitration, litigation or preparation for same (whether or not such an action is actually begun) through and including all trial and appellate levels and post-judgment or collection proceedings; and (ii) all costs incurred with respect to the matters set forth in (i), above.

Section 28. **Lot.** Any parcel of land within the Subdivision as shown on the Plat, any additional plat, or on any replat, if any, upon which a Home is permitted to be constructed, together with the Improvements thereon. Upon completion of construction of a Home on a Lot, such Lot and the Improvements thereon are sometimes collectively referred to as a Lot in this Declaration and the Subdivision. No Lot shall include any portion of the Common Area owned in fee simple by the Association.

Section 29. **Lot Improvements.** Any Improvement addressed in Article IX, Section 5 that requires ARC review and approval.

Section 30. **Master Association.** Silverleaf Master Owners Association, Inc., a Florida corporation not-for-profit, and its successors and assigns, organized to administer the Master Declaration and having among its members the Owners herein; and all Owners are subject to assessment by the Master Association.

Section 31. **Master Association Common Area.** The property which is or will be owned and/or maintained by the Master Association, as set forth in the Master Declaration or on the Plat, if any.

Section 32. **Master Declaration.** The Declaration of Covenants and Restrictions for Silverleaf Master, recorded in Official Records Book 4743, Page 1063, *et seq.*, of the Public Records of the County, and all amendments and supplements thereto, whereby the real property comprising the "Property" (as defined in the Master Declaration), including the Property (as defined herein), is bound by the terms of the Master Declaration and whereby assessments under the Master Declaration are made specifically applicable to the Owners. The Master Declaration authorizes, among other charges and assessments arising under the Master Declaration, "Assessments" to be levied against each Owner and collected by the Association on behalf of the Master Association.

Section 33. **Master Declarant.** White's Ford Timber, LLC, a Florida limited liability company, and all of such entity's successors and assigns.

Section 34. **Master Documents.** The Master Declaration, the Articles of Incorporation and Bylaws of the Master Association, any rules and regulations promulgated by the Master Association and all of the instruments and documents referred to therein and executed in connection therewith, and any amendments to any of the documents thereto.

Section 35. **Members.** All of the Owners who are also members of the Association, as provided herein. Each Owner is also a "Member" of the Master Association as more particularly discussed in the Master Documents.

Section 36. **Operating Expenses.** All operating expenses of the Association as defined and described in Article VII, Section 2 of this Declaration.

Section 37. **Owner.** The record owner, whether one or more persons or entities, of the fee simple title to any Lot or Home within the Subdivision, and includes Declarant for as long as Declarant owns fee simple title to a Lot or Home, but excluding therefrom those having such interest as security for the performance of an obligation.

Section 38. **Participating Builder.** D.R. Horton, Inc. - Jacksonville, a Delaware corporation, or its successors or assigns, and any affiliate of D.R. Horton, Inc. - Jacksonville and any other entity(ies) Declarant may designate as a Participating Builder. Declarant shall have the right to assign, in whole or in part, any of its rights hereunder to a Participating Builder(s). "Participating Builders" shall mean Participating Builder and any other entity(ies) designated as a Participating Builder.

Section 39. **Plat.** The plat for WATERFORD LAKES PHASE 1, as recorded in Map Book 105, pages 75 through 89, inclusive, of the Public Records of the County. In the event an additional plat is recorded in the Public Records of the County with respect to additional property made subject to this Declaration pursuant to a Supplemental Declaration, then the term "Plat" as used herein shall also mean the additional plat. Not all of the property shown on the Plat may be subject to this Declaration.

Section 40. **Property or Subdivision Parcel.** The real property described on the attached **Exhibit "A"** and such additions thereto as may hereafter be brought within the jurisdiction of this Declaration and/or the Association; provided, however, Declarant reserves the right to add property and withdraw from the provisions hereof such portion or portions of the Property as Declarant from time to time elects, upon the execution by Declarant of a Supplemental Declaration.

Section 41. **Public Records.** The Public Records of the County.

Section 42. **PUD.** That certain Planned Unit Development approved by the Board of County Commissioners of the County pursuant to Ordinance Number 2019-33, as it has been and may be amended from time to time

Section 43. **Rules and Regulations.** The rules and regulations promulgated from time to time by the Board in accordance with the terms of this Declaration.

Section 44. **Silverleaf Development.** The lands in the County subject to the provisions of the DRI and PUD.

Section 45. **Special Assessments.** Assessments defined in Article VIII, Section 3, of this Declaration.

Section 46. **St. Johns River Water Management District Permit or District Permit.** That certain permit issued by the St. Johns River Water Management District affecting the Property, a copy of which is attached as **Exhibit "D"** hereto and made a part hereof, as same may be amended or modified from time to time.

Section 47. **Subdivision or Waterford Lakes.** The Waterford Lakes community, a planned residential development located in the County, which encompasses the Property and is intended to comprise four hundred (400) attached Homes and the Common Area, but subject to change in accordance with this Declaration, as more particularly described in Article III of this Declaration.

Section 48. **Subdivision Documents.** In the aggregate, this Declaration, the Articles, the Bylaws, the Plat, any Rules and Regulations promulgated by the Association and any and all amendments and Supplemental Declarations, all as may be further amended and/or supplemented from time to time.

Section 49. **Supplemental Declaration.** Any instrument executed by Declarant which, when recorded in the Public Records of the County, shall: (a) commit additional property, if any, to the provisions of this Declaration, and shall be the only method of committing such additional property to the provisions of this Declaration, (b) withdraw any portion(s) of the Property from the effect of this Declaration, (c) designate portion(s) of the Property or additional property as Common Area hereunder, or withdraw lands from the Common Areas within the Property, and/or (d) be for such other purposes as are provided in this Declaration. A Supplemental Declaration may also be used to add additional covenants, restrictions, reservations, regulations, burdens, liens and easements upon the Property or any portion thereof, remove any existing covenant, restriction, reservation, regulation, burden, lien or easements from the Property or any portion thereof and/or declare certain properties to be or not to be Common Area; and/or add properties or withdraw properties from the Property and the provisions of this Declaration. The Association shall join in the execution of any Supplemental Declaration at the request of Declarant but such joinder shall not be required to make any such Supplemental Declaration effective. The Owners shall not be required to join in the execution of any Supplemental Declaration but shall nevertheless be bound thereby.

Section 50. **Surface Water or Stormwater Management System.** A system of structures and other improvements, including, without limitation, control structures, culverts and swales, which is designed and constructed or implemented to control discharges which are necessitated by rainfall events, incorporating methods to collect, convey, store, absorb, inhibit, treat, use or reuse water to prevent or reduce flooding, over drainage, environmental degradation and water pollution, or to otherwise affect the quality and quantity of discharge from the system, as permitted pursuant to Chapter 62-330, F.A.C. or regulations of similar import. The Surface Water or Stormwater Management System is located upon and designed to serve the Property and possibly other properties around the Property. For purposes of this Declaration, the Surface Water or Stormwater Management System shall be deemed to be a part of the Common Area.

Section 51. **Tenant.** Any person other than an Owner who has possessory rights in or to any Lot or who is otherwise in possession of a Lot or any portion thereof.

Section 52. **Turnover Date.** The date upon which Members, including Declarant, shall assume control of the Association and elect the Board, as more particularly described in Article V.D.2 of the Articles.

Section 53. **Water Management District or SJRWMD.** The St. Johns River Water Management District, a regional water management district established in accordance with Florida law, and any successor, governmental agency, body or special district charged with the rights and responsibilities of the SJRWMD.

Section 54. **Zoning Code.** The applicable zoning, land development or land use law, ordinance or code adopted by the County.

ARTICLE III

DESCRIPTION OF SUBDIVISION:

Section 1. **General Plan of Development.** The Subdivision comprises the Property encompassing, or which will encompass, Lots and Common Area, as more particularly defined by this Declaration and, in addition, lands which Declarant may add, but shall in no way be obligated to add, by one or more Supplemental Declaration(s). The Property initially declared hereunder is described in **Exhibit "A"** attached hereto. If and when fully developed, the Subdivision is intended to comprise four hundred (400) Homes, each Home located on a single Lot, together with the Common Area, all in accordance with, but subject to, the terms of the Subdivision Documents. Notwithstanding the foregoing, Declarant hereby reserves the right to modify its plan of development of the Subdivision (including, without limitation, the right to modify the site plan of the Subdivision; the right to add or change the recreational facilities and amenities, if any, Home product types and number of Homes to be constructed within the Subdivision) and/or the right to add land to or to withdraw land from the Subdivision. Therefore, in the event Declarant modifies its plan of development of the Subdivision and/or adds land to or withdraws land from the Subdivision, it is hereby acknowledged by each Owner that the number of Lots, the layout of Lots and/or the size of Lots within the Subdivision may change. Declarant's general plan of development further contemplates that the Homes to be constructed within the Subdivision shall be whatever types of structures Declarant may choose which and which shall be deemed in conformance with this Declaration. Declarant's general plan of development may also include whatever facilities and amenities Declarant considers in its sole judgment to be appropriate, as well as any changes thereto.

Additional property will become a part of the Subdivision if, and only if, Declarant in its sole discretion adds additional property to the Subdivision by recording a Supplemental Declaration to such effect. Declarant hereby reserves an easement for ingress and egress and for utilities and drainage over, under and across the Common Area for the benefit of any additional property; provided however, no such easement may be granted upon any portion of the Property that lies directly beneath a Home.

Declarant expressly reserves the right as to the Property to (i) commence construction and development of the Property if and when Declarant desires; (ii) develop the Property upon such timetable as Declarant, in its sole discretion, chooses; and (iii) modify the plan of development of the Property (including, without limitation, the right to modify the site plan and master plan of the Subdivision, the right to change the recreational facilities and amenities, and the right to change the product types and number of Homes to be constructed within the Subdivision) in such manner as Declarant in its sole discretion, chooses. Nothing contained herein shall be construed as obligating Declarant to construct the Subdivision according to the present plan of development nor as obligating Declarant to declare any additional property to be Property.

Notwithstanding anything in this Declaration to the contrary, there shall be no modification of the plan of development or other changes of any type or nature provided for or described in this Section without the prior written consent of Participating Builders, except for subjecting all or any portions of the additional property to the terms and provisions of this Declaration.

The Master Declaration sets forth the plan for development of the Silverleaf Development. Master Declarant plans to develop the Silverleaf Development as a mixed-use community, in accordance with the Master Declaration, and subject to change however in the discretion of the Master Declarant as provided in the Master Declaration.

Section 2. **Common Area.** The Common Area shall consist of: (a) the property indicated on the Plat and supplemental Plat(s), if any, as Common Area or as property or easements reserved for, dedicated or granted to the Association or reserved by the Declarant and to eventually be conveyed to the Association, and all Improvements constructed thereon whether by Declarant or the Association, but not owned or maintained by a public or private utility company or other entity; (b) any easements assigned or granted by Declarant to the Association or property or facilities conveyed by Declarant to the Association, including without limitation the Conservation Easement; and (c) any other property designated as Common Area in this Declaration or any Supplemental Declaration. The Common Area shall be used for those purposes as set forth in this Declaration or the Plat and supplemental Plat(s), if any, and include, as applicable, landscaping, irrigation, signage, lakes, drainage, preserves, conservation areas, open space, buffer, storm water management, irrigation, recreational and roadways (if private) as well as other proper purposes by the Association and the Owners and their family members, guests, invitees and Tenants in accordance with the Subdivision Documents. Common Area may not be altered, modified, removed or replaced by Owners or their family members, guests, invitees or Tenants.

Such portions of the Common Area upon which Declarant and/or the Association has constructed or hereafter constructs Improvements shall be kept and maintained for use in a manner consistent with the nature of such Improvements located, or to be located, thereon. Declarant and the Association reserve the right, but shall not be obligated, to construct additional facilities upon the Common Area. Declarant's decision as to whether to construct additional facilities and the construction thereof shall be in the sole discretion of Declarant. The Association's decision as to whether to construct additional facilities and the construction thereof shall be in the sole discretion of the Association.

In the event of any doubt, conflict or dispute as to whether any portion of the Property is or is not Common Area under this Declaration, Declarant may, without the consent of the Association or then existing Owners, record in the Public Records of the County, a Supplemental Declaration resolving such issue and such Supplemental Declaration shall be dispositive and binding. After Declarant no longer owns any portion of the Property, the Association may, without the consent of the existing Owners, record the aforesaid Supplemental Declaration, which shall have the same dispositive and binding effect.

Declarant, its successors, assigns, employees, contractors, sub-contractors, Participating Builders, their successors, assigns, employees, contractors, sub-contractors, and potential purchasers shall have access to the Subdivision property at all times and the Association shall not impede any such access. Any gatehouse(s), entranceway(s) and entry gate(s) installed shall remain open during construction and sales hours to allow Declarant, its successors, assigns, employees, contractors, sub-contractors, Participating Builders, their successors, assigns, employees, contractors, sub-contractors and potential purchasers access to the Subdivision property. Declarant hereby reserves and grants an easement in favor of itself, its successors and/or assigns and Participating Builders throughout all portions of the Subdivision as may be necessary for the purpose of accessing the Property during the development and sale period and no Owner or the Association shall do any act which may interfere with Declarant having access through the gatehouse(s), entranceway(s) and entry gate(s).

Section 3. **Costs.** All costs associated with operating, maintaining, repairing and replacing the Common Area shall be the obligation of the Association, unless otherwise designated herein. The Common Area shall be conveyed to the Association in accordance with the provisions of Article IV, Section 7 hereof.

Section 4. **Private Use.** For the term of this Declaration, the Common Area (except as otherwise specifically provided in this Declaration) is not for the use and enjoyment of the public, but is expressly reserved for the private use and enjoyment of Declarant, the Association, the Owners and each of their respective family members, guests, invitees and Tenants, but only in accordance with this Declaration.

(a) Notwithstanding anything in this Declaration to the contrary, however, Declarant hereby expressly reserves for itself and its affiliates and Participating Builders and their affiliates the right to use the Common Area for such period of time as Declarant and Participating Builders determine to be necessary in connection with the sale and marketing by Declarant and/or its affiliates and Participating Builders and/or their affiliates of Homes in the Subdivision and in any other communities developed or to be developed by Declarant or its affiliates or by Participating Builders and their affiliates, including, but not limited to, the holding of sales and marketing meetings and engaging in sales promotions and related sales and marketing activities for the general public.

(b) Except to the extent herein provided and in the Subdivision Documents, the Common Area shall be for the sole and exclusive use of the Owners and residents of the Subdivision, and each of their respective family members, guests, invitees and Tenants.

(c) The administration, management, operation and maintenance of the Common Area shall be the responsibility of the Association, as provided herein and in the Subdivision Documents.

(d) The right to use the Common Area shall be subject to the Rules and Regulations established by the Association, as the same may be amended from time to time.

Section 5. **Community Systems.** Declarant or the Association shall have the right to enter into one or more agreement(s) ("Bundled Service Agreements") for receipt of television (via cable, satellite or otherwise), entertainment, telecommunication, internet monitored alarm and/or other services (collectively, "Bundled Services") for Homes in the Subdivision. Any and all costs and expenses incurred by the Association under or pursuant to any Bundled Service Agreements entered into by Declarant or the Association for Bundled Services will be assessed against all Lot Owners. It is contemplated that there may be features and services that are or will be available in addition to and not part of the Bundled Services (each, an "Optional Service"). Notwithstanding anything to the contrary contained in this Declaration, the costs and expenses charged to the Association under the Bundled Services Agreements shall be apportioned equally, but only amongst those Homes with respect to which the Association is being charged under or pursuant to the Bundled Services Agreement except to the extent, if any, that any Owner elects to receive an Optional Service (being a service not automatically received by all Owners entitled to receive Bundled Services pursuant to the Bundled Services Agreements). Each Owner who receives an Optional Service, if any, shall be responsible for paying for the costs thereof. The foregoing shall in no way obligate Declarant or the Association to enter into any Bundled Services Agreement.

Section 6. **Model Row.** Declarant hereby reserves for itself and for Participating Builders the right to construct and/or operate a "model row(s)" in the Subdivision. The "model row(s)" may contain models for the Subdivision or other communities, as Declarant and/or any of Declarant's affiliates may so determine, in their sole discretion. The "model row(s)" may also contain parking, landscaping and fencing across the roads within the Subdivision as Declarant may determine in its sole discretion. In the event that Declarant, any of its affiliates or a Participating Builder(s) constructs a "model row(s)" in the Subdivision, such "model row(s)" may be used for such period of time that Declarant and/or any of Declarant's affiliates

and/or or a Participating Builder(s) determines to be necessary in their sole judgment. Declarant and Participating Builder(s) may use any model home(s) for a sales office. By the Owner's acceptance of a deed for a Lot and Contributing Home in the Subdivision, such Owner agrees and acknowledges that: (i) Declarant and/or any of Declarant's affiliates and/or Participating Builder(s) have a right to construct and/or operate a "model row(s)"; (ii) Declarant and/or any of its affiliates and Participating Builder(s) have an easement over the Subdivision for ingress and egress to and from the "model row(s)" and to use and show the models to prospective purchasers in the Subdivision or other communities being developed by Declarant and/or any of Declarant's affiliates, and/or any Participating Builder(s) as long as such "model row(s)" exists; and (iii) the Owner shall not interfere in any manner whatsoever in the sales process by Declarant and/or any of Declarant's affiliates, and/or any Participating Builder(s), including, without limitation, the carrying of signs, the posting of signs on Lots or Homes or other types of demonstrations in the Subdivision or any public right-of-way adjacent to the Property. Each Owner acknowledges and agrees that any such activities interfere with the quiet enjoyment of the Subdivision by the other Owners, are detrimental to the value of the Homes within the Subdivision, and interfere with Declarant's and/or its affiliates and/or any Participating Builder(s) ability to conduct their respective business.

Section 7. **Common Structural Elements.** Each Building containing Homes shall contain common structural elements ("Common Structural Elements") which include, but are not limited to, the following:

(a) **Utility Lines.** All utility lines, ducts, conduits, pipes, fire sprinklers, wires and other utility fixtures and appurtenances which are located on or within each Building and which directly or indirectly in any way service more than one (1) Home in such Building.

(b) **Party Walls.** All division walls ("Party Walls") between two (2) Homes located upon a Lot line between two (2) Homes, provided that the mere fact that such a division wall between two (2) Homes is found to be not on a Lot line shall not preclude that division wall from being a Party Wall. The Owners of the Homes adjacent to a Party Wall shall own such Party Wall as tenants in common. Any partition walls located within a Home that do not contribute to the support of the Building are not Common Structural Elements.

(c) **Bearing Walls.** Any and all walls or columns necessary to support the roof structure.

(d) **Exterior Finish.** Any and all siding, finish, trim, exterior sheathings and other exterior materials and appurtenances on the exterior of each Building.

(e) **Flooring.** The entire concrete floor slab or wood floor system if utilized in lieu thereof and all foundational and support structures and appurtenances thereto.

(f) **Privacy Walls.** The walls (other than interior Party Walls within the Home) which may be erected along or located on the Lot lines and all foundational support structures with respect thereto. Privacy walls may also constitute Party Walls.

(g) **Roofing.** The entire roof of a Building, any and all roof support structures, and any and all appurtenances to such roof and roof support structures, including, without limitations, the roof covering, roof trim and roof drainage fixtures.

Should the Common Structural Elements or a part thereof extend beyond the Lot, same shall not be deemed to violate the provisions of this Declaration and such easements as may be necessary to accommodate and permit the Common Structural Elements as same shall be constructed are hereby imposed.

In the event any Common Structural Element or part thereof located within a Home require maintenance, repair or replacement and the necessity for such maintenance, repair or replacement was not due to any act or failure to act on the part of the Owner of the Home in question and the cost of such maintenance, repair or replacement would result in an inequitable and unfair burden upon any particular Home, the cost of such maintenance, repair or replacement shall be an Operating Expense shared by all of the Homes.

Section 8. **Covenants Regarding Attached Homes.**

(a) **Utility Easements.** Each Owner grants to all other Owners owning a Home in the same Building a perpetual utility easement for water, sewer, power, telephone and other utility and service company lines and systems installed beneath or within the attached Home.

Any expense caused by the necessary access of authorized personnel of the utility or service company to service lines affecting all Homes within a Building, and which are located beneath or within the Building shall be shared equally by each of the Owners in the Building affected; provided, however, that where the necessary access by authorized personnel of the utility or service company is required because of the intentional or negligent misuse of the utility or service company line or system by an Owner, his Tenant, licensee, invitee, or agent, any expense arising therefrom shall be borne solely by such Owner. Any expense caused by the necessary access of authorized personnel of the utility or service company to service lines located within the Common Area shall be paid by the Association as an Operating Expense, or where appropriate, in the sole discretion of the Board, through a Benefited Assessment.

(b) **Common Walls and Roof.** The Homes comprising each Building are single family Homes with common walls, known as "party walls," between each Home that adjoins another Home. The center line of a party wall is the common boundary of the adjoining Home. Each common wall in a Home shall be a party wall, and any party to said wall, his heirs, successors, and assigns shall have the right to use same jointly with the other party to said wall as herein set forth. The term "use" shall and does include normal interior usage such as paneling, plastering, decoration, erection of tangent walls and shelving but prohibits any form of alteration which would cause an aperture, hole, conduit, break or other displacement of the original concrete or other material forming said party wall. The entire roof of a Building, any and all roof structure support, and any and all appurtenances to such structures, including without limitation, the roof covering, roof trim, and roof drainage fixtures, shall be collectively referred to as "shared roofing."

The cost of maintaining each side of a party wall shall be borne by the Owner using said side, except as otherwise provided herein.

No Owner shall authorize the painting, refurbishing or modification of the exterior surfaces or shared roof of his Home without the consent of the ARC.

(c) **Maintenance of the Exterior of the Attached Homes.** Except as specifically provided herein which describes the Association's responsibility, each Owner shall at all times be responsible for the maintenance and care of the exterior surfaces of his or her attached Home. The phrase "exterior surfaces of the attached Home" shall include, but not be limited to, the exterior walls and shared roofing.

The Board shall determine the need for repainting from time to time, as provided in this Declaration. All costs reasonably related to said repainting (including cleaning before repainting) shall be borne by the respective Owner(s).

(d) **Casualty Insurance.** Each Owner of a Home shall maintain physical damage insurance for such Home in an amount equal to the full replacement value of the Home. The Association may require that each such Owner provide proof of insurance. Should any such Owner fail to provide proof of insurance upon request, the Association may, but is not obligated to, purchase the required insurance,

and the costs of such insurance may be levied as a Benefited Assessment against such Home. Each such policy of insurance shall name the Association as an additional insured.

To the extent the Association incurs any costs and expenses in administering, operating, maintaining or repairing the Common Structural Elements of any of the Homes, such costs and expenses shall only be payable by Owners of the Home(s) benefitted thereby as a Benefited Assessment (and shall not be an Operating Expense applicable to all Homes).

Section 9. **Lakes; Water Level and Use.**

With respect to any waterways now existing or which may hereafter be contained within the Subdivision, if any, only Declarant (and after the Turnover Date, the Association) shall have the right to pump or otherwise remove any water from such waterways for the purposes of irrigation or other use or to place any matter or object in such waterways. No docks, moorings, pilings, boat shelters, or other structure shall be erected on or over the waterways, except as may be erected or approved in writing by the Declarant (and following the Turnover Date, the Association). Only the Declarant (and after Turnover Date, the Association) shall have the right to prescribe the schedule for watering of the landscaping of the Property (subject to applicable legal requirements). No swimming, boats, canoes, kayaks or other water vehicle or craft shall be permitted on such waterways. The Association shall have, as permitted or required by law, the right to control the growth and eradication of plants, fowl, fish and fungi in and on such waterways.

All Owners acknowledge that the Property is located within the boundaries of the St. Johns River Water Management District. Due to ground water elevations underneath the Property, priorities established by governmental authorities and other causes outside of the reasonable control of Declarant, Participating Builder and the Association, water levels in the waterways may rise and fall significantly due to among other things, fluctuations in ground water elevations within the surrounding areas. Accordingly, Declarant, Participating Builder and Association have no control over such water levels and/or ground water elevations. Neither Declarant, Participating Builder nor Association shall have any liability for aesthetic conditions, objectionable odors, damage to plantings or direct or consequential damages of any nature caused by the fluctuation of water levels or water quality. Each Owner, by acceptance of title to a Lot, and each Owner's invitees, guests, agents, Tenants, and their family members by use of a Lot, hereby release Declarant, Participating Builder and Association from and against any and all losses, claims, demands, liabilities, damages, costs and expenses of whatever nature or kind (including, without limitation, attorneys' fees and courts costs at trial and all appellate levels), related to, arising out of and/or resulting from water levels in the waterways.

DECLARANT, PARTICIPATING BUILDER AND ASSOCIATION SHALL NOT BE OBLIGATED TO PROVIDE SUPERVISORY PERSONNEL, INCLUDING, BUT NOT LIMITED TO, LIFEGUARDS FOR THE WATERWAYS (IF ANY). ANY INDIVIDUAL USING THE WATERWAYS SHALL DO SO AT HIS/HER OWN RISK AND HEREBY HOLDS DECLARANT, PARTICIPATING BUILDER AND THE ASSOCIATION HARMLESS FROM AND AGAINST ANY CLAIM OR LOSS ARISING FROM SUCH USE.

EACH OWNER, BY THE ACCEPTANCE OF TITLE TO A LOT, AND EACH OWNER'S INVITEES, GUESTS, AGENTS, TENANTS, AND THEIR FAMILY MEMBERS BY USE OF A LOT, ACKNOWLEDGES THAT THE WATERWAYS ARE DEEP AND DANGEROUS. NEITHER DECLARANT, PARTICIPATING BUILDER, ASSOCIATION NOR ANY OF THEIR RESPECTIVE OFFICERS, DIRECTORS, COMMITTEE MEMBERS, EMPLOYEES, MANAGEMENT AGENTS, CONTRACTORS OR SUBCONTRACTORS (COLLECTIVELY, THE "LISTED PARTIES") SHALL BE LIABLE OR RESPONSIBLE FOR MAINTAINING OR ASSURING THE SAFETY, WATER QUALITY OR WATER LEVEL OF/IN ANY WATERWAY WITHIN THE SUBDIVISION, EXCEPT AS SUCH RESPONSIBILITY MAY BE SPECIFICALLY IMPOSED BY, OR CONTRACTED FOR WITH, AN APPLICABLE GOVERNMENTAL OR QUASI-GOVERNMENTAL AGENCY OR AUTHORITY. FURTHER, NONE OF THE LISTED PARTIES SHALL BE LIABLE FOR ANY PROPERTY DAMAGE, PERSONAL INJURY OR DEATH OCCURRING IN,

OR OTHERWISE RELATED TO, ANY WATER BODY, ALL PERSONS USING SAME DOING SO AT THEIR OWN RISK. ALL OWNERS AND USERS OF ANY PORTION OF THE SUBDIVISION SHALL BE DEEMED, BY VIRTUE OF THEIR ACCEPTANCE OF THE DEED TO OR USE OF, SUCH PROPERTY, TO HAVE AGREED TO RELEASE THE LISTED PARTIES FROM ALL CLAIMS FOR ANY AND ALL CHANGES IN THE QUALITY AND LEVEL OF THE WATER IN SUCH BODIES. ALL PERSONS ARE HEREBY NOTIFIED THAT FROM TIME TO TIME WILDLIFE MAY HABITAT OR ENTER INTO WATER BODIES WITHIN OR NEARBY THE SUBDIVISION AND MAY POSE A THREAT TO PERSONS, PETS AND PROPERTY, BUT THAT THE LISTED PARTIES ARE UNDER NO DUTY TO PROTECT AGAINST, AND DO NOT IN ANY MANNER WARRANT OR INSURE AGAINST, ANY DEATH, INJURY OR DAMAGE CAUSED BY SUCH WILDLIFE.

No installation of sand or other materials intended to simulate a beach shall be permitted along the lake banks (if any). Swimming, fishing or the use of watercraft on the lakes is strictly prohibited. No removal or damage to littoral or wetland plantings, if any, is permitted.

ARTICLE IV

PROPERTY SUBJECT TO THIS DECLARATION:

Section 1. **No Implied Extension of Covenants.** Each Owner and each Tenant, by becoming an Owner or Tenant, shall be deemed to have agreed that (a) the Property described on **Exhibit "A"** and such additional property as may be annexed pursuant to Section 2 below shall be the only Property subject to this Declaration, (b) that nothing contained in this Declaration or in any recorded or unrecorded plat, map, picture, drawing, brochure or other representation of a scheme of development, shall be construed as subjecting or requiring Declarant to subject any other property now or hereafter owned by Declarant to this Declaration, and (c) that the only manner in which additional land may be subjected to this Declaration is by the procedure set forth in Section 2 below.

Section 2. **Additional Lands.** Declarant may from time to time, in its sole discretion, by recording appropriate Supplemental Declaration(s) in the Public Records of the County, add real property to the Property governed by this Declaration, and may declare all or part of such additional property or other property (including any Improvements thereon) to be Lots or Common Area. Upon the recording of a Supplemental Declaration, the property described therein shall be deemed part of the Property as if it were originally included therein and subject to this Declaration. Any such Supplemental Declaration may submit any such additional property or other property to such modifications of the covenants, restrictions, reservations, regulations, burdens, liens and/or easements contained in this Declaration as may be necessary or convenient to reflect or adapt to any changes in circumstances or differences in the character of any such additional property or other property. Nothing contained in this Section shall be construed to require the joinder by or consent of the Owners or the Association to any such Supplemental Declaration; provided, however, the Association shall join in the execution of any such Supplemental Declaration at the request of Declarant. In addition, nothing herein shall require Declarant to add any additional property.

Section 3. **Designation of Additional Common Area.** Declarant may, from time to time, by recording Supplemental Declaration in the County, designate additional portions of the then existing Property owned by it to be Common Area.

Section 4. **Disclaimer of Implication.** Only the real property described in **Exhibit "A"** hereto is submitted and declared as the Property subject to this Declaration. Unless and until a Supplemental Declaration is recorded in the fashion required pursuant to this Declaration, no other property (including any additional property) shall in any way be deemed to constitute a portion of the Property or be affected by the covenants, restrictions, reservations, regulations, burdens, liens, and easements expressly binding the Property as provided by the terms of this Declaration.

Section 5. **Absence of Obligation.** Nothing in this Declaration shall be construed to require Declarant to add any additional property to the Property encumbered by this Declaration or to require Declarant to declare any portion of any properties added to the Property to be Common Area, nor shall anything in this Declaration be construed to require Declarant to declare any portion or portions of the existing Property as Common Area, except to the extent herein specifically provided.

Section 6. **Withdrawal.** Notwithstanding anything herein to the contrary, Declarant reserves the absolute right at any time to withdraw portions of the Property from the provisions of this Declaration by recording an appropriate Supplemental Declaration in the County. Any such Supplemental Declaration must be executed by Declarant, the Owner of each Lot located on the Property sought to be withdrawn (if any) and each holder of an Institutional Mortgage on a Lot located on the Property sought to be withdrawn (if any), in order to be effective. Nothing contained in this Section shall be construed to require the joinder by or consent of the Owners of Lots on the portion of the Property which is not withdrawn by such Supplemental Declaration, such Owners' Institutional Mortgagees holding mortgages on Lots on the portion of the Property which is not withdrawn by such Supplemental Declaration, or the Association.

Section 7. **Conveyance of Common Area.** Upon recordation of the Plat, the Association shall be deemed to have accepted responsibility for the Common Areas dedicated thereby. Declarant agrees that fee simple title to all of the Common Area owned by Declarant shall be conveyed or assigned to the Association, subject to covenants, easements, restrictions and other matters of record, and such conveyance or assignment shall be deemed accepted by the Association. Upon the recordation of any deed or deeds conveying Common Area to the Association, the Association shall be conclusively deemed to have accepted the conveyance evidenced by such deed or deeds. Any such conveyance shall not however, impair in any way Declarant's rights and easements as set forth in this Declaration.

At the time of conveyance of the Common Area or any portion thereof, the Association shall be deemed to have accepted fee simple title to the Common Area, together with the personal property and Improvements appurtenant thereto, if any. The Association has accepted the Common Area and the personal property and Improvements appurtenant thereto in "AS IS" "WHERE IS" condition, without any representation or warranty, expressed or implied, in fact or by law, as to the condition or fitness of the Common Area and the personal property and Improvements appurtenant already dedicated to the Association and to be conveyed to the Association hereafter. IN THAT REGARD, THE ASSOCIATION AND EACH OWNER KNOWINGLY AND VOLUNTARILY RELINQUISHES AND WAIVES, AND DECLARANT EXPRESSLY DISCLAIMS, ANY AND ALL WARRANTIES (EXPRESS OR IMPLIED) AS TO THE COMMON AREA AND PERSONAL PROPERTY AND IMPROVEMENTS WHETHER ARISING FROM CUSTOM, USAGE OR TRADE, COURSE OF CONDUCT, COURSE OF DEALING, CASE LAW OR OTHERWISE, INCLUDING WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF HABITABILITY, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR ANY IMPLIED WARRANTY OF FITNESS FOR ANY INTENDED OR PARTICULAR PURPOSE. TO THE EXTENT THAT BY LAW OR OTHERWISE ANY OF THE WARRANTIES RELINQUISHED, WAIVED OR DISCLAIMED CANNOT BE RELINQUISHED, WAIVED OR DISCLAIMED, IN WHOLE OR IN PART, ALL SECONDARY, INCIDENTAL AND CONSEQUENTIAL DAMAGES ARE SPECIFICALLY EXCLUDED AND DISCLAIMED (INCLUDING, WITHOUT LIMITATION, DAMAGES RESULTING FROM CLAIMS OF PROPERTY DAMAGE, LOSS OF USE, PERSONAL INJURY OR EMOTIONAL DISTRESS).

The Association shall accept this conveyance of the Common Area (together with the personal property and Improvements appurtenant thereto) and shall pay all costs of such conveyance including documentary stamps and other taxes of conveyance, recording charges, title insurance expenses and insurance fees. The conveyance shall not, however, impair in any way Declarant's rights and easements as set forth in this Declaration.

Commencing upon the date this Declaration is recorded, and notwithstanding that title thereto has not yet been conveyed to the Association, the Association shall be responsible for the

maintenance of the Common Area in a continuous and satisfactory manner without cost to the general taxpayers of the County. The Association shall be responsible for the payment of real estate taxes, if any, against the Common Area including taxes accruing on any Improvements and any personal property thereon from and after the date this Declaration is recorded.

The Owners (including Declarant as to Lots owned by it) shall have no personal liability for any damages: (i) for which the Association is legally liable, or (ii) arising out of, relating to, or in connection with the existence or use of any Common Area or any other property required to be maintained by the Association.

Subject to the foregoing, Declarant may mortgage any or all portions of the Common Area to finance construction and development expenses provided that the mortgagee recognizes the rights of Owners under this Declaration and neither the Association nor any Owner is personally liable for paying the mortgage. In such event, neither the Association nor the Owners shall be required to join in or be entitled to consent to such mortgage. The Common Area shall be released from any such mortgage no later than the date same is conveyed to the Association.

ARTICLE V

OWNERS' PROPERTY RIGHTS

Section 1. **Owners' Easements of Enjoyment.** Every Owner and family member, guest, Tenant, agent or invitee of an Owner shall, except as may otherwise be provided in this Declaration, have a permanent and perpetual, nonexclusive easement for ingress and egress over, enjoyment in, and use of the Common Area within the Property, except as may otherwise be specifically provided elsewhere in this Declaration, in common with all other Owners, their family members, guests, Tenants, agents and invitees, located outside another Owner's Home which easement shall be appurtenant to, and shall pass with title to each Owner's Lot. This right shall be subject to the following conditions and limitations:

(a) The right and duty of the Association to reasonably limit the number of guests, invitees or Tenants of an Owner using the Common Area.

(b) The right and duty of the Association to levy Assessments against each Contributing Home for the purpose of operating, maintaining, repairing and replacing the Common Area and facilities thereon, all in compliance with the provisions of this Declaration, the Master Declaration and the restrictions on portions of the Property from time to time recorded by Declarant.

(c) The right of the Association to establish, amend and/or abolish from time to time, uniform Rules and Regulations pertaining to the use of the Common Area.

(d) The right of the Association to establish, amend and/or abolish from time to time uniform Rules and Regulations pertaining to the Lots for the purposes of enhancing the aesthetic uniformity of the Property.

(e) The right of the Association in accordance with its Articles, Bylaws, and this Declaration, with the vote or written assent of two thirds (2/3) of the total voting interests of the Association, to borrow money for the purpose of improving the Common Area and facilities thereon, and, in aid thereof, to mortgage, pledge, or hypothecate any or all of its real or personal property or pledge Assessments as security for money borrowed or debts incurred, provided that the rights of such mortgagee shall be subordinated to the use rights of the Owners.

(f) The right of the Association to dedicate, release, alienate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject the Common

Area to such conditions as may be agreed to by the Association. No such dedication, release, alienation or transfer shall be effective unless Members entitled to cast two-thirds (2/3) of the total voting interests of the Association agree to such dedication, release, alienation, or transfer.

(g) The right of the Association to without any vote of the Owners to grant easements and rights of way or strips of land, where necessary or desirable, for utilities, water and sewer facilities, cable television, and other services over the Common Area to serve the Common Area and other portions of the Property, without vote of the Owners.

(h) The right of Declarant, Declarant's affiliates and each of their respective officers, directors, partners, employees, agents, licensees, and invitees to the nonexclusive use of the Common Area within the Property and the facilities thereon, without charge, for sales, marketing, display, access, ingress, egress, construction, and exhibit purposes and to grant (without consent of the Association and/or vote of the Owners) easements and rights-of-way as provided in this Declaration.

(i) The right of the Association, by action of the Board, to reconstruct, replace, or refinish any Improvement or portion thereof upon the Common Area, in accordance with the original design, finish, or standard of construction of such Improvement.

(j) The right of the Association to replace destroyed trees or other vegetation and plant trees, shrubs, and ground cover upon any portion of the Common Area, except as may be prohibited under the District Permit.

(k) The right, however not the duty, of the Association by action of the Board to seek the vacation of publicly dedicated streets, if any, upon the Common Area.

(l) The easements provided elsewhere in this Declaration, designated on the Plat or any additional plat, if any, including, but not limited to, those set forth in this Article V.

(m) The right of the Association to provide for the maintenance, preservation and architectural control of Lots, Homes and other properties as set forth in this Declaration.

(n) The right of the Association, Declarant, Participating Builder(s) and each of their respective employees, agents, licensees, and invitees to come upon the Property (including, without limitation, Common Area as well as a Lot even after the same has been conveyed to an Owner) as may be necessary or convenient for the Association and/or the Declarant and/or Participating Builder to carry on its respective duties, obligations, responsibilities under, and all other work referred to in, this Declaration (including, without limitation, Declarant's development and construction of the Subdivision and Homes therein).

(o) The right of Declarant, Declarant's affiliates, Participating Builder, Participating Builder's affiliates and each of their respective officers, directors, partners, employees, members, managers, agents, licensees, and invitees to the nonexclusive use of the Common Area and the facilities thereon, without charge, for sales, marketing, display, access, ingress, egress, construction, and exhibit purposes, and to grant (without consent of the Association and/or vote of the Owners) easements and rights-of-way as provided in the Declaration.

(p) All Owners are subject to the Master Documents and therefore, have all the rights granted under the Master Documents and are subject to all burdens which result therefrom including, without limitation, the obligation to pay Assessments thereunder. To the extent of any conflict between the Subdivision Documents and the Master Documents, the Master Documents shall control to the extent of such conflict.

Section 2. **Delegation of Use.** Any Owner may delegate, in accordance with this Declaration, such Owner's right of enjoyment to the Common Area located outside the Homes to the members of such Owner's family, or to the Tenants who reside in such Owner's Home, subject to this Declaration, all of the Rules and Regulations presently in effect and any which may become effective in the future, and further subject to reasonable regulation by the Board.

Section 3. **Recognition of Existing Easements.** Each Owner, by acceptance of a deed or other instrument of conveyance, recognizes and consents to the easements reserved and/or granted with respect to the Property under this Declaration.

Section 4. **Easements for Vehicular Traffic.** In addition to the general easements for use of the Common Area reserved herein, there shall be, and Declarant hereby reserves, grants, and covenants for itself and all future Owners, their family members, guests, invitees and Tenants, Institutional Mortgagees of the Property (or portions thereof), and to the Association, that all of the foregoing shall have a perpetual nonexclusive easement for vehicular traffic over (i) all streets dedicated to the public use, if any (as well as alcoves, cul de sacs, and other private, paved areas abutting or serving the same), and (ii) any private roads within or upon the Property.

Section 5. **Access Easement.** Declarant hereby reserves for itself and Participating Builders, perpetual, nonexclusive easements of ingress and egress over and across: (i) any private streets, drives, roads and/or roadways and driveways, if any, within or upon the Property, and (ii) all other portions of the Property, any of the foregoing of which are necessary or convenient for enabling Declarant or Participating Builders to carry on and complete the work referred to in this Declaration. All of the foregoing easements shall be for the use of Declarant, Declarant's employees, contractors and agents, Declarant's successors and assigns, Participating Builders and Participating Builders' employees, contractors, subcontractors and agents, Owners, and the respective tenants, employees, agents, invitees, and licensees of Declarant, Participating Builders and Owners.

Section 6. **Grant and Reservation of Easements.** Declarant hereby reserves and grants the following perpetual, nonexclusive easements over and across the Property as covenants running with the Property for the benefit of the Owners, the Association and Declarant as hereinafter specified for the following purposes:

6.1 **Utility and Services Easements.** All of the Property shall be subject to an easement or easements to provide for: (i) installation, service, repair and maintenance of the equipment required to provide utility services, other than Community Systems to the Property and the Lots and Homes, including, but not limited to, power, lights, telephone, cable television, gas, water, sewer, irrigation and drainage, and (ii) governmental services, including, but not limited to, police, fire, mail, health, sanitation and other public service personnel, including reasonable rights of access for persons and equipment necessary for such purposes for the benefit of the appropriate utility companies, agencies, franchises or governmental agencies. Certain utility lines which serve more than one (1) Home run through portions of the Homes in the Buildings. The easement described in this Section is intended to provide the right for such utility lines to exist within the Homes.

6.2 **Easement for Encroachment.** All of the Property shall be subject to an easement or easements for encroachment in favor of each Owner in the event any portion of such Owner's Home or appurtenant Improvements installed by Declarant or Participating Builder(s) such as a fence, stucco, underground footer or sidewalk now or hereafter encroaches upon any of the Lots as a result of minor inaccuracies in survey or construction, by design, or due to settlement or movement. Such encroaching Improvements installed by Declarant or Participating Builder(s) shall remain undisturbed for so long as the encroachment exists. Any easement for encroachment shall include an easement for the maintenance and use of the encroaching Improvements in favor of the Owner thereof or such Owner's designees.

6.3 Easement to Enter Upon Lots and Homes. An easement or easements for ingress and egress in favor of the Association, including the Board or the designee of the Board, to enter upon the Lots for the purposes of fulfilling its duties and responsibilities of ownership, maintenance and/or repair in accordance with the Subdivision Documents, including, by way of example, the making of such repairs, maintenance or reconstruction as are necessary for the Common Area and to maintain any Lot in the event the Owner thereof fails to do so.

6.4 Easement for Roof Overhang. An easement or easements to provide for the roof overhang of a Home in favor of the Owner thereof, including rights of access for persons or equipment necessary to maintain, repair and replace such roof overhang.

6.5 Irrigation Easement. An easement for irrigation over, under and upon the Property, including each of the Lots, in favor of the Association and each Owner, including, but not limited to, reasonable rights of access for persons and equipment to construct, install, maintain, alter, inspect, remove, relocate and repair the irrigation pipes.

6.6 Plat Easement(s). The Plat and/or additional plat, if any, may contain additional easements not discussed herein, granted in favor of the Association, Owners or others, for the specific purposes as described therein.

6.7 Drainage Easement. An easement for the purpose of accessing the lakes to perform lake maintenance and to perform Surface Water or Stormwater Management System and drainage facilities. The Owners, their guests, invitees, Tenants and other persons are specifically prohibited from utilizing the drainage easements for other uses.

6.8 Maintenance Easements. Easements over the Property outside of the Homes granted in favor of the Association and the District for the purpose of maintaining the lakes and Surface Water or Stormwater Management System and drainage facilities within the lakes.

6.9 Structural Cross Easements. Cross easements of support and use over, upon, across, under, through and into the Common Structural Elements are hereby granted in favor of the Owners or their designees for the continued use, benefit and enjoyment and continued support, service, maintenance, repair and design of all Homes and Common Structural Elements within any portion of the Property.

6.10 Drainage and Irrigation Easement. An easement for drainage, flowage and irrigation over, under and upon the Property, including each of the Lots, in favor of the Association, the Master Association and each of the Owners, including, but not limited to, reasonable rights of access for persons and equipment to construct, install, maintain, alter, inspect, remove, relocate and repair the water drainage system, flowage pipes and irrigation pipes or lines.

6.11 Drainage System Encroachment Easement. An easement for encroachment over, under and upon the drainage easements, if any, located within the Lots, in favor of (i) the Owner of the Lot upon which the drainage easement is located for the existence of any driveway and/or sidewalk or irrigation system or part thereof, as originally installed by Declarant, and (ii) the Association and the Master Association for reasonable rights of access for persons and equipment to construct, install, maintain, alter, inspect, remove, relocate and repair any driveway and/or sidewalk, or irrigation system or part thereof installed or located thereon; provided, however, the Association or the Master Association, as applicable, has such maintenance obligations under this Declaration. In the event the Association or the Master Association requires access to any Drainage System improvements within a drainage easement located within a Lot upon which any such driveway and/or sidewalk or irrigation system encroaches, the Association or the Master Association has the obligation, at its own cost and expense, to remove and replace any such

encroachment, and to return it to its condition immediately preceding such removal and replacement once access to the drainage easement is no longer required.

6.12 Easement for Community Systems. Notwithstanding anything to the contrary in this Declaration, Declarant and its affiliates, and its and their designees shall have a perpetual exclusive easement over, across, upon and under the Common Area and the Lots for the installation, operation, maintenance, repair, replacement, alteration and expansion of Community Systems.

6.13 Conservation Easements. The Conservation Easement severely limits the use that any person may make of any part of the Property encumbered thereby, and each person who ever hereafter acquires any interest in any part of the Property agrees and acknowledges that it is aware of and shall strictly comply with the Conservation Easement.

6.14 Surface Water or Stormwater Management System Easement.

A. Blanket Surface Water or Stormwater Management System Easement.

The plan for the development of the Property includes the construction of a Surface Water or Stormwater Management System, which may include, without limitation, retention lakes, swales, conduits, weirs, pipes and/or berms and access easements to the Surface Water or Stormwater Management System as may be shown on the Plat or otherwise dedicated. Declarant hereby reserves for itself, its successors and assigns, and grants to the Association and the Master Association and their designees, a perpetual, nonexclusive easement over and across all areas of the Surface Water or Stormwater Management System for the drainage of stormwater from the Property. Portions of the Surface Water or Stormwater Management System may be located entirely within Lots.

B. Surface Water or Stormwater Management System Maintenance.

Except as specifically set forth herein to the contrary, the Association shall be responsible for the maintenance, operation and repair of the Surface Water or Stormwater Management System. Such maintenance shall include the exercise of practices which allow the Surface Water or Stormwater Management System to provide drainage, water storage, conveyance or other stormwater management capabilities in accordance with all the permits, statutes, rules and regulations pertaining to surface water management, drainage and water quality promulgated by the United States Army Corps of Engineers ("ACOE"), FDEP, St. Johns River Water Management District ("SJRWMD") and all other local, state and federal authorities having jurisdiction.

The Association shall maintain and control the water level and quality of the Surface Water or Stormwater Management System and the bottoms of any retention lakes or drainage easements which retain or hold stormwater on a regular basis. The Association shall have the power, as may be required by any applicable governmental entity, to control and eradicate plants, fowl, reptiles, animals, fish and fungi in and on any portion of the retention lakes or drainage easement. The Association shall (i) maintain all shoreline vegetation and the grade and contour of all embankments to the water's edge (as it may rise and fall from time to time) irrespective of ownership of such land, (ii) keep the grass, plantings and other lateral support of the embankments in a clean and safe manner, and (iii) prevent erosion and shall remove trash and debris as it may accumulate in the system, from time to time. In order to provide adequate assurance that the Surface Water or Stormwater Management System will adequately function, appropriate maintenance procedures, including but not limited to the following, shall be followed:

(1) The Association shall inspect or cause to be inspected all inlets and control structures for vandalism, deterioration or accumulation of sand and debris.

(2) The Association shall assure that all debris or sand shall be removed from the inlets and control structures and any orifice system.

(3) The Association shall inspect and repair or cause to be inspected and repaired all skimmer boards around control structures as necessary.

C. Surface Water or Stormwater Management System Maintenance Easement. The Association and Master Association are granted a perpetual, nonexclusive easement for ingress and egress, at all reasonable times and in a reasonable manner, over and across the Surface Water or Stormwater Management System and over and across any portion of a Lot which is a part of the Surface Water or Stormwater Management System or upon which a portion of the Surface Water or Stormwater Management System is located, to operate, maintain and repair the Surface Water or Stormwater Management System as required by the District Permit. Such right expressly includes the right to cut any trees, bushes or shrubbery, to make any gradings of soil, construct or modify any berms placed along the rear of any Lots as part of the Surface Water or Stormwater Management System or take any other action reasonably necessary, following which Declarant or the Association shall restore the affected property to its original condition as nearly as practicable; provided, however, that Declarant or the Association shall not be required to replace or repair fences, walks, structures, landscaping or other improvements which are removed or damaged. Declarant or the Association shall give reasonable notice of its intent to take such action to all affected Owners, unless, in the opinion of Declarant or the Association, an emergency exists which precludes such notice. The right granted herein may be exercised at the sole option of Declarant or the Association and shall not be construed to obligate Declarant or the Association to take any affirmative action in connection therewith. The Owners of Lots adjacent to or containing a portion of the retention areas are granted a perpetual, nonexclusive easement for ingress and egress over and across the Surface Water or Stormwater Management System for the purpose of providing maintenance and erosion control to the embankments of such retention areas, but only in compliance with the District Permit or otherwise with District approval.

D. Improvements. No docks, bulkheads or other structures, permanent or temporary, shall be constructed on, over or under any portion of the Surface Water or Stormwater Management System without the prior written consent of the Association and the approval of the ARC or Declarant, which consent or approval may be withheld for any reason. Any improvements to the Surface Water or Stormwater Management System permitted by the Association and installed by the Owner shall be maintained by such Owner in accordance with the maintenance provisions of this Declaration. All improvements to the Surface Water or Stormwater Management System may also require the prior written approval of the SJRWMD. After receiving the approval of the Association, Owner shall be solely liable for obtaining all governmental permits necessary or convenient to construct such Improvement.

E. Use and Access. Declarant and the Association shall have the right to adopt reasonable Rules and Regulations from time to time in connection with the use of the surface waters of any portion of the Surface Water or Stormwater Management System, and shall have the right to deny such use to any person who, in the opinion of Declarant or the Association, may create or participate in a disturbance or nuisance on any part of the Surface Water or Stormwater Management System. The use of such surface waters by the Owners shall be subject to and limited by the Rules and Regulations of Declarant and the Association, all permits issued by governmental authorities and any rights granted to other persons pursuant to the Rules and Regulations of Declarant and the Association, provided, however, no watercraft shall be operated on any portion of the Surface Water or Stormwater Management System, including retention lakes, if any, or any portion of the Surface Water or Stormwater Management System. Swimming is strictly prohibited in the retention lakes.

F. LIABILITY. NEITHER DECLARANT, PARTICIPATING BUILDER(S) NOR THE ASSOCIATION SHALL HAVE ANY LIABILITY WHATSOEVER TO OWNERS, GUESTS, TENANTS OR INVITEES IN CONNECTION WITH THE RETENTION LAKES (IF ANY) AND DRAINAGE FACILITIES OR ANY PART OF THE SURFACE WATER OR STORMWATER MANAGEMENT SYSTEM. EACH OWNER, FOR ITSELF AND ITS GUESTS, TENANTS OR INVITEES, RELEASES DECLARANT, PARTICIPATING BUILDER(S) AND THE ASSOCIATION FROM ANY LIABILITY IN CONNECTION THEREWITH.

DECLARANT, PARTICIPATING BUILDER(S) AND THE ASSOCIATION SHALL NOT BE OBLIGATED TO PROVIDE SUPERVISORY PERSONNEL, INCLUDING BUT NOT LIMITED TO LIFEGUARDS, FOR THE RETENTION LAKES, IF ANY, AND/OR ANY PORTIONS OF THE COMMON AREA. ANY INDIVIDUAL USING THE RETENTION LAKES AND/OR ANY PORTIONS OF THE COMMON AREA SHALL DO SO AT HIS OR HER OWN RISK AND HEREBY HOLDS DECLARANT, PARTICIPATING BUILDER(S) AND THE ASSOCIATION HARMLESS FROM AND AGAINST ANY CLAIM OR LOSS (INCLUDING, WITHOUT LIMITATION, THOSE FROM PROPERTY DAMAGE, INJURY AND/OR DEATH) ARISING FROM SUCH USE.

NEITHER DECLARANT, PARTICIPATING BUILDER(S), THE ASSOCIATION NOR ANY OF THEIR SUCCESSORS, ASSIGNS, OFFICERS, DIRECTORS, EMPLOYEES, MANAGEMENT AGENTS, CONTRACTORS OR SUBCONTRACTORS (COLLECTIVELY, THE "LISTED PARTIES") SHALL BE LIABLE OR RESPONSIBLE FOR MAINTAINING OR ASSURING THE WATER QUALITY OR LEVEL IN ANY LAKE, POND, RETENTION AREA, CANAL, CREEK, MARSH AREA, STREAM OR OTHER WATER BODY WITHIN OR ADJACENT TO THE PROPERTY, EXCEPT AS SUCH RESPONSIBILITY MAY BE SPECIFICALLY IMPOSED BY AN APPLICABLE GOVERNMENTAL OR QUASI-GOVERNMENTAL AGENCY OR ENTITY AS REFERENCED HEREIN. FURTHER, ALL OWNERS AND USERS OF ANY PORTION OF THE PROPERTY LOCATED ADJACENT TO OR HAVING A VIEW OF ANY OF THE AFORESAID AREAS SHALL BE DEEMED, BY VIRTUE OF THEIR ACCEPTANCE OF A DEED TO, OR USE OF, SUCH PROPERTY, TO HAVE AGREED TO HOLD HARMLESS THE LISTED PARTIES FROM ALL LIABILITY RELATED TO ANY CHANGES IN THE QUALITY AND LEVEL OF THE WATER IN SUCH BODIES.

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

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

THE PROPERTY HAS BEEN OR WILL BE DEVELOPED IN ACCORDANCE WITH REQUIREMENTS OF THE DISTRICT PERMIT OR ANY PERMIT ISSUED BY THE ACOE. THE ACOE AND DISTRICT PERMITS ARE OR WILL BE OWNED BY THE ASSOCIATION AND THE ASSOCIATION HAS THE OBLIGATION TO ASSURE THAT ALL TERMS AND CONDITIONS THEREOF ARE ENFORCED. THE ASSOCIATION SHALL HAVE THE RIGHT TO BRING AN ACTION, AT LAW OR IN EQUITY, AGAINST ANY OWNER VIOLATING ANY PROVISION OF THE PERMITS.

FURTHER, ANY OWNER OWNING A LOT WHICH CONTAINS OR IS ADJACENT TO JURISDICTIONAL WETLANDS OR CONSERVATION AREAS AS ESTABLISHED BY THE ACOE OR SJRWMD OR BY THE CONSERVATION EASEMENT SHALL BY ACCEPTANCE OF TITLE TO THE LOT BE DEEMED TO HAVE ASSUMED THE OBLIGATION TO COMPLY WITH THE REQUIREMENTS OF THE APPLICABLE PERMITS AS THE SAME RELATE TO SUCH OWNER'S LOT AND SHALL AGREE TO MAINTAIN SUCH JURISDICTIONAL WETLANDS AND CONSERVATION AREAS IN THE CONDITION REQUIRED UNDER THE APPLICABLE PERMITS. IN THE EVENT THAT AN OWNER VIOLATES THE TERMS AND CONDITIONS OF THE APPLICABLE PERMITS AND FOR ANY REASON DECLARANT OR THE ASSOCIATION IS CITED THEREFORE, THE OWNER AGREES TO INDEMNIFY AND HOLD DECLARANT AND THE ASSOCIATION HARMLESS FROM ALL COSTS ARISING IN CONNECTION THEREWITH, INCLUDING WITHOUT LIMITATION ALL COST AND ATTORNEYS'

FEES, AS WELL AS ALL COSTS OF CURING SUCH VIOLATION. NO PERSON SHALL ALTER THE DRAINAGE FLOW OF THE SURFACE WATER OR STORMWATER MANAGEMENT SYSTEM OR ANY PORTION OF THE JURISDICTIONAL WETLANDS OR CONSERVATION AREAS, INCLUDING WITHOUT LIMITATION, ANY BUFFER AREAS, SWALES, TREATMENT BERMS OR SWALES, WITHOUT THE PRIOR WRITTEN APPROVAL OF THE SJRWMD OR ACOE, AS APPLICABLE.

G. Wetlands, Jurisdictional Land Swales. This Declaration is subject to the rights of the State of Florida over portions of the Property that may be considered wetlands, marshes, sovereignty or jurisdictional lands, and every Owner shall obtain any permit necessary prior to undertaking any dredging, filling, mowing, improving, landscaping or removal of plant life existing on his or her Lot. Further, certain Lots may be improved with swales constructed within Lots that are contiguous to any jurisdictional lands. The Owners thereof shall not remove or modify the swales without the consent of the applicable governmental entities. Any Owner who alters or otherwise modifies any swale, including mowing, shall repair and restore any such swale to be in full compliance with the District Permit and all other applicable permits, at such Owner's sole cost and expense, and shall indemnify and hold Declarant and the Association harmless from such violation.

H. Rights of the SJRWMD. Notwithstanding any other provisions contained elsewhere in this Declaration, the SJRWMD shall have the rights and powers enumerated in this paragraph. The SJRWMD shall have the right to enforce, by a proceeding at law or in equity, the provisions contained in this Declaration, the District Permit or the Conservation Easement that relate to the maintenance, operation and repair of the Surface Water or Stormwater Management System and the Conservation Easement. Any repair or reconstruction of the Surface Water or Stormwater Management System or the Conservation Easement shall be as permitted, or if modified, as approved in writing by the SJRWMD. No person shall alter the drainage flow of the Surface Water or Stormwater Management System, including any buffer areas, if any, swales, treatment berms or swales, without prior written approval of the SJRWMD. Any amendment to this Declaration that alters the Surface Water or Stormwater Management System, beyond maintenance in its original condition including the water management portions of the Common Area, must have prior written approval of the SJRWMD. In the event that the Association is dissolved, prior to such dissolution, all responsibility relating to the Surface Water or Stormwater Management System must be assigned to and accepted by an entity approved in writing by the SJRWMD.

I. Indemnity. Declarant may be required to assume certain duties and liabilities for the maintenance of the Surface Water or Stormwater Management System or drainage system within the Property under the Plat or any supplemental Plat, permits or certain agreements with governmental agencies. The Association further agrees that subsequent to the recording of this Declaration, it shall hold Declarant harmless from all suits, actions, damages, liabilities and expenses in connection with loss of life, bodily or personal injury or property damage arising out of any occurrence in, upon, at or from the maintenance of the Surface Water or Stormwater Management System occasioned in whole or in part by any action, omission of the Association or its agents, contractor, employees, servants or licensees but not excluding any liability occasioned wholly or in part by the acts of Declarant, its successors or assigns. Upon completion of construction of the Surface Water or Stormwater Management System or drainage system Declarant shall be deemed to have assigned all its rights, obligations and duties thereunder to the Association. The Association shall assume, and be deemed to have assumed, all such rights, duties and liabilities and shall indemnify and hold Declarant harmless therefrom.

J. Declarant's Rights. Declarant, its successors and assigns, shall have the unrestricted right, without approval or joinder of any other person or entity: (i) to designate the use of, alienate, release or otherwise assign the easements shown on the Plat or any supplemental Plats of the Property or as described herein, (ii) to plat or replat all or any part of the Property owned by Declarant, and (iii) to widen or extend any right of way shown on the Plat or supplemental Plat, if any, of the Property or convert a Lot to use as a right of way, provided that Declarant owns the lands affected by such change. Owners of Lots subject to easements shown on the Plat or any supplemental Plats of the Property shall

acquire no right, title or interest in any of the cables, conduits, pipes, mains, lines or other equipment or facilities placed on, over or under the easement area. The Owners of Lots subject to any easements shall not construct any Improvements on the easement areas, alter the flow of drainage or install landscaping on such areas with hedges, trees or other items that might interfere with the exercise of the easement rights. Any Owner who constructs any Improvements on such easement areas shall remove the Improvements upon written request of Declarant, the Association or the grantee of the easement.

Section 7. **Construction, Maintenance & Joint Use Agreement.** The Property is subject to and benefitted by that certain Construction, Maintenance & Joint Use Agreement, by and between Master Declarant and the State of Florida, Florida Department of Transportation ("FDOT"), recorded in Official Records Book 4140, Page 1090, of the Public Records of the County ("Drainage Pond Easement"). Among other terms and conditions, the Drainage Pond Easement provides a "Perpetual Easement" over "Joint Use Ponds" for stormwater drainage and wet detention ponds for portions of the "Right of Way" and the "Silverleaf Development" (as such terms are defined in the Drainage Pond Easement), as more particularly shown on Exhibit "A" to the Drainage Pond Easement. Any costs and expenses incurred by the Master Association under the Drainage Pond Easement would be included within the Master Association budget and the Association would be assessed its *pro rata* portion of same.

Section 8. **FP&L Easements; Transmission Lines; EMF.** The Property is subject to various easements granted to Florida Power & Light Company and its affiliates, licensees, successors and assigns (collectively, "FP&L"), including, without limitation, the Right of Way Agreement recorded in Official Records Book 66, Page 140 (as amended and modified by Amendment to Easement recorded in Official Records Book 4450, Page 434, Partial Release of Easement recorded in Official Records Book 4460, Page 1603, and Order on Motion for Partial Summary Judgment recorded in Official Records Book 4587, Page 1084), and the Easement recorded in Official Records Book 4122, Page 328, all of the Public Records of the County, as the same may be amended and modified from time to time (collectively, "FP&L Easements"). Among other rights granted by the FP&L Easements, is a perpetual easement for a right of way one hundred and ten feet (110') in width to be used by FP&L for the construction, operation and maintenance of electric transmission and distribution lines and related facilities. HIGH VOLTAGE ELECTRIC POWER TRANSMISSION LINES ARE LOCATED IN THIS EASEMENT WHICH IS LOCATED ON AND IN PROXIMITY OF THE SUBDIVISION. HIGH VOLTAGE TRANSMISSION LINES MAY DISCHARGE OR EMIT ELECTROMAGNETIC FIELDS ("EMF") WHICH MAY OR MAY NOT PRESENT A HEALTH RISK TO SUBDIVISION RESIDENTS. Electric service is essential to the very existence of a Home in the Subdivision and the other homes in the area, and EMF is a by-product of the use of electricity. Production of EMF from power lines is directly related to the amount of current that FP&L or the applicable utility company sends through the transmission lines, and FP&L and the applicable utility company have the right to increase the amount of this current at any time. By acceptance of a deed to a Lot within the Property, each Owner acknowledges and accepts the risk of living in the vicinity of the high voltage electric power transmission lines. Each Owner acknowledges and agrees that Declarant, Participating Builder(s) and Association shall have no responsibility to an Owner for any costs, expenses, losses, liabilities or obligations of any kind or nature whatsoever arising out of or in any way related to EMF, or the transmission lines or related facilities. Accordingly, EACH OWNER, FOR ITSELF AND HIS/HER FAMILY, GUESTS, TENANTS AND INVITEES, RELEASES DECLARANT, PARTICIPATING BUILDER(S) AND ASSOCIATION FROM ANY LIABILITY AND/OR CLAIMS FOR LOSS AND/OR DAMAGE (INCLUDING, WITHOUT LIMITATION, PROPERTY DAMAGE AND/OR PERSONAL INJURY) RESULTING FROM THE EXISTENCE OF HIGH VOLTAGE ELECTRIC POWER TRANSMISSION LINES ON OR IN PROXIMITY OF THE SUBDIVISION AND ANY ELECTROMAGNETIC FIELDS, RADIATION, NOISE, VIBRATION OR OTHER MATTER DISCHARGED OR EMITTED FROM SAID TRANSMISSION LINES AND RELATED FACILITIES.

Section 9. **Assignments; Additional Easements.** The easements reserved hereunder may be assigned by Declarant or the Association in whole or in part to any city, county or state government or agency thereof, or any water management district, or any duly licensed or franchised public utility or any other designee of Declarant. Declarant shall have and hereby reserves the right to grant and/or reserve

additional easements over, under and upon the Property or portions thereof (including the portion of Lots where no physical structure of the Home is located) which may be necessary or desirable by Declarant. The Owners hereby authorize Declarant and/or the Association to execute, on their behalf and without any further authorization, such grants of easement or other instruments as may from time to time be necessary to grant easements over and upon the Property or portions thereof in accordance with the provisions of this Declaration.

ARTICLE VI

MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION: BOARD; DURATION OF THE ASSOCIATION

Section 1. **Membership and Voting Rights.** Membership in the Association, and the voting rights of the Members, shall be established and terminated as set forth in the Articles and Bylaws. Each Member shall be entitled to the benefit of, and be subject to, the provisions of the Subdivision Documents.

Section 2. **Board.** The Association shall be governed by the Board which shall be appointed, designated or elected, as the case may be, as set forth in the Articles and Bylaws.

Section 3. **Duration of the Association.** The duration of the Association shall be perpetual, as set forth in the Articles. In the event of termination, dissolution or final liquidation of the Association, the responsibility for the operation and maintenance of the surface water or stormwater management system must be transferred to and accepted by an entity which complies with Rule 62-330.310, F.A.C., and Applicant's Handbook Volume I, Section 12.3, and be approved in writing by the SJRWMD, Florida Department of Environmental Regulation or other governmental authority having jurisdiction prior to such termination, dissolution or liquidation.

Section 4. **Relationship to the Master Association.**

A. The Association is a component of the larger planned mixed-use community known as Silverleaf. All Owners, Tenants and occupants of Homes shall have access to and use of various services and facilities provided by the Master Association in accordance with and subject to the Master Declaration. Every Owner, by acceptance of a deed to Home and Lots, acknowledges that, in addition to being subject to and bound by the Declaration, he or she is subject to the Master Declaration and that his or her Lot and Home is subject to Assessment by the Master Association in accordance with the terms of the Master Declaration. Each Owner covenants and agrees to pay all Assessments levied against such Owner's Home and Lot by the Master Association or by the Association on behalf of the Master Association. Pursuant to the Master Declaration, Master Association assessments are to be collected by the Association on behalf of the Master Association.

B. **Supremacy of the Master Declaration.** In addition to all of the rights and obligations which have been conferred or imposed upon the Association pursuant to the Declaration, the Association shall be entitled to exercise any of the rights conferred upon it and shall be subject to all of the obligations imposed upon it pursuant to the Master Declaration. The Association and all committees thereof shall also be subject to all superior rights and powers which have been conferred upon the Master Association pursuant to the Master Declaration. The Association shall take no action in derogation of the rights of the Master Association.

C. **Maintenance of Surface Water or Stormwater Management System.** Per Section 4.4(b) of the Master Declaration, the Master Association shall have no responsibility to operate, maintain or repair the Surface Water or Stormwater Management System, as such term is defined by this Declaration, provided however, in the event that the Association shall for any reason fail to maintain any

portion of the Surface Water or Stormwater Management System, the Master Association shall have the right, but not the obligation, to perform such maintenance at the expense of the Association.

D. ACCESS TO AMENITIES OPERATED BY MASTER ASSOCIATION.
ALL PARTIES ARE HEREBY PLACED ON NOTICE THAT THE OWNERS SHALL NOT HAVE ACCESS TO OR ANY RIGHT OF USE OF THE AMENITIES, AS SUCH TERM IS DEFINED BY THE MASTER DECLARATION.

E. Cumulative Effect; Conflict. The provisions of the Declaration shall be cumulative with the provisions of the Master Declaration; however, in the event of conflict between or among the provisions of the Declaration and the Master Declaration, the latter shall be superior. The foregoing priorities shall not prevent enforcement by the Association of provisions or rules in the Declaration which are stricter than those of the Master Documents.

ARTICLE VII

COVENANT TO PAY ASSESSMENTS; ESTABLISHMENT OF LIENS; COLLECTION OF ASSESSMENTS; COLLECTION BY DECLARANT; CERTAIN RIGHTS OF DECLARANT AND INSTITUTIONAL MORTGAGEES

Section 1. **Affirmative Covenant to Pay Assessments.** In order to: (a) fulfill the terms, provisions, covenants, conditions, restrictions, reservations, regulations, burdens, liens and easements contained in the Subdivision Documents; and (b) maintain, operate and preserve the Common Area for the use, safety, welfare and benefit of the Owners and their family members, guests, invitees and Tenants, there is hereby imposed upon each Contributing Home and each Contributing Home Owner the affirmative covenant and obligation to pay to the Association, commencing from and after the first conveyance of a Home from Declarant and/or Participating Builder as evidenced by the recordation of a deed in the Public Records of the County (in the manner herein set forth) all Assessments, including, but not limited to, the Individual Home Assessments and Special Assessments. Each Owner, by acceptance of a deed or other instrument of conveyance conveying a Lot and Contributing Home within the Property, whether or not it shall be so expressed in such deed or instrument, shall be obligated and agrees to pay to the Association all Assessments in accordance with the provisions of the Subdivision Documents.

Section 2. **Operating Expenses; Reserves; Special Assessments.**

2.1 The following expenses of the Association are hereby declared to be Operating Expenses which the Association is obligated to assess and collect, and which the Owners are obligated to pay as provided herein or as may be otherwise provided in the Subdivision Documents: (1) any and all taxes and tax liens which may be assessed or levied at any and all times against the Common Area as a whole and not upon an individual Lot or Home, the Community Systems, or against any and all personal property or Improvements thereon; (2) all charges levied for utilities providing services for the Common Area as a whole and not upon an individual Lot or Home or to the Owners on a bulk basis, such as water, gas, electricity, telephone, cable television, telecommunication services, home monitoring, sanitation, sewer and any type of utility or any other type of service charge which is not separately billed to an Owner, or the Community Systems; (3) the premiums on policies of insurance contemplated to be paid hereunder including, but not limited to, liability and casualty insurance for the Common Area and directors and officers liability insurance for the officers and directors of the Association; (4) any sums necessary for the maintenance and repair of the Common Area and all Improvements located thereon; (5) any sums necessary to reimburse the Association for any costs or expenses incurred in connection with maintaining the Common Area; (6) administrative and operational expenses of the Association and the ARC; (7) all sums necessary for the maintenance and repair of the Surface Water or Stormwater Management System to be maintained by the Association, including but not limited to work within retention areas, drainage structures and drainage easements; (8) any and all assessments and/or charges levied by the Master

Association against the Association applicable to the Homes and Lots in accordance with the terms of the Master Declaration; and (9) any and all expenses deemed to be Operating Expenses by the Association and/or under this Declaration.

2.2 Reserves for future maintenance, repair and replacements are specifically excluded from Operating Expenses. The Board may, if it so determines, include reserves in the Association's annual budget.

2.3 In addition, any expense which is required by this Declaration to be the matter of Special Assessment shall not be deemed to be an Operating Expense. Expenses which are required to be the matter of Special Assessment include, by way of example but not by way of limitation, the following: the cost of reconstructing, replacing or improving the Common Area which is the Association's responsibility to maintain or any portion thereof or Improvements thereon; any casualty loss affecting the Association or the Common Area to the extent such loss exceeds the insurance proceeds, if any, receivable by the Association as a result of such loss; any judgment against the Association (or against a Director or Directors if and to the extent such Director is, or such Directors are, entitled to be indemnified by the Association therefor pursuant to the Articles) to the extent such judgment exceeds the insurance proceeds, if any received by the Association as a result of such judgment, or an agreement by the Association (or such Director or Directors to whom indemnification is owed) to pay an amount in settlement of a lawsuit against it (or such Director or Directors) to the extent such settlement exceeds the insurance proceeds, if any, received by the Association as a result of such settlement agreement; and Legal Fees incurred by the Association in connection with litigation (whether incurred for the preparation, filing, prosecution or settlement thereof or otherwise), except Legal Fees incurred by the Association in connection with the collection of Assessments or other charges which Owners are obligated to pay pursuant to the Subdivision Documents or the enforcement of the use and occupancy restrictions contained in the Subdivision Documents, and except legal fees incurred for lawsuits not approved pursuant to Article XV, Section 14 below. Notwithstanding anything to the contrary herein contained, it is recognized and declared that Special Assessments shall be in addition to, and are not part of, any Assessment. Any Special Assessments assessed against Lots and the Owners thereof shall be paid by such Owners in addition to any other Assessments and shall be assessed in the same manner as the Assessment.

The Operating Expenses with respect to the Common Area are payable by each Owner of a Contributing Home notwithstanding the fact that Declarant may not have as yet conveyed title to the Common Area to the Association.

Operating Expenses shall include expenses with respect to the Common Area and any costs and expenses incurred by the Association in administering, operating, maintaining, financing, or repairing the Common Structural Elements, in the event the Association performs any such maintenance or repair pursuant to this Declaration.

Section 3. **Establishment of Liens.** Each Assessment against a Contributing Home, together with Interest thereon and costs of collection, including, but not limited to, Legal Fees, shall be the personal obligation of the Owner of such Contributing Home. Any and all Assessments made by the Association in accordance with the provisions of the Subdivision Documents with Interest thereon and costs of collection, including, but not limited to, Legal Fees, are hereby declared to be a charge and continuing lien upon each Contributing Home against which each such Assessment is made. Said lien shall be effective only from and after the time of the recordation amongst the Public Records of the County of a written, acknowledged statement by the Association setting forth the amount due to the Association as of the date the statement is signed. Upon full payment of all sums secured by that lien, the party making payment shall be entitled to a satisfaction of the statement of lien in recordable form. Notwithstanding anything to the contrary herein, in the event an Institutional Mortgagee of record obtains title to a Home as a result of foreclosure of its first mortgage or deed in lieu of foreclosure, such acquirer of title, its successors or

assigns, shall be liable for Assessments pertaining to such Lot or chargeable to the former Owner, except to the extent limited by the HOA Act.

Section 4. **Collection of Assessments.** In the event any Owner shall fail to pay any Assessment, or installment thereof, charged to such Owner within fifteen (15) days after the same becomes due, then the Association, through its Board, shall have any and all of the following remedies to the extent permitted by law, which remedies are cumulative and which remedies are not in lieu of, but are in addition to, all other remedies available to the Association:

4.1 To accelerate the entire amount of any Assessment for the remainder of the calendar year notwithstanding any provisions for the payment thereof in installments.

4.2 To advance on behalf of the Owner(s) in default funds to accomplish the needs of the Association up to and including the full amount for which such Owner(s) is liable to the Association and the amount or amounts of monies so advanced, together with Interest and all costs of collection thereof, including, but not limited to, Legal Fees, may thereupon be collected by the Association from the Owner(s) and such advance by the Association shall not waive the default.

4.3 To file an action in equity to foreclose its lien at any time after the effective date thereof as provided in Section 3 above. The lien may be foreclosed by an action in the name of the Association in like manner as a foreclosure of a mortgage on real property. By taking such action, the Association shall not be precluded from seeking a remedy under Section 4.4 below.

4.4 To file an action at law to collect said Assessment plus Interest and all costs of collection thereof including, but not limited to, Legal Fees, without waiving any lien rights or rights of foreclosure of the Association. By taking such action, the Association shall not be precluded from seeking a remedy under Section 4.3 above.

4.5 To charge Interest on such Assessment from the date it becomes due, as well as a late charge of Twenty-Five and No/100 Dollars (\$25.00) or five percent (5%) of the past due amount, whichever is greater, by the Association to defray additional collection costs. This amount is subject to change in the Board's sole discretion.

4.6 To suspend the right of the Owner(s) in default to vote on any matter on which the Owners have the right to vote if such Owner is delinquent in payment of Assessments or other monetary obligation due the Association for more than ninety (90) days and until such monetary obligations are paid in full.

4.7 To suspend the right of the Owner(s), along with their family members, guests, invitees and tenants to use certain common and recreational areas located within the Common Area, if any, if such Owner is delinquent in payment of Assessments or any other monetary obligation due the Association for more than ninety (90) days and until such monetary obligations are paid in full.

Suspensions imposed by the Association pursuant to subsections 4.6 and 4.7 above must be approved by the Board in the manner required by the HOA Act.

Section 5. **Collection by Declarant.** In the event for any reason the Association shall fail to collect the Assessments, Declarant shall at all times have the right (but not the obligation): (i) to advance such sums as the Association could have advanced as set forth above; and (ii) to collect such Assessments and, if applicable, any such sums advanced by Declarant, together with Interest and costs of collection, including, but not limited to, Legal Fees.

Section 6. **Rights of Declarant and Institutional Mortgagees to Pay Assessments and Receive Reimbursement.** Declarant and any Institutional Mortgagee(s) shall have the right, but not the obligation, jointly or individually, and at their sole option, to pay any of the Assessments which are in default and which may or have become a charge against any Home(s). Further, Declarant and any Institutional Mortgagee shall have the right, but not the obligation, jointly or individually, and, at their sole option to pay insurance premiums or fidelity bond premiums or other required items of Operating Expenses on behalf of the Association in the event the same are overdue and when lapses in policies or services may occur. Declarant and any Institutional Mortgagee paying overdue Operating Expenses on behalf of the Association will be entitled to immediate reimbursement from the Association plus Interest and any costs of collection including, but not limited to Legal Fees, and the Association shall execute an instrument in recordable form to this effect and deliver the original of such instrument to each Institutional Mortgagee who is so entitled to reimbursement and to Declarant if Declarant is entitled to reimbursement.

ARTICLE VIII

METHOD OF DETERMINING ASSESSMENTS AND ALLOCATION OF ASSESSMENTS

Section 1. **Determining Amount of Assessments.** The total anticipated Operating Expenses for each calendar year shall be set forth in the budget ("Budget") prepared by the Board. Each Home shall be assessed its *pro rata* portion of the total anticipated Operating Expenses as set forth in the Budget (other than those Operating Expenses which are properly the subject of a Special Assessment or Benefited Assessment), which shall be the "Individual Home Assessment" as to each Contributing Home. Operating Expenses shall be divided by the total number of Homes planned for the Subdivision, but subject to change in accordance with this Declaration. Notwithstanding anything in the Subdivision Documents to the contrary, only a "Contributing Home" and the Owner thereof, shall be obligated to pay Individual Home Assessments. Notwithstanding anything herein or in the Subdivision Documents to the contrary, any assessment for legal expenses incurred by the Association to begin legal proceedings against Declarant shall be deemed an Operating Expense which is properly the subject of a Special Assessment and not the subject of a regular Individual Home Assessment.

Section 2. **Assessment Payments.** The Individual Home Assessments shall be payable quarterly, in advance, on the first (1st) day of each fiscal quarter. Notwithstanding the foregoing, the Board has the right to change the method and frequency of the payments of Individual Home Assessments. The Individual Home Assessments, and the quarterly payments thereof, as well as all Assessments provided for herein and all installments thereof may be adjusted from time to time by the Board to reflect changes due to changes in the Budget or in the event that the Board determines that an Assessment or any installment thereof is either less than or more than the amount actually required.

Section 3. **Special Assessments.** "Special Assessments" include, in addition to other Assessments designated as Special Assessments in the Subdivision Documents and whether or not for a cost or expense which is included within the definition of "Operating Expenses," those Assessments which are levied for capital improvements which include the costs (whether in whole or in part) of constructing or acquiring Improvements for, or on, the Common Area or the cost (whether in whole or in part) of reconstructing or replacing such Improvements. In addition, Special Assessments may be levied against particular Lots and/or Owners to the exclusion of others. Notwithstanding anything to the contrary herein contained, it is recognized and declared that Special Assessments shall be in addition to, and are not part of, any Individual Lot Assessment. Any Special Assessments assessed against Lots and the Owners thereof shall be paid by such Owners in addition to any other Assessments and shall be assessed in the same manner as the Individual Lot Assessment. Special Assessments shall be paid in such installments or in a lump sum as the Board shall, from time to time, determine. Notwithstanding the foregoing, the levying of any Special Assessment after the Turnover Date shall require the affirmative assent of at least thirty percent (30%) of all Members represented in person or by proxy at a meeting called and held in accordance with

the Bylaws; provided, however, the Board acting alone and without the consent of Members may levy Special Assessments for the following: i) in the event of a casualty loss to repair and replace Common Area which is not insurable (e.g., landscaping, fencing, etc.), not insured, under insured, or where insurance coverage was denied by the insurance carrier after the casualty loss; ii) to obtain funds to cover insurance deductibles in the event of a casualty loss; or iii) capital improvements necessary or desirable for the sole purpose of preservation of, or prevention of damage to, Common Area.

Section 4. **Benefited Assessments.** The Board shall have the right to levy "Benefited Assessments" against one or more particular Lots, as follows:

(a) to cover the costs, including, without limitation, overhead and administrative costs, of providing services to a particular Lot (or group of Lots) upon request of the Owner of such Lot (or group of Lots), pursuant to any menu of special services which the Association may offer or pursuant to a Supplemental Declaration or as otherwise provided in this Declaration. Benefited Assessments for special services may be levied in advance of the provision of the requested service;

(b) to cover costs incurred in bringing a Lot into compliance with the Subdivision Documents, to cover costs and expenses for items for which the Association is permitted to levy an assessment against a particular Lot or group of Lots, pursuant to this Declaration (which assessment is not otherwise a Special Assessment) or costs incurred as a consequence of the conduct of the Owner or occupants of a particular Lot, their agents, contractors, employees, licensees, invitees, or guests, including, without limitation, Legal Fees, as applicable; or

(c) as otherwise set forth herein.

Section 5. **Liability of Owners for Individual Home Assessments.** By the acceptance of a deed or other instrument of conveyance of a Contributing Home in the Property, each Owner thereof acknowledges that such Contributing Home becomes a Contributing Home upon such conveyance by Declarant and the Owners thereof are jointly and severally liable for their own Lot Assessments and their applicable portion of any Special Assessments, as well as for any and all other Assessments for which they are liable, as provided for herein. Such Owners further recognize and covenant that they are jointly and severally liable with the Owners of all Contributing Homes for the Operating Expenses (subject to any specific limitations provided for herein such as, but not limited to, the limitation with respect to matters of Special Assessment and the limitations on the liability of Institutional Mortgagees and their successors and assigns). Accordingly, subject to such specific limitations, it is recognized and agreed by each Owner, for such Owner and such Owner's heirs, executors, successors and assigns, that in the event any Owner fails or refuses to pay such Owner's Individual Home Assessment or any portion thereof, or such Owner's respective portion of any Special Assessment or any other Assessment, then the other Owners may be responsible for increased Individual Home Assessments or Special Assessments or other Assessments due to the nonpayment by such other Owner, and such increased Individual Home Assessment or Special Assessment or other Assessment can and may be enforced by the Association and Declarant in the same manner as all other Assessments hereunder as provided in the Subdivision Documents.

Section 6. **Declarant Subsidy.** Except as may be limited by applicable law, Declarant has the right (at its sole election) to: subsidize the Budget of the Association as provided below by making voluntary contributions in amounts determined by Declarant in Declarant's sole discretion. During the period of time that Declarant or Participating Builders are offering Homes for sale in the Subdivision and/or based on the number of Homes owned by Owners other than Declarant or Participating Builders, Declarant may seek to keep Assessments lower than they otherwise may be by subsidizing the Budget of the Association by making voluntary contributions in amounts determined by Declarant. The amount of any such voluntary contributions may vary from time to time or may be discontinued and/or recommenced by Declarant from time to time. The determination to subsidize the Budget of the Association, the amount of any such voluntary contribution, the discontinuance and/or recommencement of any such voluntary

contributions shall all be made by Declarant in Declarant's sole discretion and in no event shall Declarant have any obligation whatsoever to make any such voluntary contributions. Each Owner shall be solely responsible to review the Budget of the Association then in effect to determine if and to what extent Declarant is making any voluntary contributions to subsidize the budget and thus lower the Assessments payable by the Owners that would otherwise be higher based on the Operating Expenses of the Association. Declarant's rights under this Section 6 do not constitute a guarantee of Assessments or Operating Expenses under and as described in Section 720.308(2) of the HOA Act.

Section 7. **Declarant's Right to Loan or Advance Funds.** Declarant may (but is not obligated to) loan, advance or otherwise make payments to the Association to assist the Association in meeting its financial obligations. Notwithstanding anything to the contrary contained in this Section, if Declarant loans, advances or otherwise makes payments to the Association, other than as a voluntary subsidy per Section 6 above, then any such sums shall be repaid to Declarant prior to the Turnover Date.

Section 8. **Working Fund Contribution.** Each Owner who purchases a Lot with a Home thereon from Declarant or a Participating Builder (sales by Declarant to a Participating Builder are exempt) shall pay to the Association at the time legal title is conveyed to such Owner, an "Initial Working Fund Contribution." The Initial Working Fund Contribution shall be Five Hundred Dollars and No/100 (\$500.00). Initial Working Fund Contributions are not advance payments of Individual Home Assessments and shall have no effect on future Individual Home Assessments, nor will they be held in reserve. To ensure that the Association will have sufficient cash available to pay for start-up expenses, Operating Expenses and other expenses, Declarant or a Participating Builder may from time to time advance to the Association the Working Fund Contribution applicable to any Lot(s) prior to the time legal title to such Lot(s) is conveyed to the Owner(s) thereof. In the event Declarant or a Participating Builder advances the Initial Working Fund Contribution applicable to any Lot, then, at the time legal title to such Lot is conveyed to the Owner thereof, the Initial Working Fund Contribution to be paid by such Owner to the Association pursuant to this Section 8 shall be paid directly to Declarant or a Participating Builder, as applicable, in reimbursement of the advance, instead of to the Association. Initial Working Fund Contributions (whether paid by Owner or advanced by Declarant) may also be used to offset Operating Expenses during the time Declarant is in control of the Board.

Section 9. **Ongoing Working Fund Contribution.** Each Owner who purchases a Lot with a Home thereon, other than from Declarant or a Participating Builder as set forth in Section 8 above, shall pay to the Association at the time legal title is conveyed to such Owner, an "Ongoing Working Fund Contribution." The Ongoing Working Fund Contribution shall be Five Hundred Dollars and No/100 (\$500.00). Ongoing Working Fund Contributions are not advance payments of Individual Home Assessments and shall have no effect on future Individual Home Assessments, nor will they be held in reserve. Ongoing Working Fund Contributions may also be used to offset Operating Expenses during the time Declarant is in control of the Board.

Section 10. **Participating Builder Exemption.** Notwithstanding anything in this Declaration or the Articles and Bylaws to the contrary, during the time that a Participating Builder owns any Lot, the Participating Builder shall not pay any Individual Home Assessments with respect to the Lots owned by the Participating Builder; provided, however, Assessments shall commence and be payable as to a particular Lot owned by a Participating Builder upon the earlier to occur of (i) the sale of the Lot by a Participating Builder to an unaffiliated third party; or (ii) the Participating Builder is "no longer marketing the Lot for sale." The term "no longer marketing the Lot for sale" means that the Participating Builder has ceased all reasonable sales efforts as to a Lot for more than sixty (60) days after a Participating Builder has formally commenced its sales program within the Subdivision; provided, however, such time period of sixty (60) days shall be extended by matters for force majeure which are beyond the control of the Participating Builder such as acts of God, delays caused by governmental authorities having jurisdiction over the Subdivision in issuing building permits or other permits to Participating Builder, or any other matters that would qualify under impossibility of performance principles recognized under the laws of the State of

Florida. For the purpose of this Section 10, if there are more than one (1) Participating Builder, each Participating Builder for the purposes of this Section shall be treated individually and not collectively with other Participating Builders.

Section 11. **Declarant's Obligation for Assessments and Option to Fund Budget Deficits.** Each Owner acknowledges and agrees that because Assessments are allocated based on the number of Completed Homes conveyed to Owners (other than Declarant and/or a Participating Builder), that it is possible the Association may collect more or less than the amount budgeted for Operating Expenses. Accordingly, to the maximum extent permitted by Florida law, during the time which Declarant has the right to control the Board, Declarant may satisfy its obligation for Assessments, if applicable, on Homes which it owns at the applicable rate either by paying Assessments in the same manner as any other Owner or by funding the Budget deficit. The Budget deficit is the difference between (i) the amount of Assessments levied on Contributing Homes owned by Owners other than Declarant or a Participating Builder plus any other income, revenue or sums received by the Association during the period during which Declarant has elected to fund the deficit, and (ii) the amount of the Association's actual expenditures during the fiscal year and excluding to the maximum extent allowable by law, contributions to reserves, if established, and Special Assessments arising as a result of any unusual loss or liability. The calculation of Declarant's deficit funding obligation shall be done on a cumulative basis (from the inception of the election to fund the deficit until Declarant's election to cease funding the deficit) although Declarant will fund the Association to meet its cash flow obligations as they arise during the deficit funding period. Unless Declarant otherwise notifies the Board in writing at least thirty (30) days before the beginning of the fiscal year, Declarant shall continue paying on the same basis as during the previous fiscal year. Regardless of Declarant's election, Declarant's Assessment obligations, if any, may be satisfied in the form of cash or by "in kind" contributions of services or materials, or by a combination of these, the value of which shall be reasonably determined by Declarant. After Declarant's right to control the Board terminates or sooner if Declarant elects to pay Assessments, if applicable, on Homes it owns, and cease deficit funding, Declarant shall pay Assessments on Homes which it owns pursuant to the provisions of this Declaration. Declarant's obligation to deficit fund is not a guarantee of Assessments or Operating Expenses as contemplated by Section 720.308 of the HOA Act because the amount of Assessments and/or Operating Expenses to be paid by Owners during any deficit funding period may change based upon changes in the then buildout budget.

ARTICLE IX

ARCHITECTURAL CONTROL

Section 1. **Declarant Exempt.** The provisions of this Article IX, Sections 2 through 9, shall not be operative against Declarant for any period of time when Declarant owns any of the Lots.

Section 2. **Architectural Review Committee.** The site development, design and architectural review and control functions of the Association shall be administered and performed by the Architectural Review Committee ("ARC"), which shall consist of three (3) or five (5) members, none of whom are required to be Members of the Association. The Board of Directors of the Association shall have the right to appoint all of the members of the ARC. A majority of the ARC shall constitute a quorum to transact business at any meeting of the ARC, and the action of a majority present at a meeting at which a quorum is present shall constitute the action of the ARC. Any vacancy occurring on the ARC because of death, resignation or termination of service of any member thereof shall be filled by the Board of Directors. If the ARC does not function or exist, for whatever reason at any time hereafter, then all of the functions otherwise to be performed by the ARC shall be performed by the Association as a whole.

Section 3. **Powers and Duties of the ARC.** The ARC shall have the following powers and duties:

3.1 To require submission to the ARC of two (2) complete sets of all preliminary and final plans and specifications for any improvement or structure of any kind requiring review and approval of the ARC pursuant to this Article IX. The ARC may also require submission of samples of building materials, surveys and such additional information as reasonably may be necessary for the ARC to completely evaluate the proposed structure or improvement in accordance with the Subdivision Documents and applicable use restrictions and design criteria established by Declarant.

3.2 To approve or disapprove in accordance with the provisions of this Article IX, any improvements or structures of any kind, and to approve or disapprove any exterior additions, changes, modifications or alterations therein or thereon. All decisions of the ARC may, but need not be, evidenced by a certificate in recordable form executed under seal by the President or any Vice President of the Association. Any party aggrieved by a decision of the ARC shall have the right to make a written request to the Board, within thirty (30) days of such decision, for a review thereof. The determination of the Board upon review of any such decision shall be dispositive.

3.3 To adopt a schedule of reasonable fees for processing requests for ARC approval of proposed improvements. Such fees, if any, shall be payable to the Association, in cash, at the time that plans and specifications are submitted to the ARC.

Section 4. **Compensation of ARC.** The Board may, at its option, pay reasonable compensation to any or all members of the ARC, provided however, for so long as a majority of the Board of Directors shall be appointed by Declarant, no member of the ARC may be compensated.

Section 5. **Architectural Review and Approval.** No Lot Improvement of any kind, including without limitation, any building, addition, pool, play set or play equipment, fence, wall, screen enclosure, sewer, drain, disposal system, landscape device or object, driveway or other structure or Improvement shall be commenced, erected, placed or maintained upon any Lot, nor shall any addition, alteration, replacement or removal thereof be made unless and until the plans, specifications and location of the same have been submitted to and approved in writing by the ARC. All plans and specifications shall be evaluated as to visual and acoustical privacy and as to the harmony of external design and location in relation to surrounding structures, topography, existing trees and other natural vegetation and as to specific conformance with use restrictions or architectural criteria which may be imposed from time to time by Declarant or the Association with respect to any particular portion of the Property. Any Owner desiring to make any Lot Improvement shall supply two (2) sets of completed plans and specifications to the ARC and no plan or specification shall be deemed approved unless a written approval is granted by the ARC to the Owner submitting same. The ARC shall approve or disapprove plans and specifications properly submitted within thirty (30) days of each submission. Any change or modification to an approved plan shall not be deemed approved unless a written approval is granted by the ARC to the Owner submitting same.

Section 6. **Master Association Approval.** All matters that are subject to architectural review and approval pursuant to Article IX shall also be subject to review and approval of the Master Association in accordance with the terms of Article VIII of the Master Declaration and any "Design Guidelines" promulgated thereunder. In the event of any conflict between any architectural review decision made pursuant to this Declaration, and an architectural decision made pursuant to the Master Declaration, the decision made pursuant to the Master Declaration shall control.

Section 7. **Security Deposit for Improvements.** Upon any Owner's submittal to the ARC for approval of any Lot Improvements as required in this Article, the ARC, at its discretion, may also require the Owner's payment to the Association of a security deposit in an amount not to exceed Five Thousand and No/100 Dollars (\$5,000.00) to cover costs of incidental damage caused to the Common Area, adjacent Homes or Lots or any property (real or personal) by virtue of any such Lot Improvement. The ARC shall have the sole and absolute discretion to determine whether a security deposit is required for the Lot Improvements being requested. The Association shall not be obligated to place the security deposit in an

interest bearing account. The Owner shall be entitled to the return of the security deposit upon: (i) such Owner's written notice to the ARC that the Lot Improvements covered by the security deposit have been completed in accordance with the plans and specifications as approved by the ARC; and (ii) the ARC's confirmation of satisfactory completion of such Lot Improvements; provided, however, should any incidental damage be caused to any part of the Common Area by virtue of such Owner's construction of Lot Improvements, the security deposit shall not be returned to Owner until such damages have been repaired. In the event that Owner has not repaired such damages to the Common Area to the satisfaction of the ARC, Association shall have the right (but not the obligation), after five (5) days' notice to the Owner, to repair such incidental damage and to retain the security deposit, or such portion thereof, to offset the costs of such work. In addition, the Owner hereby agrees to indemnify and reimburse the Association for all reasonable costs expended by the Association in excess of the security deposit, including Interest and Legal Fees, if any, incurred in connection therewith. Should any incidental damage be caused to an adjacent Lot or Home by virtue of such Owner's construction of any Lot Improvements, the Owner of the adjacent Lot (the "Adjacent Lot Owner") shall, at their sole option: (a) remedy such damage and submit to the Association a receipt, invoice or statement therefor for reimbursement from the security deposit held by the Association; or (b) allow the offending Owner to repair such damage to the Lot or Home at the offending Owner's sole cost and expense, and upon receipt by the Association of written notice from the Adjacent Lot Owner that such incidental damage has been repaired, the offending Owner shall be entitled to a return of the security deposit being held by the Association, if any.

Notwithstanding anything contained in this Section to the contrary, the Association's return of the security deposit for any such Lot Improvements shall be based solely on considerations set forth above. The Association's return of the security deposit does not and shall not be construed to constitute a determination by members and representatives of the ARC, Declarant and/or the Association of the structural safety, approval or integrity of any Lot Improvement, conformance with building or other codes or standards or the proper issuance of governmental permits and approvals for any Lot Improvement.

Section 8. **Meetings of the ARC.** The ARC shall meet from time to time as necessary to perform its duties hereunder. The ARC may from time to time, by resolution unanimously adopted in writing, designate an ARC representative (who may, but need not, be one of its members) to take any action or perform any duties for and on behalf of the ARC except for granting variances pursuant to Section 11 below. In the absence of such designation, the vote of any two (2) members of the ARC shall constitute an act of the ARC.

Section 9. **No Waiver of Future Approvals.** The approval of the ARC of any plans and specifications or drawings for any work performed or proposed shall not be deemed to constitute a waiver of any right to withhold approval or consent to any identical or similar proposal subsequently or additionally submitted for approval or consent, whether such submission is by that applicant or another applicant. Similarly, denial by the ARC of any plans and specifications or drawings for any work performed or proposed shall not be deemed to constitute a waiver of any right to approve or consent to any identical or similar proposal subsequently or additionally submitted for approval or consent, whether such submission is by that applicant or another applicant.

Section 10. **Inspection of the Work.** Inspection of work on any Lot Improvement and correction of defects therein shall proceed as follows:

10.1 The Owner shall notify the ARC in writing upon the completion of any Lot Improvement submitted and approved under this Article.

10.2 Within thirty (30) days after receipt of such written notice, the ARC may inspect or cause the inspection of such Lot Improvement. If the ARC determines such Lot Improvement is not in substantial compliance with the approved plans, the ARC shall deliver written notice to the Owner specifying the noncompliance and requiring the Owner's remedy thereof within fifteen (15) days.

10.3 If the Owner fails to timely remedy the noncompliance, the ARC shall deliver written notice of such failure to the Board. The Board shall thereafter verify the noncompliance, the nature thereof and the estimated cost of correcting or removing the same, and shall deliver to the Owner written notice of the Board's determination. Within thirty (30) days of the date of the Board's determination, the Owner shall remedy or remove the noncompliance. If the Owner does not timely comply with the Board's ruling, the Board, at its option, may remove the Lot Improvement, remedy the noncompliance or proceed in court to compel compliance, and the submitting Owner shall be liable for reimbursement to the Association, upon demand, for all expenses incurred hereunder, including Interest and Legal Fees. If such expenses are not promptly paid to the Association by the Owner, the Board shall levy an Assessment against such Owner and said Assessment shall constitute a lien upon the Owner's Lot and Home with the same force and effect as liens for Operating Expenses.

10.4 If, for any reason, notification is not given to the submitting Owner of acceptance within thirty (30) days after receipt of said written notice of completion from the submitting Owner, the Lot Improvement and/or alteration shall be deemed to be in compliance with said approved plans.

Section 11. **Limitation on Liability.** Neither the ARC, any member thereof, any duly authorized ARC representative, the Association nor Declarant shall be liable for any loss, damage or injury arising out of or in any way connected with the performance of the ARC duties hereunder, unless due to the willful misconduct or bad faith of a member in which event only that member shall incur any liability. The ARC's review and approval or disapproval of plans submitted to it for any proposed Lot Improvement shall be based solely on considerations of the overall benefit or detriment to the Subdivision. The ARC shall not be responsible for reviewing, nor shall its approval of any plan or design be deemed approval of, any plan or design from the standpoint of structural safety or conformance with building or other codes or standards, and no member or representative of the ARC or the Association, nor Declarant, shall be liable for the safety, soundness, workmanship, materials or usefulness for any purpose of any such Lot Improvement or alteration proposed by the plans. By submitting a request for review and approval by the ARC, an Owner shall be deemed to have and does automatically agree to indemnify, defend and hold harmless the ARC, the Association and Declarant (and each of their respective officers, directors, partners, affiliates, members and representatives) from and against any and all claims, causes of action, losses, damages, liabilities, costs and expenses (including, without limitation, Interest and Legal Fees) arising from, relating to or in any way connected with any Lot Improvement for which such request was submitted. Furthermore, any approval by the ARC does not excuse Owner from also obtaining approvals from all applicable governmental authorities.

Section 12. **Variance.** Declarant and the ARC may authorize variances from compliance with any architectural provisions of this Declaration or applicable design criteria when circumstances such as topography, natural obstructions, hardships or aesthetic or environmental considerations require same. Such a variance must be evidenced by a document signed by an authorized representative of Declarant or ARC, as applicable. If such a variance was granted, no violation of the covenants, conditions and restrictions contained in this Declaration shall be deemed to have occurred with respect to the matters for which the variance was granted. The granting of such a variance shall not, however, operate to waive any of the terms and provisions of this Declaration for any purpose except as to the particular Lot and particular provisions of this Declaration or applicable design criteria covered by the variance, nor shall it effect in any way an Owner's obligation to comply with all governmental laws and regulations, including, but not limited to, zoning ordinances and setback lines or requirements imposed by any governmental or municipal authority.

ARTICLE X

MASTER ASSOCIATION

Section 1. **Master Association Membership.** Each Owner shall automatically become a member of the Master Association upon acceptance of a deed to a Lot and the issuance of a certificate of occupancy or similar authorization by the County or other governmental authority having jurisdiction, for a residential dwelling unit constructed on the Lot. The Master Association represents Owners and residents of certain portions of the Silverleaf Development. The Master Association acting through its Board of Directors, shall have certain powers, rights and duties with respect to the Property and with respect to the Silverleaf Development all as more particularly set forth in the Master Declaration and other governing documents of the Master Association.

Section 2. **Lien Rights.** The Master Association is entitled to a lien upon any Lot for any unpaid assessments levied pursuant to the terms of the Master Declaration.

Section 3. **Responsibilities of this Association.** If for any reason the Association refuses or fails to perform the obligations imposed on it under the terms of this Declaration or any other governing documents of the Association, the Master Association shall and is hereby authorized, but shall have no obligation, to act on behalf of the Association, and any expenses incurred by the Master Association in taking such action shall be reimbursed by the Association.

ARTICLE XI

MAINTENANCE AND REPAIR OBLIGATIONS

The responsibility for the maintenance of the Property is divided between the Association and the Owners. Interior maintenance of structures is the responsibility of the owners of such structures. The Association may enter into agreements with others for the Association's management and/or maintenance of all or part of the property to be maintained by such entity (regardless of whether the subject property is within the Property) for purposes of carrying out all or a portion of the maintenance responsibilities of such entity, the expenses of which may be designated an Operating Expense, if the Association's Board determines such is in the interest of the Owners. Privately owned property shall be the maintenance responsibility of the Owner thereof, unless the responsibility is assumed by another by agreement approved or acknowledged by the Association. Open space owned by or dedicated to the Association shall be maintained by the Association and will not be diminished or destroyed in a manner which materially alters its use or enjoyment as open space.

Section 1. **By the Association.**

1.1 The Association, at its expense, shall be responsible for the operation, maintenance, repair and replacement of all of the Improvements and facilities located over, through and upon the Common Area (except public utilities and Community Systems, to the extent same have not been made Common Area). Should any incidental damage be caused to any Home by virtue of the Association's failure to maintain the Common Area as herein required or by virtue of any work which may be performed or caused to be performed by the Association in the maintenance, repair or replacement of any Common Area, the Association shall, at its expense, repair such incidental damage. The Association shall not, however, be responsible for any loss of use, any hardship, an Owner's time or any other consequential or punitive damages.

1.2 The Association shall operate, maintain, repair and replace the irrigation system constructed over, through and upon the Common Area and the Lots as it shall deem appropriate. The Association shall be responsible for the costs of operation and maintenance of such irrigation system,

including any monthly fees and other costs of water and/or electric usage and the cost of repair or replacement to all or any part thereof. There is hereby reserved in favor of the Association the right to enter upon the Common Area and any and all Lots for the purpose of operating, maintaining, repairing and replacing the irrigation system over, through and upon the Common Area and the Lots.

1.3 The Association shall maintain and care for all landscaping and grassed areas encompassed within each Lot so that, at a minimum, the initial landscaping for the Lot provided by Declarant or Participating Builder shall be maintained in a neat, orderly and attractive manner and consistent with the general appearance of the Property as a whole; provided, however, the Association shall be entitled to conduct selective thinning to maintain a harmonious environment. If an Owner plants trees and/or landscaping on his or her Lot (with the prior written consent of the ARC), such Owner shall be responsible for the maintenance, repair and replacement of same.

1.4 The Association shall be responsible for the maintenance, repair and replacement of all private streets, drives, roads and roadways, if any, and all parking spaces and sidewalks located upon the Common Area and there is hereby reserved in favor of the Association the right to enter upon any and all parts of the Common Area and Lots for such purpose. To the extent permitted by the appropriate governmental authority, the Association may, but shall not be obligated to, also provide maintenance of all city, County, SJRWMD, or municipal or other properties which are located within or in a reasonable proximity of the Property to the extent that their deterioration or unkempt appearance would adversely affect the appearance of the Property, including, without limitation, the right to enhance the landscaping in any public right of way.

1.5 The Association shall be responsible for the maintenance, repair and replacement of any common lighting located in the Subdivision; provided, however, the Association shall not be responsible for the maintenance, repair and replacement of any lighting provided by the municipal electric service.

1.6 Any property designated as open space, landscape buffer, undisturbed natural buffer, preserve area, or conservation or wetland area on any plat, permit, or other document recorded in the Public Records of the County shall be preserved and maintained by the owner of such property in a natural open condition and in accordance with any applicable permits and permitting authorities. The Association or any subsequent owner shall not do anything that diminishes or destroys the open space, landscape buffer, undisturbed natural buffer, preserve area, or conservation area, and such areas shall not be developed for any purpose except that which improves or promotes the use and enjoyment of such areas as open space. Notwithstanding anything to the contrary herein, the Association shall perform the maintenance, if any, required by the Conservation Easement and in accordance with any applicable governmental or quasi-governmental requirements.

1.7 Except as specifically provided herein to the contrary, the Association shall be responsible for maintaining any perimeter walls, perimeter fencing and retaining walls located within the Property. With respect to any perimeter walls or perimeter fencing located within Lot boundaries, the Owner, rather than the Association, shall maintain the interior portion of such walls or fences which face the Owner's home. Except as specifically provided herein to the contrary, the Association shall be responsible for maintaining any community entry features and signage and community mail kiosks, if any. The Association shall have an easement on all Lots for access to perform the obligations set forth in this Section.

1.8 In accordance with the provisions of this Declaration, the Association shall operate, maintain and repair the Surface Water or Stormwater Management System in accordance with the District Permit. Any repair or construction of the Surface Water or Stormwater Management System shall be as permitted or, if modified, as approved by SJRWMD. There is hereby reserved in favor of the Association the right to enter upon the Common Area and the Lots for the purpose of operating, maintaining, repairing

and replacing the Surface Water or Stormwater Management System over, through and upon the Property. The Association shall be responsible for all costs associated with all cleaning, maintenance, repairs and replacement of any portion of the Surface Water or Stormwater Management System necessary to maintain the system in its original condition and use and as required by the District Permit. In the event the Association fails to maintain the Surface Water or Stormwater Management System in accordance with this Declaration, the District Permit and/or any other permit or permission issued by governmental agency having jurisdiction over the Surface Water or Stormwater Management System, as any of the same may be amended from time to time, then SJRWMD or other authority that issued or granted an applicable permit or permission shall have the right to commence an action against the Association, including, without limitation, monetary penalties and injunctive relief, to compel the Association to maintain the portions of the Surface Water or Storm Water Management System for which the Association is responsible in accordance with this Declaration, the District Permit or such other permit or permission. The registered agent for the Association shall retain a copy of the District Permit and any other permit or permission referenced herein for the Association's benefit. Neither the Association nor any Owner shall alter the slopes, contours or cross sections of the lakes, lake banks and littoral zones or chemically, mechanically or manually remove, damage or destroy any plants in any of the littoral zones, except upon the written approval from the applicable governmental authority. The Association shall be responsible for maintaining the required survivorship and coverage of the planted littoral areas to ensure the ongoing removal of prohibited and invasive non-native plant species from these areas and to comply with all governmental regulations applicable to the lakes, lake banks and littoral zones.

1.9 The Association may, if the Board so determines pursuant to the terms of this Declaration, paint the exterior surface of the walls, doors, and window frames of the Homes within attached Buildings (using the same colors as originally used by Declarant), and may, if the Board so determines, assume the responsibility to maintain all or a portion of the Common Structural Elements, pursuant to the terms set forth in this Declaration for same. Any proposed change in the paint scheme of Homes within the Subdivision shall require the affirmative vote of seventy-five percent (75%) of the Owners. There is hereby reserved in favor of the Association the right to enter upon any and all Lots for the purpose of such maintenance if the Board determines to assume such responsibility.

1.10 The Association may, if the Board so determines pursuant to the terms of this Declaration, replace the roofs of Homes. There is hereby reserved in favor of the Association the right to enter upon any and all Lots for the purpose of any such replacement.

1.11 The Association may, if the Board so determines pursuant to the terms of this Declaration, assume the responsibility to maintain all or a portion of the Common Structural Elements, pursuant to the terms set forth in this Declaration for same. There is hereby reserved in favor of the Association the right to enter upon any and all Lots for the purpose of such maintenance if the Board determines to assume such responsibility.

1.12 The Association, by action of its Board, may make minor and insubstantial alterations and Improvements to the Common Area having a cost not in excess of Five Thousand Dollars (\$5,000). All other alterations and Improvements must first be approved by at least two-thirds (2/3) of all Members represented in person or by proxy at a meeting called and held in accordance with the procedures in the Bylaws. No alteration or Improvement may be made to the Common Area which materially and adversely affects the rights of the Owner of any Lot to the enjoyment of such Owner's Lot or the Common Area unless the Owner and all mortgagees holding recorded mortgages on such Lot consent thereto in writing.

1.13 All expenses incurred by the Association in connection with the services and maintenance described in Sections 1.1 through 1.8, inclusive, and Section 1.12 are Operating Expenses, payable by each Owner under the provisions of this Declaration concerning Assessments. To the extent the Association incurs any costs and expenses in connection with the maintenance and/or replacement

described in Sections 1.9 through 1.11, inclusive, such costs and expenses shall only be payable by Owners of the Homes benefitted thereby as a Benefited Assessment (and shall not be an Operating Expense applicable to all Homes). Should the maintenance, repair or replacement provided for in Sections 1.1 through Section 1.12, inclusive, be caused by the negligence of or misuse by an Owner, his or her family, guests, servants, invitees, or Tenants, such Owner shall be responsible therefor, and the Association shall have the right to levy an Assessment against such Owner's Home and said Assessment shall constitute a lien upon the appropriate Lot with the same force and effect as liens for Operating Expenses.

1.14 The Association has a reasonable right of entry upon any Lot to make emergency repairs and to do other work reasonably necessary for the proper maintenance and operation of the Subdivision.

Section 2. By the Owners.

2.1 Except as otherwise specifically provided herein, the Owner of each Home must keep and maintain all portions of his or her Home and all other Improvements situated on his or her Lot, including, without limitation, the Common Structural Elements, all equipment and appurtenances, in good order, condition and repair, and must perform promptly all maintenance and repair work within his or her Home and Lot, including the Common Structural Elements therein, which, if omitted, could adversely affect the Subdivision, the other Owners or the Association and its Members; however, notwithstanding the foregoing, the Board, in its sole business discretion, shall have the power and authority to require the Association, rather than the Owners of each Home, to keep and maintain each Home, and the Improvements thereon, including the Common Structural Elements therein and including equipment and appurtenances, in good order, condition, and repair, and to perform all maintenance and repair work within each Home, including the drywalls within the Homes, in which case the maintenance provisions with respect to Common Property would apply. The Owner of each Lot shall be responsible for any damages caused by a failure to so maintain such Lot, Improvements, Lot Improvements and Home. The Owners' responsibility for maintenance, repair and replacement shall include, but not be limited to, all of the physical structures constructed in, upon, above or below the Lot, and physical items attached or connected to such structures that run beyond the boundary line of the Lot which exclusively service or benefit the Lot and Home. Without limiting the generality of the foregoing, the Owner of each Lot shall keep all drainage structures (such as catch basins) located on the Owner's Lot clear of grass, leaves and other debris. Additionally, the painting, caulking and maintenance of the exterior surface of the walls, doors, windows and roof of the physical structures of the Home shall be performed by the Owner, and the exterior surface of such walls, doors, windows and roof shall at all times be maintained in a good and serviceable condition with no damage or other defect therein by the Owner. The Owner of a Lot further agrees to pay for all utilities (including, without limitation, those provided by the Community Systems), such as telephone, cable or satellite television, telecommunication systems, home monitoring, water (including water associated with irrigation, other than for a common irrigation system, if any), sewer, sanitation, electric, etc., that may be separately billed or charged to each Home. The Owner of each Lot shall be responsible for insect and pest control within the Home and the Lot. Whenever the maintenance, repair and replacement of any items which an Owner is obligated to maintain, repair or replace at such Owner's own expense is occasioned by any loss or damage which may be covered by any insurance maintained in force by the Association, the proceeds of the insurance received by the Association shall be used for the purpose of making such maintenance, repair or replacement, except that the Owner shall be, in said instance, required to pay such portion of the costs of such maintenance, repair and replacement as shall, by reason of the applicability of any deductibility provision of such insurance or otherwise, reduce the amount of the insurance proceeds applicable to such maintenance, repair or replacement.

2.2 An Owner shall not plant any shrubs, trees and/or landscaping on his or her Lot without the prior written approval of the Association (and Master Association, if and as applicable). If an Owner receives such approval and plants any shrubs, trees and/or landscaping on his or her Lot, such

Owner shall be responsible for maintaining such shrubs, trees and/or landscaping. Nothing shall be planted in any open space, landscape buffer and/or undisturbed natural buffer, if any, by any Owner.

Declarant or a Participating Builder may have constructed one or more drainage swales upon each Lot for the purpose of managing and containing the flow of excess surface water, if any, found upon such Lot from time to time. Each Lot Owner shall be responsible for the maintenance, operation and repair of the swales on the Lot. Maintenance, operation and repair shall mean the exercise of practices, such as erosion repair, which allow the swales to provide drainage, water storage, conveyance or other stormwater management capabilities as permitted by the SJRWMD. Filling, excavation, construction of fences or otherwise obstructing the surface water flow in the swales is prohibited. No alteration of the drainage swale shall be authorized and any damage to any drainage swale, whether caused by natural or human-induced phenomena, shall be repaired and the drainage swale returned to its former condition as soon as possible by the Owner(s) of the Lot(s) upon which the drainage swale is located.

2.3 The Owner of each Lot shall maintain, repair and replace as needed any fencing on their Lot, clean, maintain and repair the driveway on their Lot and keep the sidewalk located on and/or adjacent to their Lot clean and free from any stains, trash, debris and/or impediments to pedestrian traffic.

2.4 Each Owner of a Lot abutting or including any portion of the Surface Water and Storm Water Management System shall be responsible for maintaining and repairing the portion of the water bank and slopes on his or her Lot.

2.5 In addition to the above, the Owner of each Home shall be responsible to fix leaks in and otherwise maintain and repair the roof of such Owner's Home; replace any dead or obviously dying trees on their Lot; and maintain, repair and replace any fences on their Lot, except as otherwise provided in Section 1.7 above. The Owner of each Home shall also clean, maintain and repair the driveway located on its Lot and keep the sidewalks located on its Lot clean and free from any impediments to pedestrian traffic.

2.6 If a Home is damaged by fire or other casualty, including the Common Structural Elements, its Owner shall properly and promptly restore it to at least as good a condition as it was before the casualty occurred. Any such work shall be in accordance with the original plans and specifications of the Home unless otherwise authorized by the Board and shall be otherwise subject to all provisions of the Master Declaration. Notwithstanding the foregoing, in the event the Board determines that the Association shall assume the responsibility of repairing the Common Structural Elements, the Owner shall be relieved of such responsibility. The Association shall be obligated to notify every Owner of such election in writing and the costs and expenses therefor shall be a Benefited Assessment as to said Homes and Owners thereof.

2.7 Each Owner shall keep such Owner's Home (as well as the Common Structural Elements and the drywall located within the interior portions of a Home) insured in an amount not less than its full insurable value against loss or damage by fire or other hazards. Evidence of such coverage shall be furnished to the Association promptly upon the Board's request. Notwithstanding the foregoing, in the event the Board elects to purchase casualty insurance for the Common Structural Elements (which such costs therefor shall only be payable by the Owners of said Homes as a Benefited Assessment), and said Owners shall be relieved of such responsibility. In that event, the insurance proceeds for the repair and rebuilding shall be paid to the Association and not the Owner.

2.8 If an Owner fails to comply with the foregoing provisions of this Section 2 of Article XI (or Section 8 of Article III above), the Association may proceed in court to compel compliance. Further, if the failure to comply relates to the Owner's obligations to maintain insurance, the Association shall be entitled, although not obligated, to obtain the required coverage itself and to levy on the offending Owner an Assessment equal to the cost of premiums, and any such Assessment shall constitute a lien upon the applicable Lot and Home with the same force and effect as a lien for Operating Expenses.

2.9 If a failure to comply with the provisions of this Section 2 of Article XI (or Section 8 of Article III above) relates to the Owner's obligation to maintain and care for the Home, landscaping or any other area required to be maintained and cared for by the Owner, then, in addition to the exercise of all other remedies, the Association or Declarant shall have the right but not the obligation, upon fifteen (15) days written notice, to enter the Lot of the Owner for the purpose of performing the maintenance and care referred to, set forth and described in the notice and to levy on the offending Owner an Assessment equal to the cost of performing such maintenance and care. Any such Assessment shall constitute a lien upon the applicable Lot and Home with the same force and effect as a lien for Operating Expenses. The determination of whether an Owner is failing to properly maintain and care for the property for which he has the maintenance responsibility under this Declaration or any of the other Subdivision Documents shall be determined in the sole discretion of the Association or Declarant.

Section 3. **Damage to Buildings.** The Owner of any Home which has suffered damage may apply to the ARC for approval for reconstruction, rebuilding or repair of the Improvements therein. If the obligation for repair falls upon the Association, ARC approval will not be required prior to the commencement of such work, so long as the exterior appearance of the Improvements will be substantially similar to that which existed prior to the date of the casualty.

The owner or owners of any damaged building (including, without limitation, the Owner of a Lot and/or Home), the Association and the ARC shall be obligated to proceed with all due diligence hereunder and the responsible parties shall commence reconstruction within three (3) months after the damage occurs and complete reconstruction within one (1) year after the damage occurs, unless prevented by causes beyond his or her or their reasonable control.

Declarant and Participating Builders shall be exempt from the provisions of this Section 3, provided that any such reconstruction, rebuilding or repairs made by Declarant or a Participating Builder shall be consistent, as to the exterior appearance, with the Improvements as they existed prior to the damage or other casualty.

ARTICLE XII

DAMAGE OR DESTRUCTION TO COMMON AREA

Damage to or destruction of all or any portion of the Common Area (and/or Common Structural Elements, in the event the Board elects to have the Association insure same and/or be responsible for the repair and rebuilding of same) shall, notwithstanding any provision in this Declaration to the contrary, be handled as follows:

Section 1. Determination to Repair or Rebuild.

1.1 If insurance proceeds are sufficient to effect total restoration of damaged or destroyed Common Area (and/or Common Structural Elements, in the event the Board elects to have the Association insure same and/or be responsible for the repair and rebuilding of same), then the Association shall cause such Common Area (and/or Common Structural Elements, as applicable) to be repaired and reconstructed substantially as it previously existed.

1.2 If insurance proceeds are insufficient to effect total restoration of the Common Area (and/or Common Structural Elements, in the event the Board elects to have the Association insure same and/or be responsible for the repair and rebuilding of same), and the cost of restoration would require a Special Assessment against each Lot in an amount of Five Thousand Dollars (\$5,000.00) or less (such amount is based on the value of the dollar in the year this Declaration is recorded and shall be increased each year thereafter based upon increases in the Consumer Price Index), then the Association shall cause the Common Area (and/or Common Structural Elements, if and as applicable) to be repaired and

reconstructed substantially as it previously existed and the difference between the insurance proceeds and the actual cost shall be levied as a Special Assessment for the restoration of the Common Area (or for the restoration of Common Structural Elements, if and as applicable), but in either case proportionately against each of the Lots in accordance with the provisions of Articles VII and VIII herein.

1.3 If the insurance proceeds are insufficient to effect total restoration of the Common Area (and/or Common Structural Elements, if and as applicable) and the cost of restoration of the Common Area would require a Special Assessment against each Lot in an amount greater than Five Thousand Dollars (\$5,000.00) (such amount is based on the value of the dollar in the year this Declaration is recorded and shall be increased each year thereafter based upon increases in the Consumer Price Index), then by the written consent or vote of a majority of the voting interests, they shall determine whether: (i) to rebuild and restore either: (a) in substantially the same manner as the Improvements existed prior to the damage or destruction; or (b) in a manner less expensive, and in the event of (a) or (b) to raise the necessary rebuilding and restoration funds by levying pro rata restoration and construction Special Assessments against all Lots; or (ii) to not rebuild and to retain available insurance proceeds. In the event it is decided that the damaged or destroyed Common Area (and/or Common Structural Elements, in the event the Board elects to have the Association insure same and/or be responsible for the repair and rebuilding of same), shall not be rebuilt, the remains of any structure or structures shall be torn down and hauled away, so as not to be a safety hazard or visual nuisance, and the land shall be fully sodded and landscaped or otherwise treated in an attractive manner. Notwithstanding anything contained herein to the contrary, any decision not to rebuild or to rebuild in a manner which would result in a change in the Improvements shall not be effective without the prior written approval of Declarant (which approval shall be given, conditioned or withheld in Declarant's sole and absolute discretion) as long as Declarant owns any portion of the Property.

Section 2. **Owner Responsibility.** Each Owner shall be liable to the Association for any damage to the Common Area (and/or Common Structural Elements, in the event the Board elects to have the Association insure same and/or be responsible for the repair and rebuilding of same), not fully covered or collected by insurance which may be sustained by reason of the negligence or willful misconduct of said Owner or of such Owner's family, tenants, invitees and guests, both minors and adults.

Section 3. **Excess Funds.** In the event that the repairs and replacements were paid for by any Special Assessments as well as insurance proceeds and regular Assessments, then, if after the completion of and payment for the repair, replacement, construction or reconstruction there shall remain any excess in the hands of the Association, it shall be presumed that the monies disbursed in payment of any repair, replacement, construction and reconstruction were first disbursed from insurance proceeds and regular Assessments and any remaining funds shall be deemed to be the remaining Special Assessments which shall be returned to the Owners by means of a *pro rata* distribution in accordance with the collection of such Special Assessments.

ARTICLE XIII

INSURANCE AND CONDEMNATION

The Association shall purchase and maintain the following insurance coverages subject to the following provisions, and the cost of the premiums therefor shall be a part of the Operating Expenses with respect to the Common Area (and with respect to Common Structural Elements such premiums shall be levied as a Benefited Assessment only against said Homes, in the event the Board elects to have the Association insure same as provided in this Declaration):

Section 1. **Casualty Insurance.** Property and casualty insurance (including as applicable, windstorm coverage) in an amount equal to the then full replacement cost, exclusive of land, foundation, excavation and other items normally excluded from such coverage, of all Improvements and personal property which are owned by the Association and now or hereafter located upon the Common Area, which

insurance shall afford protection against such risks, if any, as shall customarily be covered with respect to areas similar to the Common Area in developments similar to the Subdivision in construction, location and use.

Unless the Board elects to obtain such casualty insurance, the Owner of each Home shall maintain a policy or policies to insure his or her Home from all physical damage and liability losses with such policy naming the Association as an additional insured. Unless the Board has elected to make the Association responsible for the repair and rebuilding of the Common Structural Elements, if a Home is damaged by a casualty, the affected Owner shall promptly have his or her Home repaired and rebuilt substantially in accordance with the architectural plans and specifications of the Home. The Board may in its sole discretion establish periodically the minimum physical damage and liability insurance coverage and endorsements to be maintained by each Owner. Each Owner shall provide a certificate of insurance coverage to the Association, if requested by the Association, to evidence compliance with the minimum physical damage and liability coverage and endorsements set by the Board. Notwithstanding the foregoing, the Board, in its sole discretion, shall have the power and the authority to require the Association, rather than the Owners, to acquire casualty insurance for the Common Structural Elements and the drywalls within said Homes in which case the insurance provisions with respect to Common Area would apply and all insurance proceeds for the repair and rebuilding thereof shall be paid to the Association.

Section 2. **Public Liability Insurance.** A comprehensive policy of public liability insurance naming the Association and Declarant, until Declarant no longer owns any Lot within the Property, as named insureds thereof insuring against any and all claims or demands made by any person or persons whomsoever for personal injuries or property damage received in connection with, or arising from, the operation, maintenance and use of the Common Area and any Improvements located thereon, and for any other risks insured against by such policies with limits of not less than One Million Dollars (\$1,000,000.00) for damages incurred or claimed by any one person for any one occurrence; not less than Three Million Dollars (\$3,000,000.00) for damages incurred or claimed by more than one person for any one occurrence; and for not less than Fifty Thousand Dollars (\$50,000.00) property damage per occurrence with no separate limits stated for the number of claims. The Association may also obtain worker's compensation insurance and other liability insurance including, but not limited to, insurance for lawsuits related to employment contracts in which the Association is a party, as it may deem desirable.

Section 3. **Fidelity Coverage.** Adequate fidelity coverage to protect against dishonest acts of the officers and employees of the Association and the Board and all others who handle and are responsible for handling funds of the Association shall be maintained in the form of fidelity bonds, which requirements shall be reasonably determined by the Board.

Section 4. **Directors' Coverage.** Adequate directors' and officers' liability coverage which coverage shall be effective from and after the date the Association is created.

Section 5. **Other Insurance.** The Board may obtain such other forms of insurance as the Board may determine and in such coverage amounts as the Board shall determine to be required or beneficial for the protection or preservation of the Property and any Improvements now or hereafter located thereon or in the best interests of the Association and/or its officers and directors.

Section 6. **Cancellation or Modification.** All insurance policies purchased by the Association shall provide that they may not be canceled (including for nonpayment of premiums) or substantially modified without at least ten (10) days prior written notice to the Association and to each first mortgage holder, if any, named in the mortgage clause.

Section 7. **Flood Insurance.** If determined appropriate by the Board or if required by an Institutional Mortgagee, a master or blanket policy of flood insurance covering the Common Area, if available under the National Flood Insurance Program, shall be purchased, which flood insurance shall be

in the form of a standard policy issued by a member of the National Flood Insurers Association, and the amount of the coverage of such insurance shall be the lesser of the maximum amount of flood insurance available under such program, or one hundred percent (100%) of the current replacement cost of all buildings and other insurable property located in the flood hazard area.

Section 8. **Waiver of Subrogation.** As to each policy of insurance maintained by the Association which will not be voided or impaired thereby, the Association hereby waives and releases all claims against the Board, the Owners, Declarant and the agents and employees of each of the foregoing, with respect to any loss covered by such insurance, whether or not caused by negligence of or breach of any agreement of said persons, but only to the extent that such insurance proceeds are received in compensation for such loss.

Section 9. **Condemnation.** In the event the Association receives any award or payment arising from the taking of any Common Area or any part thereof as a result of the exercise of the right of condemnation or eminent domain, the net proceeds thereof shall first be applied to the restoration of such taken areas and improvements thereon to the extent deemed advisable by the Board and approved by at least two thirds (2/3) of the total voting interests of the Association, and the remaining balance thereof, if any, shall then be distributed pro rata to Owners and mortgagees of Lots as their respective interests may appear.

ARTICLE XIV

USE RESTRICTIONS AND RIGHTS AND EASEMENTS RESERVED BY DECLARANT

All of the Property shall be held, used and enjoyed subject to the following limitations and restrictions, and any and all additional Rules and Regulations which may, from time to time, be adopted by the Association, except as provided in Section 28 below with respect to Declarant and Participating Builders and Lots and Homes owned by Declarant and Participating Builders:

Section 1. **Enforcement.** Failure of an Owner to comply with any limitations or restrictions in this Declaration or any of the Subdivision Documents or with any Rules and Regulations promulgated by the Association shall be grounds for action which may include, without limitation, an action to recover sums due for damages, injunctive relief or any combination thereof. Without limiting the generality of the foregoing, an Owner shall also be responsible for the payment of any and all Legal Fees incurred by the Association in connection with the enforcement of this Declaration or any of the Subdivision Documents or with any Rules and Regulations promulgated by the Association, whether or not an action is actually begun. Any such Legal Fees shall be paid not later than thirty (30) days after written notice thereof and if not paid within such thirty (30) day period, shall constitute a lien upon the applicable Lot and Home with the same force and effect as a lien for Operating Expenses.

Notwithstanding the rights of the Association hereunder to enforce to the terms and provisions of the Subdivision Documents, the SJRWMD shall also have the right to take enforcement action, including a civil action for an injunction and penalties, against the Association to compel the Association to correct any failure by the Association to operate, maintain and repair the Surface Water or Stormwater Management System in accordance with the District Permit.

In addition to all other remedies, if an Owner is delinquent for more that ninety (90) days in paying a monetary obligation due the Association, the Association may suspend, until such monetary obligation is paid, any or all of the rights of any or all of an Owner or an Owner's tenants, guests or invitees to use the Common Area and facilities (including, without limitation, cable television and other amenity (non-utility) services provided); may suspend the voting rights of an Owner if such Owner is delinquent in payment of regular annual assessments for more than ninety (90) days; and may levy reasonable fines against any

Owner or any Owner's tenant, guest or invitee for failure of such Owner, and/or such Owner's family, guests, invitees, tenants or employees to comply with any of the Subdivision Documents, provided the following procedures are adhered to:

1.1 Notice. The Association shall notify the Owner in writing of the noncompliance and set forth the corrective action to be taken. A fine or suspension of use rights may not be imposed without notice of at least fourteen (14) days to the Owner sought to be fined or suspended and an opportunity for a hearing before a committee of at least three (3) members appointed by the Board who are not officers, directors, or employees of the Association, or the spouse, parent, child, brother or sister of an officer, director, or employee of the Association. If the committee, by majority vote, does not approve a proposed fine or suspension, it may not be imposed. If the Association imposes a fine or suspension, the Association must provide written notice of such fine or suspension by mail or hand delivery to the Owner and, if applicable, to any Owner's tenant, guest or invitee. At the Association's option, any fine may be levied on a daily basis in the event of a continuing violation without the necessity of a new hearing and without any limitation on the amount of such fine.

1.2 Hearing. Should the Owner still be in noncompliance, the noncompliance shall be presented to the Board after which the Board shall hear reasons why a fine should or should not be imposed. A written decision of the Board shall be submitted to the Owner, as applicable, not later than twenty-one (21) days after said meeting.

1.3 Payment. A fine shall be paid not later than thirty (30) days after notice of the imposition of the fine.

1.4 Fines. An Owner shall be responsible for all Legal Fees incurred in connection with the collection of a fine whether or not an action at law or in equity to collect or enforce said fine is commenced. All monies received from fines shall be allocated as directed by the Board, subject always to the provisions of this Declaration.

1.5 Failure to Pay Assessments. Notice and Hearing, as provided in this Section shall not be required with respect to the imposition of suspension of voting rights or fines upon any Owner because of such Owner's failure to pay Assessments or other monetary obligations or charges which are due for more than ninety (90) days.

1.6 Access. Suspension of use rights to Common Area and/or Community Systems shall not impair the right of an Owner or Tenant of a Lot and/or Home to have vehicular and pedestrian ingress to and egress from such Lot and/or Home, including, but not limited to, the right to park, nor to provide access to utility services provided to the Lot and/or Home.

1.7 Non-exclusive Remedy. In addition to all other remedies, the Association may levy Benefited Assessments, to cover costs which the Association incurs to bring a Lot into compliance with the Subdivision Documents, including Legal Fees, or costs incurred as a consequence of the conduct of an Owner or occupant of a Lot, their guests or invitees.

1.8 Owner's Family, Invitees, Etc. For purposes of this Article XIV, unless the context otherwise requires, Owner shall also include the family, invitees, guests, licensees, Tenants and subtenants of any Owner, and any other permitted occupants of a Home. All the Property shall be held, used and enjoyed subject to the following limitations and restrictions, subject to the exemption of Declarant and Participating Builders in Section 28 hereof:

Section 2. Residential Use. The Lots subject to this Declaration may be used for residential dwellings and for no other purpose except that one or more Lots may be used for model homes during the development and sale of Lots within the Property or other properties. No business or commercial building

may be erected on any Lot and no business may be conducted on any part thereof. No Lot shall be divided, subdivided or reduced in size without the prior written consent of the Association. Assessments for common expenses attributable to any Lot which may be subdivided pursuant to this Section 2 shall be reallocated by the Association, in its sole discretion, at the time written consent for such subdivision is given by the Association.

Section 3. **Occupancy of Home.** The Fair Housing Amendments Act of 1988 (Public Law 100 430, approved September 13, 1988) ("Fair Housing Act"), which became effective in March, 1989, and as amended effective December 31, 1995, provides that communities cannot reject families with children. Therefore, neither Declarant, Participating Builder, nor the Association shall have the authority to prohibit children.

Section 4. **Leases.** No Home, or portion thereof, may be rented for a period of less than six (6) calendar months. No Lot may be leased more than twice during any twelve (12) month period, based on the commencement date of the first lease. Any extension of the term of any lease shall be for a period of not less than six (6) months. No Owner shall at any time lease more than two (2) Lots within the Property. For purposes of this Section 4, (i) the term "Lot" includes all or any part of a Lot or any dwelling unit located on the Lot, (ii) the term "lease" or "leased" means and includes any arrangement for the use or occupancy of a Lot for a charge or other remuneration by or through a lease, license or other similar agreement, whether oral or written, including without limitation, any house swapping arrangement, and (iii) renewal rights shall not be included in the determination of the term of a lease. Not less than the entire home located on any Lot may be leased, and no time share units or vacation plans, as defined in Chapter 721, Florida Statutes, or otherwise, may be created or operated on any Lot. All leases shall be in writing and shall state the term thereof (a "Lease Document"), and the Association shall have the right, upon request, to inspect any Lease Document from time to time in order to verify that such document conforms to the requirements of this Section. Each Owner shall provide a copy of each applicable Lease Document to the Association not less than five (5) business days prior to the commencement date for such lease. Upon violation of any provision of this Section, the Association may impose a fine against an Owner, or any tenant, guest or invitee of such Owner, for each day such violation continues, up to the maximum aggregate fine determined by the Association's Board of Directors from time to time. All leases shall provide, and if they do not so provide then the leases shall be deemed to provide, that the Association shall have the right to terminate the lease upon default by the Tenant in observing any of the provisions of this Declaration, the Articles, the Bylaws, applicable Rules and Regulations or of any other agreement, document or instrument governing the Lots or Homes. The Owner of a leased Home shall be jointly and severally liable with such Owner's Tenant for compliance with the Subdivision Documents and to the Association to pay any claim for injury or damage to property caused by the negligence of the Tenant. Every lease shall be subordinate to any lien filed by the Association whether before or after such lease was entered into.

Within five (5) days following execution of a lease for a Home, but in no event later than occupancy of the Home by a Tenant, Owner shall: (a) notify the Association in writing with the name of the Tenant and all of Tenant's family members or others that will be occupying the Home, and (b) provide the Association with a true, correct and complete copy of the lease agreement. In the event Owner fails to timely comply with the foregoing, such lease shall be null and void and of no further force or effect and Owner shall be in violation of this Declaration.

All lessees and all other occupants of any Lot shall be subject to all terms and provisions of this Declaration and all of the other governing documents of the Association, to the same degree as all owners of any Lot. Each Owner agrees to cause his or her lessee, and all other occupants of any Lot, to comply with the provisions of this Declaration and all other governing documents of the Association. Each Owner shall be responsible and liable for all violations, damages or losses caused by such lessees or occupants, notwithstanding the fact that all such lessees and occupants shall also be fully and personally liable to the Association for any such violations, damages or losses. In the event that any lessee or occupant of any

Lot shall violate any provision of this Declaration or any other governing documents of the Association, the Association's Board of Directors shall have the right and authority to bring legal proceedings against such persons to recover damages, seek injunctive relief, or for any other remedy available at law or in equity. Each Owner shall be jointly and severally liable with such Owner's lessee or other occupants of the Owner's Lot, to the Association for any amount (as determined in the sole and reasonable discretion of the Association) required to enable the Association to repair any damage to any portion of the Property or to pay any claim for personal injury, death or damage to property caused by the act or omission of such lessee or occupant. The Association shall be entitled to a lien upon each applicable Lot with respect to any sums due to the Association pursuant to this subsection (b), which shall be enforceable in the same manner that liens for assessments are enforceable pursuant to the terms of Article V hereof or the HOA Act, as the same may be amended from time to time.

Section 5. **Addition of Landscaping; Alteration of Drainage, Etc.** If an Owner installs additional landscaping to their Lot (which installation must be approved by the ARC), the Owner is responsible for the additional costs of maintaining the additional landscaping. The installation of additional landscaping shall not result in any permanent change in the flow or drainage of surface water within the Subdivision without prior written consent of the ARC.

Section 6. **Increase in Insurance Rates.** No Owner may engage in any action which may reasonably be expected to result in an increase in the rate of any insurance policy or policies covering or with respect to any portion of the Property not owned by such Owner.

Section 7. **Common DRI/PUD.** Due to the integrated nature of the Property and the lands described in the DRI and the PUD, no Owner, or any other person or entity shall construct any improvements upon the Property, nor take any action, which in the sole opinion of the Declarant, would result in a violation or modification of the terms and provisions of the DRI or the PUD, as the same may be amended from time to time, without the prior written consent of the Declarant.

Section 8. **Lot Coverage and Living Area.** The total ground area to be occupied by residential buildings and structures to be constructed upon the Property shall not exceed the requirements established by the Subdivision Documents or the Zoning Code. Each detached single family residence constructed upon a Lot shall contain a minimum number of square feet of heated and air conditioned living area as Declarant deems appropriate.

Section 9. **No Detached Buildings.** No garages, tool or storage sheds, tents, trailers, tanks, temporary or accessory buildings or structures shall be erected or permitted to remain on any Lot without the prior written consent of the ARC or the Association.

Section 10. **Increase in Insurance Rates.** No Owner may engage in any action which may reasonably be expected to result in an increase in the rate of any insurance policy or policies covering or with respect to any portion of the Property not owned by such Owner.

Section 11. **Setbacks.** Front, rear and side building setbacks for all dwellings and related structures shall be as established by the Subdivision Documents or the Zoning Code. Any variation in the width of setbacks in any such documents shall be controlled by the more restrictive setback provision.

Section 12. **Drainage or Utility Easements.** No structures, trees or shrubs shall be placed on any drainage or utility easements, except by Declarant or a Participating Builder, without the prior written consent of the ARC.

Section 13. **Parking and Vehicular Restrictions.** Parking upon the Property shall be restricted to the driveway and garage located upon each Lot and designated parking areas within the Common Area. Parking on streets that are owned and maintained by the applicable governing jurisdiction

shall be subject to the local ordinances, regulations or guidelines in effect; no parking is permitted on any streets that are privately owned and maintained by the Association, except as otherwise specified by the Board in any adopted Rules and Regulations. No Owner shall keep any vehicle on any Lot in a manner which is deemed to be a nuisance by the Board. No Owner shall conduct repairs taking more than twenty-four (24) hours (except in an emergency or except within the garage of the Home with the garage door closed) or restorations of any motor vehicle, boat, trailer or other vehicle upon any Lot. No commercial vehicle, trailer, recreational vehicle, motor home, boat or boat trailer may be parked or stored on the Property except in the garage of a Home located upon a Lot or except as otherwise specified by the Board in any adopted Rules and Regulations. The Declarant and the Board have the sole authority to determine whether a vehicle is considered a commercial vehicle or otherwise violates the restrictions in this section. No bus or tractor-trailer or any other truck larger than a full-size pickup truck may be parked on the Property, except as otherwise specified by the Board in any adopted Rules and Regulations and except temporarily as in the case of a moving van or other such vehicle necessary to provide service to an Owner and with the exception of any vehicles necessary for any construction activity being performed by or on behalf of Declarant.

Section 14. **Nuisances.** Nothing shall be done or maintained on any Lot which may be or become an annoyance or nuisance to any party. Any activity on a Lot which interferes with television, cable or radio reception on another Lot shall be deemed a nuisance and a prohibited activity. If a dispute or question arises as to what may be or become a nuisance, the issue shall be submitted to the Board, whose decision shall be dispositive of such dispute or question. No immoral, improper or unlawful use shall be made of any portion of the Property and all valid laws, zoning ordinances and regulations of governmental agencies having jurisdiction thereof shall be complied with.

Section 15. **Antennae.** No outside television, radio, or other electronic towers, aerials, antennae, satellite dishes or device of any type for the reception or transmission of radio or television broadcasts or other means of communication shall hereafter be erected, constructed, placed or permitted to remain on any portion of the Property or upon any improvements thereon, unless expressly approved in writing by the Association, except that this prohibition shall not apply to those satellite dishes that are one (1) meter (39.37 inches) in diameter or less, and specifically covered by 47 C.F.R. Part 1, Subpart S, Section 1.4000, as amended, promulgated under the Telecommunications Act of 1996, as amended from time to time. The Association is empowered to adopt rules governing the types of antennae, restrictions relating to safety, location and maintenance of antennae. The Association may also adopt and enforce reasonable rules limiting installation of permissible dishes or antennae to certain specified locations, not visible from the street or neighboring properties, and integrated with the Property and surrounding landscape, to the extent that reception of an acceptable signal would not be unlawfully impaired by such rules and provided the cost of complying with such rules would not unreasonably increase the cost of installation of permissible dishes or antennae. Any permissible dishes or antennae shall be installed in compliance with all federal, state and local laws and regulations, including zoning, land-use and building regulations. This Section shall not apply to Declarant.

Section 16. **Signs.** No sign, display, poster, advertisement, notice, lettering or other advertising device of any kind whatsoever (including, without limitation, "For Sale," "For Rent," or "By Owner," or any other signs for the sale or renting of homes) may be exhibited, displayed, inscribed, painted or affixed in public view of any portion of any building or other Improvement in the Property (including, without limitation a Home), or on or in a vehicle, without the prior written consent of the ARC and the Board, which consent may be given, withheld or conditioned in the sole and absolute discretion of the ARC and the Board. Neither the ARC, nor the Board, shall consent to any "For Sales," "For Rent," "By Owner" or similar sign for the renting or sale of a Home so long as Declarant or a Participating Builder owns a Lot in the Subdivision or so long as Declarant or any of Declarant's affiliates (or any of their respective successors or assigns) or a Participating Builder are conducting sales and marketing of Homes in the Subdivision or other communities developed or marketed by Declarant or its affiliates, or a Participating Builder, whichever is later. Signs, regardless of size, used by Declarant or any of Declarant's affiliates, or

any of their respective successors or assigns, or a Participating Builder, for advertising or marketing during the construction and sale period of the Subdivision or other communities developed and/or marketed by Declarant or its affiliates, or a Participating Builder and other signs authorized by Declarant shall be exempt from this Section. Such sign or signs as Declarant and/or a Participating Builder may be required to erect under the terms of an Institutional Mortgage shall be exempt from this Section. An Owner may display a security sign provided by a contractor for security services as permitted by the HOA Act. This provision may not be amended without the prior written consent of Declarant and Participating Builders.

Section 17. **Animals.** Dogs shall be kept under control by each Owner at all times and leashed when outside the boundaries of the Owner's Lot. Animals shall be kept for the pleasure of Owners only and not for any commercial or breeding use or purposes. If, in the discretion of the Board, any animal shall become dangerous or an annoyance or nuisance to other Owners, or destructive of wildlife or property, such animal may not thereafter be kept on a Lot. Further, in the event any group of animals shall collectively become dangerous or an annoyance or nuisance to other Owners, or destructive to wildlife or property, the Board shall have the right to require the applicable Owner to reduce the number of animals kept on the Lot or to take such other remedial action as the Board shall specify. Under no circumstances shall a "Dangerous Dog" (as hereinafter defined) be permitted on the Property. As used in this Declaration, a "Dangerous Dog" is defined as a dog which meets any one (1) of the following criteria: (a) has aggressively bitten, attacked, endangered or inflicted severe injury on a human being at any time whether on or off the Property, (b) has severely injured or killed a domestic animal at any time whether on or off the Property, or (c) has, when unprovoked, chased or approached any person upon the streets, drives, roads, avenues, roadways and/or sidewalks, or any other portion of the Property, in a menacing fashion or apparent attitude of attack; provided, however, a dog shall not be a "Dangerous Dog" if the threat, injury, death or damage was sustained by a person who, at the time, was unlawfully on the Property (or any portion thereof), or, while lawfully on the Property (or any portion thereof), was tormenting, abusing or assaulting the dog or its owner or a family member; provided further, that no dog may be a "Dangerous Dog" if the dog was protecting or defending a human being within the immediate vicinity of the dog from an unjustified attack or assault.

Section 18. **Trash and Other Materials.** No rubbish, trash, garbage, refuse, unsightly objects or other waste material shall be kept or permitted on the Lots or Common Area, or other portions of the Property, except in sanitary, self-locking containers located in appropriate areas (i.e., areas not visible from the street or any other Lot other than at times of scheduled trash pickup), and no odor shall be permitted to arise therefrom so as to render the Property or any portion thereof unsanitary, offensive, detrimental or a nuisance to Owners or to any other property in the vicinity thereof or to its occupants. No weeds, underbrush or other unsightly vegetation shall be permitted to grow or remain upon any Lot or Common Area. All Lots and all portions of the Property and any improvements placed thereon shall at all times be maintained in a neat and attractive condition and landscaping shall be maintained in a neat, attractive and orderly manner, including maintenance of grass, plants, plant beds, trees, turf, proper irrigation and lake edge maintenance, all in a manner with such frequency as is consistent with good property management. No clothing or other household items shall be hung, dried or aired in such a way as to be visible from the Common Area or another Lot. No stripped vehicles, lumber or other building materials, grass, tree clippings, metals, scrap, automobile pieces or parts, refuse or trash shall be stored or allowed to accumulate on any portion of the Property (except when accumulated during construction by Declarant, during construction approved by the ARC or when accumulated by the Association for imminent pick-up and discard).

Section 19. **Fences.** No fences or walls shall exceed six (6) feet in height and no chain link or similar style fence shall be allowed on any Lot. All fences, shall be black flat top aluminum open picket. No fence or wall shall be allowed closer to the front of the house than the mid-point of the sidewall plan of the structure. No fences are allowed in front yards except for on model homes subject to the Review parties' approval. Front yard fencing shall be removed when homes are no longer used as a model. Structural side and support posts shall face the inside of the lot. For corner Lots, no fence or wall on the

side common to the street right of way shall extend forward of the rear corner of the Home. No fence on any Lot shall be installed closer than ten feet (10') from the rear lot boundary line or the top of the bank for Lots abutting lakes, canals or other bodies of water (the "Rear Fence Line"). On lots abutting lakes, canals or other bodies of water, only black flat top aluminum 4'0" high open picket, black metal fences shall be allowed along the Rear Fence Line and along the last sixteen feet (16') of each side Lot line leading to the Rear Fence Line. Fencing on the side Lot lines of Lots abutting lakes, canals or other bodies of water may be either four (4) or six (6) feet, open picket, black metal of a design and material approved in advance by the ARC, with the rear sixteen feet (16') transitioning from six (6) to four (4) feet leading to the Rear Fence Line, if applicable. The Owner assumes complete responsibility to maintain any fence on such Owner's Lot, including, but not limited to, trimming any grass, ivy or other plants from the fence. In the event the ARC approves the installation of a fence, it shall also have the right to require installation of landscaping, also subject to the ARC's approval, at the time the fence is installed.

Notwithstanding that an Owner has obtained the approval of the ARC to install a fence or landscape materials, as provided hereinabove, such installation shall be at the Owner's sole risk so long as Declarant has not yet begun or is engaged in the construction of a Home on an adjacent Lot. In the event such construction activity on an adjacent Lot causes damage to or destruction of such Owner's fence or landscape materials or any part thereof, the Owner on whose Lot the fence and/or landscaping has been damaged shall be required, at the Owner's expense, to repair or replace such fence and/or landscape materials in conformance with the requirements of the ARC's approval of the initial installation of the fence and/or landscape materials and Declarant shall have no liability for any such damage or destruction. Such repair or replacement shall commence as soon as construction on the adjacent Lot has been completed and shall be pursued to completion with due diligence. For purposes of this paragraph, the term "landscape materials" shall include landscape materials located on or adjacent to any property line of a Lot, including, by way of example and not of limitation, hedges, shrubs and trees, whether associated with a fence or not.

In addition, the installation of any fence placed upon any Lot is subject to any easements which run with the land. In the event that any fence is approved by the ARC and is permitted to cross any such easements, such approval is still subject to Owner first receiving written approval from the grantee of such easements and all other applicable governmental authorities. In the event the grantee of any such easement which runs with the land (i.e., utility provider or the County), its successors and/or assigns, requires the removal of any fence upon the Lot, then the Owner of said Lot shall, at the Owner's sole cost and expense, immediately remove the fence. The Owner of a Lot when installing any fence upon the Lot shall comply with all valid laws, zoning ordinances, codes, Rules and Regulations of all applicable governmental bodies, as applicable, in addition to the ARC approval required by Article IX hereof.

Section 20. **Oil and Mining Operations.** No oil drilling, oil development operations, oil refining, boring or mining operations of any kind shall be permitted upon or on any Lot nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in any Lot. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any Lot.

Section 21. **Sewage Disposal.** No individual sewage disposal system shall be permitted on any of the Property, provided that a central sewage disposal system is being operated in accordance with the requirements of the governmental regulatory body having jurisdiction over said central system.

Section 22. **Water Supply.** No individual water supply system shall be permitted on any of the Property, provided that one or more central water supply systems are being operated in accordance with requirements of the governmental body having jurisdiction over said central system, except that wells are permitted for the irrigation of landscaping only, provided that a stain tank is installed in conjunction with the irrigation well.

Section 23. **Failure to Maintain.** Upon the failure of an Owner(s) to (i) maintain the portion of the Property and any Improvement thereon which such party is responsible to maintain in accordance

with the requirements of this Declaration and to the satisfaction of the Association and (ii) correct such deficiencies within fifteen (15) days of written notice by the Association, unless a longer period is authorized by the Association, the Association may enter upon such portion of the Property and make such corrections as may be necessary. The cost of such corrections shall be paid by the Owner who is required to perform such maintenance. If any Owner(s) fails to make payment within fifteen (15) days after requested to do so by the Association, then the payment requested shall be collected as an Individual Home Assessment from such Owner and the Association shall be entitled to lien rights upon the portion of the Property requiring such maintenance in accordance with the provisions of this Declaration.

Section 24. **Compliance with Laws.** All Owners and other occupants of the Property shall at all times comply with the terms of the Subdivision Documents and the Zoning Code, and all environmental, land use, marketing and consumer protection ordinances, statutes and regulations applicable to the Property or to any Improvements and Lot Improvements constructed thereon, as well as all governmental rules, regulations, statutes and ordinances applicable to each Owner in connection with the Property.

Section 25. **Compliance with Documents.** Each Owner and their family members, guests, and invitees shall be bound by and abide by the Subdivision Documents. The conduct of the foregoing parties shall be considered to be the conduct of the Owner responsible for, or connected in any manner with, such individual's presence within the Subdivision. Such Owner shall be liable to the Association and shall pay the cost of any maintenance, repair or replacement of any real or personal property located on the Property rendered necessary by his or her act, neglect or carelessness, or by that of any other of the foregoing parties as an Individual Home Assessment.

Section 26. **No Implied Waiver.** The failure of the Association or Declarant to object to an Owner's or other party's failure to comply with the covenants or restrictions contained herein or any other Subdivision Document (including the rules now or hereafter promulgated) shall in no event be deemed a waiver by Declarant or the Association or of any other party having an interest in the Property of its right to object to same and to seek compliance in accordance with the provisions of the Subdivision Documents.

Section 27. **Reservation of Right to Release Restrictions.** If any Lot Improvement has been or is proposed to be erected within the Property in such a manner as to constitute a violation of, variance from or encroachment into the covenants and restrictions set forth in, or easements granted or reserved by, this Declaration, Declarant or the Association shall have the right to waive or release the violation, variance or encroachment without the consent or joinder of any person so long as Declarant or Association, as applicable, in the exercise of its sole discretion, determines in good faith that such waiver or release will not materially and adversely affect the health and safety of Owners, the value of adjacent portions of the Property and the overall appearance of the Property.

Section 28. **Declarant and Participating Builder Exemption.** Declarant and/or Participating Builder(s) plan to undertake the work of constructing Homes and Improvements upon certain of the Lots within the Property and may undertake the work of constructing other buildings upon adjacent land or other property being developed or marketed by Declarant and/or Participating Builder(s), and/or either of their affiliates. The completion of the aforementioned work and the sale, rental and other transfer of Homes by Declarant, Declarant's affiliates, a Participating Builder and/or a Participating Builder's affiliates, are essential to the welfare of the Property as a residential community. In order that such work may be completed and a fully occupied community established as rapidly as possible, neither the Owners, the Association, nor the ARC shall do anything whatsoever to interfere with any of Declarant, Declarant's affiliates, a Participating Builder and/or a Participating Builder's affiliates activities relating to the constructing of Homes and Improvements upon Lots within the Property, the constructing of other buildings upon adjacent land or any other property being developed or marketed by the Declarant, Declarant's affiliates, a Participating Builder and/or a Participating Builder's affiliates, or the sale, rental and/or other transfer of Homes by Declarant, Declarant's affiliates, a Participating Builder and/or a Participating Builder's

affiliates. In this respect, Declarant hereby reserve the right for itself and Participating Builders and their respective employees, contractors, agents, licensees, and invitees to come upon any and all portions of the Property (including, without limitation, the Common Area as well as a Lot even after the same has been conveyed to an Owner) as may be necessary or convenient to enable Declarant and/or Participating Builder(s) to carry on its work and other activities including, without limitation, Declarant's and/or a Participating Builder's construction of Homes and Improvements within the Subdivision.

In general, the restrictions and limitations set forth in this Article XIV shall not apply to Declarant or Participating Builders or to Lots owned by Declarant or Participating Builder(s). Declarant and Participating Builders shall specifically be exempt from any restrictions which interfere in any manner whatsoever with Declarant's or a Participating Builder's plans for construction, sale, lease, or use of the Property and to the Improvements thereon. Declarant and Participating Builders shall be entitled to injunctive relief for any actual or threatened interference with its rights under this Article XIV in addition to whatever remedies at law to which it might be entitled.

ARTICLE XV

GENERAL PROVISIONS

Section 1. **Assignment of Permit Responsibilities and Indemnification.** In connection with the platting and development of the Property, Declarant assumed certain obligations in connection with the maintenance of the Surface Water or Stormwater Management System and the District Permit. Declarant hereby assigns to the Association, and the Association shall be solely responsible for, all of Declarant's obligations and responsibilities for maintenance of the Surface Water or Stormwater Management System pursuant to, and for compliance with, the District Permit. Further, the Association shall indemnify, defend and hold Declarant harmless from all suits, actions, damages, liability and expenses in connection with loss of life, bodily or personal injury or property damage, or any other damage arising from or out of an occurrence in, upon, at or resulting from the operation or maintenance of the Surface Water or Stormwater Management System, occasioned wholly or in part by any act or omission of the Association or its agents, contractors, employees, servants or licensees.

Section 2. **Usage.** Whenever the context so requires or permits, any pronoun used herein may be deemed to mean the corresponding masculine, feminine or neuter form thereof, and the singular form of any nouns and pronouns herein may be deemed to mean the corresponding plural form thereof and vice versa.

Section 3. **Conflict with Other Subdivision Documents.** In the event of any conflict between the provisions of this Declaration and the provisions of the Articles and/or Bylaws and/or Rules and Regulations promulgated by the Association, the provisions of (i) this Declaration, (ii) the Articles, (iii) the Bylaws and (iv) the Rules and Regulations, shall control in that order.

Section 4. **Notices.** Any notice or other communication required or permitted to be given or delivered hereunder shall be deemed properly given and delivered upon the mailing thereof by United States mail, postage prepaid, to: (i) each Owner, at the address of the person whose name appears as the Owner on the records of the Association at the time of such mailing and, in the absence of any specific address, at the address of the Home owned by such Owner; (ii) the Association, certified mail, return receipt requested, at c/o Forestar (USA) Real Estate Group Inc., 4220 Race Track Road, St. Johns, Florida 32259, Attention: Association President, or such other address as the Association shall hereinafter notify Declarant and the Owners of in writing; and (iii) Declarant, certified mail, return receipt requested, at Forestar (USA) Real Estate Group Inc., 4220 Race Track Road, St. Johns, Florida 32259, or such other address or addresses as Declarant shall hereafter notify the Association of in writing, any such notice to the Association of a change in Declarant's address being deemed notice to the Owners.

Section 5. **Enforcement.** The covenants and restrictions herein contained may be enforced by Declarant (so long as Declarant holds an equitable or legal interest in any Lot and/or Home), the Association (provided that it follows the procedures set forth in Article XIV, Section 1 hereof), any Owner and any Institutional Mortgagee holding a mortgage on any portion of the Property in any judicial proceeding seeking any remedy recognizable at law or in equity, including damages, injunction or any other form of relief against any person, firm or entity violating or attempting to violate any covenant, restriction or provision hereunder. The failure by any party to enforce any such covenant, restriction or provision herein contained shall in no event be deemed a waiver of such covenant, restriction or provision or of the right of such party to thereafter enforce such covenant, restriction or provision. The prevailing party in any such litigation shall be entitled to reimbursement of all costs thereof including, but not limited to, Legal Fees, from the non-prevailing party. SJRWMD shall have the right to enforce, by a proceeding at law or in equity, the provisions contained in this Declaration which relate to the maintenance, operation and repair of the Surface Water or Stormwater Management System.

Section 6. **Interpretation.** The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the development of a residential community and for the maintenance of recreational facilities, if any, and Common Area. Article, Section and Paragraph captions, headings and titles inserted throughout this Declaration are intended as a matter of convenience only and in no way shall such captions, headings or titles define, limit or in any way affect the subject matter or any of the terms and provisions thereunder or the terms and provisions of this Declaration.

Section 7. **Severability.** In the event any of the provisions of this Declaration shall be deemed invalid by a court of competent jurisdiction, said judicial determination shall in no way affect any of the other provisions hereof, which shall remain in full force and effect, and any provisions of this Declaration deemed invalid by a court of competent jurisdiction by virtue of the term or scope thereof shall be deemed limited to the maximum term and scope permitted by law. In the event that any court should hereafter determine that any provision of this Declaration is in violation of the rule of property known as the "rule against perpetuities" or any other rule of law because of the duration of a time period, such provision shall not thereby become invalid, but instead the duration of such time period shall be reduced to the maximum period allowed under such rule of law, and in the event the determination of the duration of such time period requires measuring lives, such measuring life shall be that of the incorporator of the Association.

Section 8. **Certain Rights of Declarant and Participating Builder.** Notwithstanding anything to the contrary herein contained, no Improvements constructed or installed by Declarant and/or Participating Builder shall be subject to the approval of the Association, the Owners or the provisions and requirements of this Declaration, although it is the intent of Declarant to maintain a community with a common scheme of development. Notwithstanding the other provisions of this Declaration, Declarant reserves for itself and Participating Builder(s), and Declarant and Participating Builder(s) and their nominees shall have, the right to enter into and transact on the Property any business necessary to consummate the sale, lease or encumbrance of Homes or real property within or outside the Subdivision, including, but not limited to, the right to maintain models and a sales and/or leasing office, a construction office and/or a service office, place signs, employ sales, leasing, construction and service personnel, use the Common Area and show Homes, and Declarant further reserves the right to make repairs to the Common Area and to carry on construction activity for the benefit of the Property. Declarant, and its nominees, and Participating Builder(s), as applicable, may exercise the foregoing rights without notifying the Association or the Owners. Any such models, sales and/or leasing office, construction office, service office, signs and any other items pertaining to such sales, leasing, construction or service efforts shall not be considered a part of the Common Area and shall remain the property of Declarant or Participating Builder, as applicable. In addition, the Declarant hereby has, shall have and hereby reserves the right for itself and Participating Builders to enter upon the Common Area (including, without limitation, all drainage, lake maintenance, canal maintenance and utility easements whether located on a Lot or Common Area), if any, in order for Declarant or Participating Builder(s) to final-out and/or close-out any and all approvals, permits, orders, conditions

and/or requirements that have been issued or imposed by any governmental entity in connection with the construction upon the Lots within the Subdivision and all Improvements therein, and for Declarant or Participating Builders to comply and adhere to the same, and such rights shall survive the date of Turnover and continue for such period of time as is necessary for Declarant or Participating Builders, if applicable, to fully comply with all such governmentally issued approvals, permits, orders, conditions and/or requirements. Without limiting the generality of the foregoing, in exercising any such rights, Declarant or Participating Builder(s), if applicable, shall have the right to remove and/or relocate any and all items (including, without limitation, landscape materials, fences and/or other Improvements) that may be required to be removed and/or relocated to final-out and/or close-out any and all such approvals, permits, orders, conditions and/or requirements without compensation to the Association or the Owners. This Article XV, Section 8 may not be suspended, superseded or modified in any manner by any amendment to this Declaration unless such amendment is consented to in writing by Declarant and Participating Builders. This right of use and transaction of business as set forth herein and the other rights reserved by Declarant and Participating Builders in the Subdivision Documents may be assigned in writing by Declarant and Participating Builders in whole or in part, however, any assignment by a Participating Builder shall only be to another Participating Builder. For the purposes of this Article XV, Section 8, the term "Declarant" shall include any "Lender" which has loaned money to Declarant to acquire or construct Improvements upon the Property, or its successors and assigns if such Lender, its successors or assigns, acquires title to any portion of the Property as a result of the foreclosure of any mortgage encumbering any portion of the Property securing any such loan to Declarant, or acquires title thereto by deed in lieu of foreclosure. The rights and privileges of Declarant as set forth in this Article XV, Section 8, are in addition to, and are no way a limit on, any other rights or privileges of Declarant under any of the Subdivision Documents.

Declarant, Participating Builders and each of their successors, assigns, employees, contractors, sub-contractors and potential purchasers shall have access to the Subdivision property at all times and the Association shall not impede any such access. Any gate system installed shall remain open during construction and sales hours to allow Declarant, Participating Builders and each of their successors, assigns, employees, contractors, sub contractors and potential purchasers access to the Subdivision property.

Declarant shall also have the right, but not the obligation, to conduct inspections and tests from time to time of all or any portion of the Property in order to ascertain the physical condition of the Improvements and to determine if maintenance, repair or replacement of any such Improvement is necessary. If Declarant conducts any such tests or inspections, it shall pay all costs thereof and restore the affected portion of the Property to its condition immediately prior to the inspections and tests. Declarant shall have such rights of entry on, over, under, across and through the Property as may be reasonably necessary to exercise the rights described in this Article XV, Section 8. Declarant's right of inspection shall exist whether or not the Turnover Date has occurred. In the event Declarant exercises its inspection right(s), it is acknowledged by the Association and all Owners that Declarant is performing any such inspection(s) for its own benefit and not for the benefit of the Association and/or the Owners and further, Declarant shall have no obligation to inform the Association and/or the Owners of the result of any such inspection.

ALL OWNERS, OCCUPANTS AND USERS OF THE SUBDIVISION ARE HEREBY PLACED ON NOTICE THAT DECLARANT OR PARTICIPATING BUILDERS AND/OR THEIR RESPECTIVE AGENTS, CONTRACTORS, SUBCONTRACTORS, LICENSEES AND OTHER DESIGNEES MAY BE, FROM TIME TO TIME, CONDUCTING EXCAVATION, CONSTRUCTION AND OTHER ACTIVITIES WITHIN OR IN PROXIMITY TO THE SUBDIVISION. BY THE ACCEPTANCE OF THEIR DEED OR TITLE OR OTHER CONVEYANCE OR MORTGAGE, LEASEHOLD, LICENSE OR OTHER INTEREST, AND BY USING ANY PORTION OF THE SUBDIVISION, EACH SUCH OWNER, OCCUPANT AND USER AUTOMATICALLY ACKNOWLEDGES, STIPULATES AND AGREES (I) THAT NONE OF THE AFORESAID ACTIVITIES SHALL BE DEEMED NUISANCES OR NOXIOUS OR OFFENSIVE ACTIVITIES, HEREUNDER OR AT LAW GENERALLY, (II) NOT TO ENTER UPON, OR ALLOW THEIR CHILDREN OR OTHER PERSONS UNDER THEIR CONTROL OR DIRECTION TO ENTER UPON (REGARDLESS OF WHETHER SUCH ENTRY IS A TRESPASS OR OTHERWISE), ANY PROPERTY WITHIN OR IN PROXIMITY

TO THE SUBDIVISION WHERE SUCH ACTIVITY IS BEING CONDUCTED (EVEN IF NOT BEING ACTIVELY CONDUCTED AT THE TIME OF ENTRY, SUCH AS AT NIGHT OR OTHERWISE DURING NON-WORKING HOURS), (III) DECLARANT, PARTICIPATING BUILDERS AND THEIR RESPECTIVE AGENTS, CONTRACTORS, SUBCONTRACTORS, LICENSEES AND OTHER DESIGNEES SHALL NOT BE LIABLE IN ANY MANNER WHATSOEVER FOR ANY AND ALL LOSSES, DAMAGES (COMPENSATORY, CONSEQUENTIAL, PUNITIVE OR OTHERWISE), INJURIES OR DEATHS WHATSOEVER ARISING FROM OR RELATING TO THE AFORESAID ACTIVITIES, (IV) ANY PURCHASE OR USE OF ANY PORTION OF THE SUBDIVISION HAS BEEN AND WILL BE MADE WITH FULL KNOWLEDGE OF THE FOREGOING, AND (V) THIS ACKNOWLEDGMENT AND AGREEMENT IS A MATERIAL INDUCEMENT TO DECLARANT OR PARTICIPATING BUILDERS TO SELL, CONVEY, LEASE AND/OR ALLOW THE USE OF THE APPLICABLE PORTION OF THE SUBDIVISION.

Section 9. **Disputes As To Use.** In the event there is any dispute as to whether the use of the Property or any portion or portions thereof complies with the covenants, restrictions, easements or other provisions contained in this Declaration, such dispute shall be referred to the Board, and a determination rendered by the Board with respect to such dispute shall be final and binding on all parties concerned therewith. Notwithstanding anything to the contrary herein contained, any use by Declarant of the Property shall be deemed a use which complies with this Declaration and shall not be subject to a contrary determination by the Board.

Section 10. **Amendment and Modification.** The process of amending or modifying this Declaration shall be as follows:

10.1 Until the Turnover Date, all amendments or modifications shall only be made by Declarant without the requirement of the Association's consent or the consent of the Owners so long as such amendments or modifications do not materially impair the common plan of development of the Subdivision; provided, however, that the Association shall, forthwith upon request of Declarant, join in any such amendments or modifications and execute such instruments to evidence such joinder and consent as Declarant shall, from time to time, request. Notwithstanding anything in this paragraph to the contrary, no amendment shall be made by Declarant which impairs the rights and privileges of a Participating Builder(s) or adversely affects a Participating Builder(s) without the prior written consent of the Participating Builder(s).

10.2 After the Turnover Date, this Declaration may be amended by: (i) the consent of the Owners owning two thirds (2/3) of all Lots; together with (ii) the approval or ratification of a majority of the Board. The aforementioned consent of the Owners owning two thirds (2/3) of the Lots may be evidenced by a writing signed by the required number of Owners or by the affirmative vote of the required number of Owners at any regular or special meeting of the Association called and held in accordance with the Bylaws and evidenced by a certificate of the Secretary or an Assistant Secretary of the Association.

10.3 Amendments for correction of scrivener's errors or other nonmaterial changes may be made by Declarant alone until the Turnover Date and by the Board thereafter and without the need of consent of the Owners.

10.4 Notwithstanding anything to the contrary herein contained, no amendment to this Declaration shall be effective which shall impair or prejudice the rights or priorities of Declarant, Participating Builders, the Association or of any Institutional Mortgagee under the Subdivision Documents without the specific written approval of such party affected thereby. In addition and notwithstanding anything to the contrary contained herein, no amendment to this Declaration shall be effective which shall eliminate or modify the provisions of Article XV, Section 10 and any such amendment shall be deemed to impair and prejudice the rights of Declarant and/or Participating Builders.

10.5 A true copy of any amendment to this Declaration shall be sent certified mail by the Association to Declarant, Participating Builder(s) and to all Institutional Mortgagees holding a mortgage

on any portion of the Property requesting notice. The amendment shall become effective upon the recording amongst the Public Records of the County of said amendment to this Declaration which sets forth any amendment or modification to this Declaration.

10.6 Notwithstanding anything contained herein to the contrary, Declarant may, without the consent of any Owners, file any amendment(s) to this Declaration which may be required by an Institutional Mortgagee for the purpose of satisfying said Institutional Mortgagee's development criteria or such other criteria as may be established by such Institutional Mortgagee's secondary mortgage market purchasers, including, without limitation, the FNMA and the FHLMC; provided, however, any such filed amendment(s) must be in accordance with any applicable rules, regulations and other requirements promulgated by HUD.

10.7 Any proposed amendment to this Declaration which would affect the Surface Water or Stormwater Management System (including environmental conservation areas, if any, and the water management portions of the Common Area), shall be submitted to the SJRWMD for a determination of whether the proposed amendment necessitates a modification of the District Permit.

Section 11. **Delegation.** The Association, pursuant to a resolution duly adopted by the Board, shall have the continuing authority to delegate all or any portion of its responsibilities for maintenance, operation and administration, as provided herein, to any managing agency or entity selected by the Board from time to time and whether or not related to Declarant.

Section 12. **Term.** This Declaration and the terms, provisions, conditions, covenants, restrictions, reservations, regulations, burdens and liens contained herein shall run with and bind the Property and inure to the benefit of Declarant, the Association and the Owners and their respective legal representatives, heirs, successors and assigns for a term of fifty (50) years from the date of recording this Declaration amongst the Public Records of the County, after which time this Declaration shall be automatically renewed and extended for successive periods of ten (10) years each unless at least one (1) year prior to the termination of such fifty (50)-year term or any such ten (10)-year extension there is recorded amongst the Public Records of the County an instrument agreeing to terminate this Declaration signed by the Owners owning two-thirds (2/3) of the Lots and Institutional Mortgagees holding first mortgages encumbering two-thirds (2/3) of all Lots encumbered by first mortgages held by Institutional Mortgagees, upon which event this Declaration shall be terminated upon the expiration of the fifty (50)-year term or the ten (10)-year extension during which such instrument was recorded.

In the event this Declaration is terminated or the Association ceases to exist for any reason, the Owners shall be jointly and severally responsible for the costs to maintain and shall maintain the Common Area in the manner described herein. This provision shall survive the termination of this Declaration and shall run with the Property in perpetuity. Any Owner may, however, petition the Circuit Court for the appointment of a Receiver to manage the affairs of the Association in the event of dissolution of the Association.

Section 13. **Rights of Mortgagees.**

13.1 **Right to Notice.** The Association shall make available for inspection upon request, during normal business hours or under reasonable circumstances, the Subdivision Documents and the books, records and financial statements of the Association to Owners and the holders, insurers or guarantors of any first mortgages encumbering any portion of the Property. In addition, evidence of insurance shall be issued to each Owner and mortgagee holding a mortgage encumbering a Home upon written request to the Association. A mortgagee shall be entitled to receive timely written notice of any proposed action that requires the consent of a specified percentage of mortgagees. To be entitled to receive notices under this Section, the mortgagee (or mortgage insurer or guarantor) must send a written

request to the Association stating both its name and address and the address of the Lot on which it has (or insures or guaranties) the mortgage.

13.2 Rights of Listed Mortgagee. Upon written request to the Association, identifying the name and address of the holder, insurer or guarantor (such holder, insurer or guarantor is herein referred to as a "Listed Mortgagee") of a mortgage encumbering a Lot and the legal description of such Lot, the Association shall provide such Listed Mortgagee with timely written notice of the following:

- A. Any condemnation, loss or casualty loss which affects any material portion of the Common Area;
- B. Any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association;
- C. Any proposed action which would require the consent of mortgagees holding a mortgage encumbering a Lot: and
- D. Any failure by an Owner owning a Lot encumbered by a mortgage held, insured or guaranteed by such Listed Mortgagee to perform such Owner's obligations under the Subdivision Documents, including, but not limited to, any delinquency in the payment of Assessments, or any other charge owed to the Association by said Owner where such failure or delinquency has continued for a period of sixty (60) days.

13.3 Right of Listed Mortgagee to Receive Financial Statement. Any Listed Mortgagee shall, upon written request made to the Association, be entitled to financial statements of the Association for the prior fiscal year free of charge and the statement shall be furnished within a reasonable time following such request.

Section 14. Approval of Association Lawsuits by Owners. Notwithstanding anything contained herein to the contrary, in order to prevent the Board from incurring expenses not contemplated by the Subdivision Documents, for which the Owners will be responsible, the Association shall be required to obtain the approval of three-fourths (3/4) of the total voting interests of the Association (at a duly called meeting of the Owners at which a quorum is present) prior to engaging persons or entities for the purpose of suing or making, preparing or investigating any lawsuit or commencing any lawsuit other than for the following purposes:

- 14.1 the collection of Assessments;
- 14.2 the collection of other charges which Owners are obligated to pay pursuant to the Subdivision Documents;
- 14.3 the enforcement of the use and occupancy restrictions contained in the Subdivision Documents;
- 14.4 dealing with an emergency when waiting to obtain the approval of the Owners creates a substantial risk of irreparable injury to the Property or to the Owner(s) (the imminent expiration of a statute of limitations shall not be deemed an emergency obviating the need for the requisite vote of three-fourths [3/4] of the Owners); or
- 14.5 filing a compulsory counterclaim.

Section 15. Compliance with Provisions. Every person who owns, occupies or acquires any right, title, estate or interest in or to any Lot except as elsewhere herein provided does consent and

agree to, and shall be conclusively deemed to have consented and agreed to, every limitation, restriction, easement, reservation, condition and covenant contained herein, whether or not any reference to these restrictions is contained in the instrument by which such person acquired an interest in such property. Declarant shall not in any way or manner be held liable or responsible for any violation of this Declaration by any person other than Declarant.

Section 16. **Security.** The Association may, but shall not be obligated to, maintain or support certain activities within the Property designed to make the Property safer than it otherwise might be. NOTWITHSTANDING THE FOREGOING, NEITHER DECLARANT, PARTICIPATING BUILDERS NOR THE ASSOCIATION MAKES ANY REPRESENTATIONS WHATSOEVER AS TO THE SECURITY OF THE PREMISES OR THE EFFECTIVENESS OF ANY MONITORING SYSTEM OR SECURITY SERVICE, IF ANY, WHETHER SAME ARE PROVIDED THROUGH THE COMMUNITY SYSTEMS OR OTHERWISE. ALL OWNERS AGREE TO HOLD DECLARANT, PARTICIPATING BUILDERS AND THE ASSOCIATION HARMLESS FROM ANY LOSS OR CLAIM ARISING FROM THE OCCURRENCE OF ANY CRIME OR OTHER ACT. NEITHER THE ASSOCIATION, DECLARANT, PARTICIPATING BUILDER(S) NOR ANY SUCCESSOR OF DECLARANT SHALL IN ANY WAY BE CONSIDERED INSURERS OR GUARANTORS OF SECURITY OR SAFETY WITHIN THE PROPERTY, AND NEITHER THE ASSOCIATION, DECLARANT, PARTICIPATING BUILDER(S) NOR ANY SUCCESSOR TO DECLARANT OR A PARTICIPATING BUILDER GUARANTEES OR WARRANTS, EXPRESSLY OR IMPLIEDLY, THE MERCHANTABILITY OR FITNESS FOR USE OF ANY SUCH MONITORING SYSTEM OR SECURITY SERVICE, IF ANY, OR THAT ANY SYSTEM OR SERVICES WILL PREVENT INTRUSIONS, FIRES, DAMAGE, INJURY, DEATH OR OTHER OCCURRENCES, OR THE CONSEQUENCES OF SUCH OCCURRENCES, REGARDLESS OF WHETHER OR NOT THE SYSTEM OR SERVICES ARE DESIGNED TO MONITOR SAME. NEITHER THE ASSOCIATION, DECLARANT, PARTICIPATING BUILDERS NOR ANY SUCCESSOR TO DECLARANT OR PARTICIPATING BUILDERS SHALL BE HELD LIABLE FOR ANY LOSS OR DAMAGE BY REASON OF FAILURE TO PROVIDE ADEQUATE SECURITY OR INEFFECTIVENESS OF SECURITY MEASURES UNDERTAKEN, IF ANY. ALL MEMBERS, OWNERS AND OCCUPANTS OF ANY LOT OR HOME, AND TENANTS, GUESTS AND INVITEES OF ANY OWNER ACKNOWLEDGE THAT THE ASSOCIATION AND ITS BOARD, DECLARANT, PARTICIPATING BUILDERS AND ANY SUCCESSOR TO DECLARANT OR A PARTICIPATING BUILDER DO NOT REPRESENT OR WARRANT THAT: (A) ANY FIRE PROTECTION SYSTEM, BURGLAR ALARM SYSTEM OR OTHER SECURITY SYSTEM (WHETHER SAME ARE PROVIDED THROUGH THE COMMUNITY SYSTEMS OR OTHERWISE), IF ANY, RECOMMENDED BY, OR INSTALLED ACCORDING TO GUIDELINES ESTABLISHED BY, DECLARANT, PARTICIPATING BUILDERS OR THE ARC MAY NOT BE COMPROMISED OR CIRCUMVENTED, OR (B) THAT ANY FIRE PROTECTION OR BURGLAR ALARM SYSTEMS OR OTHER SECURITY SYSTEM (WHETHER SAME ARE PROVIDED THROUGH THE COMMUNITY SYSTEMS OR OTHERWISE) WILL IN ALL CASES PROVIDE THE DETECTION OR PROTECTION FOR WHICH THE SYSTEM IS DESIGNED OR INTENDED. EACH MEMBER, OWNER AND OCCUPANT OF ANY LOT OR HOME, AND EACH TENANT, GUEST AND INVITEE OF AN OWNER, ACKNOWLEDGES AND UNDERSTANDS THAT THE ASSOCIATION, ITS BOARD AND THE COMMITTEE, DECLARANT, PARTICIPATING BUILDERS AND ANY SUCCESSOR TO DECLARANT OR A PARTICIPATING BUILDER ARE NOT INSURERS OR GUARANTORS AND THAT EACH MEMBER, OWNER AND OCCUPANT OF ANY LOT OR HOME, AND EACH TENANT, GUEST AND INVITEE OF ANY MEMBER OR OWNER ASSUMES ALL RISKS FOR LOSS OR DAMAGE TO PERSONS, TO LOTS OR HOMES AND TO THE CONTENTS OF LOTS OR HOMES, AND FURTHER ACKNOWLEDGES THAT THE ASSOCIATION, ITS BOARD AND THE COMMITTEE, DECLARANT, PARTICIPATING BUILDERS AND ANY SUCCESSOR TO DECLARANT OR A PARTICIPATING BUILDER HAVE MADE NO REPRESENTATIONS, WARRANTIES AND/OR GUARANTIES, NOR HAS ANY OWNER, MEMBER, OCCUPANT, TENANT, GUEST OR INVITEE RELIED UPON ANY REPRESENTATIONS OR WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, RELATIVE TO ANY FIRE AND/OR BURGLAR ALARM SYSTEMS OR OTHER SECURITY SYSTEMS (WHETHER SAME ARE PROVIDED THROUGH THE COMMUNITY SYSTEMS OR OTHERWISE), IF ANY, RECOMMENDED OR INSTALLED, IF ANY, OR ANY SECURITY MEASURES UNDERTAKEN WITHIN THE PROPERTY OR THE SUBDIVISION.

Section 17. **Covenant Running With the Land.** All provisions of this Declaration shall, to the extent applicable and unless otherwise expressly provided herein to the contrary, be construed to be covenants running with the Lots and Homes and the Property and with every part thereof and interest therein, and all of the provisions hereof shall be binding upon and inure to the benefit of Declarant and subsequent Owner(s) of the Homes, Lots and Property or any part thereof, or interest therein, and their respective heirs, successors and assigns. However, the same are not intended to create nor shall they be construed as creating any rights in or for the benefit of the general public, unless specifically provided herein to the contrary. All present and future Owners, Tenants and occupants of the Lots and Homes, as applicable, shall be subject to and shall comply with the provisions of this Declaration, the Articles, Bylaws and applicable Rules and Regulations as they exist and may from time to time be amended. The acceptance of a deed of conveyance of a Lot and Contributing Home, or the entering into a lease of or occupancy of a Home, shall constitute an adoption and ratification by such Owner, Tenant or occupant of the provisions of this Declaration, the Articles, Bylaws and applicable Rules and Regulations of the Association, as they may be amended from time to time. In the event that any easements granted herein shall fail for want of a grantee in being or for any other purpose, the same shall constitute and be covenants running with the land.

Section 18. **No Public Right or Dedication.** Nothing contained in this Declaration shall be deemed to be a gift or dedication of all or any portion of the Common Area to the public, or for any public use.

Section 19. **NO REPRESENTATIONS OR WARRANTIES.** NO REPRESENTATIONS OR WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, HAVE BEEN GIVEN OR MADE BY DECLARANT OR ITS AGENTS OR EMPLOYEES IN CONNECTION WITH ANY PORTION OF THE PROPERTY, ITS PHYSICAL CONDITION, ZONING, COMPLIANCE WITH APPLICABLE LAWS, FITNESS FOR INTENDED USE OR IN CONNECTION WITH THE SUBDIVISION, SALE, OPERATION, MAINTENANCE, COST OF MAINTENANCE, TAXES OR REGULATION THEREOF, EXCEPT AS SPECIFICALLY AND EXPRESSLY SET FORTH IN THIS DECLARATION.

Section 20. **Certain Reserved Rights of Declarant With Respect To Community Systems.** Without limiting the generality of any other applicable provisions of this Declaration, and without such provisions limiting the generality hereof, Declarant hereby reserves and retains to itself:

20.1 the title to any Community Systems and a perpetual exclusive easement over, under and across the Property for the placement and location thereof;

20.2 the right to connect, from time to time, the Community Systems to such receiving or intermediary transmission source(s) as Declarant may in its sole discretion deem appropriate, in location(s) on the Property as Declarant may determine in its sole discretion, including, without limitation, companies licensed to provide CATV or satellite service(s) in the County, for which service(s) Declarant shall have the right to charge any users a fee (which shall not exceed any maximum allowable charge provided for in the applicable ordinances of the County);

20.3 the continuing right to air conditioned space within and/or on the Common Area as Declarant may determine in its sole discretion to install, operate, maintain, repair and replace the equipment serving, providing or running the Community Systems, which location may include, without limitation, room(s) within any Improvements constructed on any part of the Common Area; and

20.4 the exclusive right to offer and provide from time to time to the Association, the Lots and the Lot Owners, any and all Bundled Services through the Community Systems.

Neither the Association nor any officer, director, employee, enforcement committee member or agent thereof (including any management company) shall be liable for any damage to property, personal

injury or death arising from or connected with any act or omission of any of the foregoing during the course of performing any duty or exercising any right privilege (including, without limitation, performing maintenance work which is the duty of the Association or exercising any remedial maintenance or alteration rights under this Declaration) required or authorized to be done by the Association, or any of the other aforesaid parties, under this Declaration or otherwise as required or permitted by law.

Section 21. **Association and Declarant as Attorney-In-Fact.** Each Owner, by reason of having acquired ownership of a Lot and Contributing Home, whether by purchase, gift, operation of law or otherwise, and each occupant of a Home, by reason of his or her occupancy, is hereby declared to have acknowledged and agreed to his or her automatic consent to any rezoning, replatting, covenant in lieu of unity of title, change, addition or deletion made in, on or to the Subdivision by Declarant (hereinafter, collectively, the "Modifications") and, in respect thereto, each Owner of a Lot and occupant of a Home hereby designates the Association to act as agent and attorney-in-fact on behalf of such Owner or occupant to consent to any such Modification. If requested by Declarant, each Owner shall evidence his or her consent to a Modification in writing (provided, however, that any refusal to give such written consent shall not obviate the automatic effect of this provision). Further, each Owner, by reason of having acquired ownership of such Owner's Lot and Contributing Home, hereby agrees to execute, at the request of Declarant, any document and/or consent which may be required by any government agency to allow Declarant and/or its affiliates to complete the plan of development of the Subdivision, as such plan may be hereafter amended, and each such Owner hereby further appoints Declarant as such Owner's agent and attorney-in-fact to execute, on behalf and in the name of each such Owner, any and all of such documents and/or consents. This power of attorney is irrevocable and is coupled with an interest. The provisions of this Section shall not apply to Owners that are Participating Builders(s). The provisions of this Section may not be amended without Declarant's prior written consent.

Section 22. **Declarant's Reservation of Rights.** Notwithstanding anything contained in the Subdivision Documents to the contrary, Declarant reserves the right to change the zoning of any portion of the Property now existing or hereafter changed to be other than single-family residential (e.g., multi-family residential or commercial) and/or to make such uses of all or any part of the Property as shall be permitted by applicable zoning regulations as they may exist from time to time. Declarant, however, is not obligated by this Declaration to cause any portion of the Property to be rezoned or developed for any such uses. In the event Declarant changes the zoning of the Property, Declarant hereby reserves the right to amend this Declaration or to create one or more sub-declarations subjecting such property(ies) to additional or different specified or prohibited uses.

Additionally, in the event Declarant changes the zoning of the Property or any portion thereof to a use other than single-family residential and amends this Declaration or creates a sub-declaration, in order to insure representation on the Board for various groups having dissimilar interests, Declarant reserves the right to establish voting groups for election of Directors to the Board. In such event, each voting group shall be entitled to elect one (1) or more Director(s) to the Board. Each voting group may have different voting rights as determined by Declarant.

In the event Declarant establishes other uses of or for the Property as aforesaid, Declarant reserves the right to change the method pursuant to which Assessments are shared among the Lots and other portions of the Property. The expenses may be divided among each type of property use (e.g., single-family residential, multi-family residential and commercial) based upon, but not necessarily proportional to, the percentage of each type of property use, the level of services received by each type of property use and other relevant factors as determined by Declarant. Additionally, expenses which specifically relate to a specific property use will only be assessed against that type of property. The percentages for each type of property will be based upon the total acreage of the Property.

The portion of the anticipated Operating Expenses which are assessed against the single-family residential property shall be divided equally among the contributing Lots or units by dividing such

portion of the Operating Expenses which are being assessed to the single-family residential property by the total number of contributing Lots or units.

The portion of the anticipated Operating Expenses which are assessed against the multi-family residential property shall be divided equally among the contributing multi-family units by dividing such portion of the Operating Expenses which are being assessed to the multi-family residential property by the total number of contributing units.

The portion of the anticipated Operating Expenses which are assessed against the commercial property shall be divided among the owners of the commercial property based upon a fractional formula, the numerator of which is the total square feet of buildings and paved areas of each commercial parcel and the denominator of which is the total square feet of all buildings and paved areas.

Section 23. **Sales Interference.** Each Owner, by acceptance of a deed or other conveyance of a Home, hereby acknowledges and agrees that such Owner shall not interfere in any manner whatsoever in the sales process by Declarant or Participating Builders and/or any of their affiliates, including the carrying of signs or other types of demonstrations in the Subdivision or any public right-of-way adjacent to the Property. Each Owner acknowledges that any such activities interfere with the quiet enjoyment of the Subdivision by the other Owners, are detrimental to the value of the Homes within the Subdivision, and interfere with Declarant's or Participating Builders' ability to conduct its business.

Section 24. **Animal, Reptile and Wildlife Hazards.** Florida's natural areas, which include conservation areas, conservation easement property, preservation areas, lakes and wetlands, provide habitat for many wild animals and reptiles, including possible bears, poisonous snakes and alligators. Animals can be upset by human presence and unexpectedly become aggressive or harmed by efforts to avoid you. Always keep your distance and avoid interaction with all wildlife.

All Owners, and their family members, guests, invitees and Tenants, should always follow the suggestions listed below to assist in human protection from a potentially unpleasant experience as well as the protection of our wildlife:

- (a) Any wild animal can be dangerous. Always be cautious and observant.
- (b) Do not feed the wildlife. Food meant for human consumption can harm an animal. Animals that get food from humans may become aggressive.
- (c) Help keep wildlife "wild" by keeping your distance. Move away from animals without disturbing them and do not block an animal's path.
- (d) Photograph and observe wildlife from a safe distance, by using binoculars, spotting scopes or telephoto lenses.
- (e) If an animal or reptile approaches you, move away and maintain a safe distance.
- (f) Do not walk pets within or near any natural area, or near any bodies of water.
- (g) Keep young children at a safe distance from natural areas and bodies of water.

BY ACCEPTANCE OF A DEED TO THEIR LOT EACH OWNER ACKNOWLEDGES THAT THE SUBDIVISION, AND AREAS IN THE VICINITY OF THE SUBDIVISION, MAY CONTAIN WILDLIFE SUCH AS, BUT NOT LIMITED TO, INSECTS, VENOMOUS AND NON-VENOMOUS SNAKES AND OTHER REPTILES, ALLIGATORS, AND OTHER ANIMALS, SOME OF WHICH MAY POSE HAZARDS TO PERSONS OR PETS COMING IN CONTACT WITH THEM. THE DECLARANT, PARTICIPATING

BUILDERS AND THE ASSOCIATION SHALL HAVE NO RESPONSIBILITY FOR MONITORING SUCH WILDLIFE OR NOTIFYING OWNERS OR OTHER PERSONS OF THE PRESENCE OF SUCH WILDLIFE. EACH OWNER AND HIS OR HER TENANTS, GUESTS AND INVITEES ARE RESPONSIBLE FOR THEIR OWN SAFETY.

[Signature pages follow]

COPY

IN WITNESS WHEREOF, this Declaration has been signed by Declarant and joined in by the Association on the respective dates set forth below.

Signed, sealed and delivered
in the presence of:

FORESTAR (USA) REAL ESTATE GROUP INC.,
a Delaware corporation

Beth A. Grossman
Print Name: BETH A. GROSSMAN

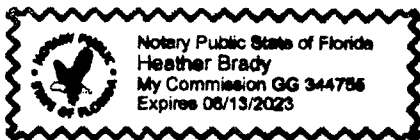
By: Sarah Wicker
Name: Sarah Wicker
Its: Vice President

Heather Brady
Print Name: Heather Brady

STATE OF FLORIDA }
 }SS

COUNTY OF ST. JOHNS)

The foregoing instrument was acknowledged before me this 26th day of March 2021, by means of (check one) (☒) physical presence or (___) online notarization, by Sarah Wicker, the Vice President of **FORESTAR (USA) REAL ESTATE GROUP INC.**, a Delaware corporation, on behalf of the corporation. She is (check one) (☒) personally known to me, or (___) has produced a _____ as identification.



Heather Brady
Print: Heather Brady
NOTARY PUBLIC
State of Florida at Large
Commission # GG 344755
My Commission Expires: 6/13/23

Signed, sealed and delivered
in the presence of:

Beth Grossman
Print Name: BETH GROSSMAN

Andre Carmack
Print Name: Andre Carmack

**WATERFORD LAKES TOWNHOME
HOMEOWNERS ASSOCIATION, INC.**, a Florida
not for profit corporation

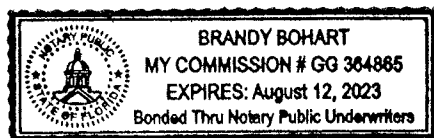
By: Mary Moulton, President
Name: Mary Moulton
Its: President

STATE OF FLORIDA }

}SS

COUNTY OF ~~ST. JOHNS~~ Hillsborough

The foregoing instrument was acknowledged before me this 30th day of March, 2021,
by means of (check one) (X) physical presence or () online notarization, by Mary Moulton, the
President of **WATERFORD LAKES TOWNHOME HOMEOWNERS ASSOCIATION, INC.**, a Florida
not for profit corporation, on behalf of the not for profit corporation. He is (check one) (X) personally
known to me, or () has produced a _____ as identification.



Brandy Bohart
Print: Brandy Bohart
NOTARY PUBLIC
State of Florida at Large
Commission # GG 364865
My Commission Expires: 8.12.2023

EXHIBIT "A"

Legal Description of the Property

LOTS

Lots 55 through 184, inclusive, and Lots 397 through 400, inclusive, of WATERFORD LAKES PHASE 1, according to the plat thereof, as recorded in Map Book 105, Pages 75 through 89, inclusive, of the Public Records of St. Johns County, Florida.

TOGETHER WITH

COMMON AREA

Tracts "B," "C," "D," "E," "F," "G," "H," "I," "J," and "K," and the Private Rights of Way (including, without limitation, Waterford Lakes Drive, Coastline Way, Temple Drive and Barley Street) of WATERFORD LAKES PHASE 1, according to the plat thereof, as recorded in Map Book 105, Pages 75 through 89, inclusive, of the Public Records of St. Johns County, Florida.

COPY

EXHIBIT "B"

Articles of Incorporation of Waterford Lakes Townhome Homeowners Association, Inc.

COPY



April 6, 2021

FLORIDA DEPARTMENT OF STATE

Division of Corporations

WATERFORD LAKES TOWNHOME HOMEOWNERS ASSOCIATION, INC.
4220 RACE TRACK ROAD
ST. JOHNS, FL 32259

The Articles of Incorporation for WATERFORD LAKES TOWNHOME HOMEOWNERS ASSOCIATION, INC. were filed on April 5, 2021, and assigned document number N21000003951. Please refer to this number whenever corresponding with this office.

This document was electronically received and filed under FAX audit number H21000129931.

To maintain "active" status with the Division of Corporations, an annual report must be filed yearly between January 1st and May 1st beginning in the year following the file date or effective date indicated above. It is your responsibility to remember to file your annual report in a timely manner.

A Federal Employer Identification Number (FEI/EIN) will be required when this report is filed. Apply today with the IRS online at:

<https://sa.www4.irs.gov/modiein/individual/index.jsp>.

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

Should you have any questions regarding corporations, please contact this office at (850) 245-6052.

Sincerely,
Tammi Cline
Regulatory Specialist II Supervisor
New Filings Section
Division of Corporations

Letter Number: 621A00007057

Florida Department of State
Division of Corporations
Electronic Filing Cover Sheet

Note: Please print this page and use it as a cover sheet. Type the fax audit number (shown below) on the top and bottom of all pages of the document.

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Note: DO NOT hit the REFRESH/RELOAD button on your browser from this page. Doing so will generate another cover sheet.

To:

Division of Corporations
Fax Number : (850) 617-6381

From:

Account Name : SHUTTS & BOWEN LLP OPERATING ACCOUNT
Account Number : 120030000037
Phone : (561) 835-8500
Fax Number : (561) 650-8530

****Enter the email address for this business entity to be used for future annual report mailings. Enter only one email address please.****

Email Address: MSMITH@SHUTTS.COM

FLORIDA PROFIT/NON PROFIT CORPORATION
WATERFORD LAKES TOWNHOME HOMEOWNERS
ASSOCIATION, INC

Certificate of Status	0
Certified Copy	0
Page Count	15
Estimated Charge	\$70.00

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**ARTICLES OF INCORPORATION
OF
WATERFORD LAKES TOWNHOME HOMEOWNERS ASSOCIATION, INC.
(A Florida Corporation Not For Profit)**

In order to form a corporation not for profit under and in accordance with the provisions of Chapters 617 and 720 of the Florida Statutes, the undersigned hereby incorporates this corporation not for profit for the purposes and with the powers hereinafter set forth and, to that end, the undersigned, by these Articles of Incorporation, certifies as follows:

**ARTICLE I
DEFINITIONS**

The following words and phrases when used in these Articles of Incorporation (unless the context clearly reflects another meaning) shall have the following meanings, or if not defined below as defined in the Declaration:

1. "Act" or "HOA Act" means the homeowners' association act, Chapter 720, Florida Statutes, as amended through the date of recording the Declaration amongst the Public Records of the County.
2. "Articles" means these Articles of Incorporation and any amendments hereto.
3. "Assessments" means the all assessments for which all the Owners are obligated to pay to the Association and includes "Individual Home Assessments", "Special Assessments" and "Benefited Assessments" (as such terms are defined in the Declaration), "Assessments" levied by the Master Association and any and all other assessments which are levied by the Association and the Master Association, in accordance with the Subdivision Documents and the Master Documents.
4. "Association" means Waterford Lakes Townhome Homeowners Association, Inc., a Florida corporation not for-profit, its successors and assigns, existing pursuant to the Articles, and which Association is responsible for the ownership, administration, operation, maintenance, preservation, enforcement and architectural control of the Subdivision as provided in this Declaration. The "Association" is NOT a condominium association and is not intended to be governed by Chapter 718, the Condominium Act, Florida Statutes. The Association is a "Subassociation" as defined in the Master Declaration.
5. "Board" means the Board of Directors of the Association.
6. "Bylaws" means the Bylaws of the Association and any amendments thereto.
7. "Common Area" means the property more particularly described in the Declaration.
8. "County" means St. Johns County, Florida.
9. "Declarant" means Forestar (USA) Real Estate Group Inc., a Delaware corporation, and its successors and such of its assigns as to which Forestar (USA) Real Estate Group Inc., a Delaware corporation, specifically assigns all or part of the rights of Declarant hereunder by an express written assignment, whether recorded in the Public Records of the County or not. The written assignment may give notice as to which rights of Declarant are to be exercised and as to which portion of the Property. In the event of such a partial assignment, the

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assignee may exercise such rights of Declarant as are specifically assigned to it. Any such assignment may be made on a non exclusive basis. In any event, any subsequent declarant shall not be liable for any default or obligations incurred by any prior declarant, except as may be expressly assumed by the subsequent declarant. An Owner shall not, solely by the purchase of a Home and/or Lot, be deemed a successor or assign of Declarant under the Subdivision Documents unless such Owner is specifically so designated as a successor or assign of such rights in the instrument of conveyance or any other instrument executed by Declarant.

10. "Declaration" means the Declaration of Covenants and Restrictions for Waterford Lakes, as amended from time to time, together with any Supplemental Declarations or amendments hereto, which may be recorded among the public records of the County.

11. "Director" means a member of the Board.

12. "Home" means one (1) of the four hundred (400) attached residential dwelling units contained within multiple buildings ("Buildings") constructed or to be constructed within the Subdivision, each of which is designed and intended for use and occupancy as a single-family residence. The term Home shall include the Lot. In the event all or any portion of the Additional Property is submitted to this Declaration by a Supplemental Declaration, the number of Homes within the Subdivision shall increase.

13. "Lot" means any parcel of land within the Subdivision as shown on the Plat, any additional plat, or on any replat, if any, upon which a Home is permitted to be constructed, together with the Improvements thereon. Upon completion of construction of a Home on a Lot, such Lot and the Improvements thereon are sometimes collectively referred to as a Lot in this Declaration and the Subdivision. No Lot shall include any portion of the Common Area owned in fee simple by the Association.

14. "Master Association" means the Silverleaf Master Owners Association, Inc., a Florida corporation not-for-profit, and its successors and assigns, organized to administer the Master Declaration and having among its members the Owners herein; and all Owners are subject to assessment by the Master Association.

15. "Master Declaration" means the Declaration of Covenants and Restrictions for Silverleaf Master, recorded in Official Records Book 4743, Page 1063, *et. seq.* of the current public records of the County, and all amendments and supplements thereto, whereby the real property comprising the "Property" (as defined in the Master Declaration), including the Property (as defined in the Declaration), is bound by the terms of the Master Declaration and whereby assessments under the Master Declaration are made specifically applicable to the Owners. The Master Declaration authorizes, among other charges and assessments arising under the Master Declaration, "Assessments" to be levied against each Owner and collected by the Association on behalf of the Master Association.

16. "Master Documents" means the Master Declaration, the Articles of Incorporation and By-Laws of the Master Association, any rules and regulations promulgated by the Master Association and all of the instruments and documents referred to therein and executed in connection therewith, and any amendments to any of the documents thereto.

17. "Members" means all of the Owners who are also members of the Association, as provided in the Declaration. Each Owner is also a "Member" of the Master Association as more particularly discussed in the Master Documents.

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18. "Owner" means the record owner, whether one or more persons or entities, of the fee simple title to any Lot or Home within the Subdivision, and includes Declarant for as long as Declarant owns fee simple title to a Lot or Home, but excluding therefrom those having such interest as security for the performance of an obligation.

19. "Participating Builder" means D.R. Horton, Inc. - Jacksonville, a Delaware corporation, or its successors or assigns, and any affiliate of D.R. Horton, Inc. - Jacksonville and any other entity(ies) Declarant may designate as a Participating Builder. Declarant shall have the right to assign, in whole or in part, any of its rights hereunder to a Participating Builder(s). "Participating Builders" shall mean Participating Builder and any other entity(ies) designated as a Participating Builder.

20. "Plat" means the plat for WATERFORD LAKES PHASE 1, as recorded in Map Book 105, Pages 75 through 89, inclusive, of the public records of the County. In the event an additional plat is recorded in the Public Records of the County with respect to the Additional Property made subject to this Declaration pursuant to a Supplemental Declaration, then the term "Plat" as used herein shall also mean the additional plat. Not all of the property shown on the Plat may be subject to this Declaration.

21. "St. Johns River Water Management District Permit" or "District Permit" means that certain permit issued by the St. Johns River Water Management District affecting the Property, a copy of which is attached as Exhibit "D" to the Declaration, as same may be amended or modified from time to time.

22. "Subdivision" means the Waterford Lakes community, a planned residential development located in the County, which encompasses the Property and is intended to comprise four hundred (400) attached Homes and the Common Area, but subject to change in accordance with this Declaration, as more particularly described in the Declaration.

23. "Subdivision Documents" means in the aggregate in the aggregate, the Declaration, the Articles, the Bylaws, the Plat, any Rules and Regulations promulgated by the Association and any and all amendments and Supplemental Declarations, all as may be further amended and/or supplemented from time to time.

24. "Surface Water or Stormwater Management System" means the system of structures and other improvements, including, without limitation, control structures, culverts and swales, which is designed and constructed or implemented to control discharges which are necessitated by rainfall events, incorporating methods to collect, convey, store, absorb, inhibit, treat, use or reuse water to prevent or reduce flooding, over drainage, environmental degradation and water pollution, or to otherwise affect the quality and quantity of discharge from the system, as permitted pursuant to Chapter 62-330, F.A.C. or regulations of similar import. The Surface Water or Stormwater Management System is located upon and designed to serve the Property and possibly other properties around the Property.

25. "Waterford Lakes" means the "Subdivision" as defined above.

26. "Water Management District" or "SJRWMD" means the St. Johns River Water Management District, a regional water management district established in accordance with Florida law, and any successor, governmental agency, body or special district charged with the rights and responsibilities of the SJRWMD.

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Unless otherwise defined herein, the terms defined in the Declaration are incorporated herein by reference and shall appear in initial capital letters each time such terms appears in these Articles.

ARTICLE II NAME

The name of this corporation shall be WATERFORD LAKES TOWNHOME HOMEOWNERS ASSOCIATION, INC., a Florida corporation not for profit, whose principal address and mailing address is c/o Forestar (USA) Real Estate Group Inc., 4220 Race Track Road, St. Johns, Florida 32259.

ARTICLE III PURPOSES

The purpose for which the Association is organized is to take title to, administer, operate, maintain, finance, repair, replace, manage and lease the Common Area in accordance with the terms of, and purposes set forth in, the Subdivision Documents and to carry out the covenants and enforce the provisions of the Subdivision Documents.

ARTICLE IV POWERS

The Association shall have the following powers and shall be governed by the following provisions:

A. The Association shall have all of the common law and statutory powers of a corporation not for profit.

B. The Association shall have all of the powers granted to the Association in the Subdivision Documents. All of the provisions of the Declaration and Bylaws which grant powers to the Association are incorporated into these Articles.

C. The Association shall have all of the powers reasonably necessary to implement the purposes of the Association, including, but not limited to, the following:

1. To perform any act required or contemplated by it under the Subdivision Documents.

2. To make, establish, amend, abolish (in whole or in part) and enforce reasonable rules and regulations governing the use of the Property and Common Area.

3. To make, levy and collect Assessments for the purpose of obtaining funds from its Members to pay Operating Expenses and other costs and expenses defined or identified in the Declaration and Master Declaration and costs of collection, and to use and expend the proceeds of Assessments in the exercise of the powers and duties of the Association. The foregoing shall include the power to levy and collect adequate Assessments for the costs of maintenance, repair and operation of the Surface Water or Stormwater Management System, including but not limited to, cost associated with maintenance, repair and operation of retention areas, drainage structures and drainage easements.

4. To own, administer, operate, maintain, finance, repair, replace, manage, lease and convey the Common Area in accordance with the Subdivision Documents.

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5. To enforce by legal means the obligations of the Members and the provisions of the Subdivision Documents.

6. To employ personnel, retain independent contractors and professional personnel, and enter into service contracts to provide for the administration, operation, maintenance, financing, repairing, replacing and management of the Property and to enter into any other agreements consistent with the purposes of the Association, including, but not limited to, agreements with respect to professional management of the Property and to delegate to such professional manager certain powers and duties of the Association.

7. To enter into the Declaration and any amendments thereto and instruments referred to therein.

8. To provide, to the extent deemed necessary by the Board, any and all services and do any and all things which are incidental to or in furtherance of things listed above or to carry out the Association mandate to keep and maintain the Subdivision in a proper and aesthetically pleasing condition and to provide the Owners with services, amenities, controls and enforcement which will enhance the quality of life at the Subdivision.

9. To borrow money and to obtain such financing as is necessary to maintain, repair and replace the Property in accordance with the Declaration and, as security for any such loan, to collaterally assign the Association's right to collect and enforce Assessments levied for the purpose of repaying any such loan.

10. To exercise and enforce architectural control, maintenance and use restrictions in accordance with the Declaration.

11. To operate, maintain and manage the Surface Water or Stormwater Management System in a manner consistent with the District Permit, as such District Permit may be amended, modified or reissued from time to time, and applicable Water Management District rules, and to assist in the enforcement of the restrictions and covenants contained therein.

12. Notwithstanding anything contained herein to the contrary, in order to prevent the Board from incurring expenses not contemplated by the Subdivision Documents, for which the Owners will be responsible, the Association shall be required to obtain the approval of three-fourths (3/4) of all Members (at a duly called meeting of the Members at which a quorum is present) prior to the engagement of legal counsel by the Association for the purpose of suing, or making, preparing or investigating any lawsuit, or commencing any lawsuit other than for the following purposes:

- (a) the collection of Assessments;
- (b) the collection of other charges which Owners are obligated to pay pursuant to the Subdivision Documents;
- (c) the enforcement of any applicable use and occupancy restrictions contained in the Subdivision Documents;
- (d) dealing with an emergency when waiting to obtain the approval of the Members creates a substantial risk of irreparable injury to the Property or to Member(s) (the imminent expiration of a statute of limitations shall not be deemed an emergency obviating the need for the requisite vote of three-fourths (3/4) of the Members); or

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- (e) filing a compulsory counterclaim.

The costs of any legal proceedings initiated by the Association, which are not included in the above exceptions shall be financed by the Association only with monies that are collected for that purpose by Special Assessment(s) and the Association shall not borrow money, use reserve funds, or use monies collected for other Association obligations

ARTICLE V MEMBERS AND VOTING

The qualification of Members of the Association, the manner of their admission to membership, the manner of the termination of such membership and the manner of voting by Members shall be as follows:

A. Until such time as the first deed of conveyance of a Home from Declarant to an Owner is recorded amongst the Public Records of the County ("First Conveyance"), the membership of the Association shall be comprised solely of Declarant. Until the First Conveyance, Declarant shall be entitled to cast the one (1) and only vote on all matters requiring a vote of the membership.

B. Upon the First Conveyance, Declarant shall be a Member as to each of the remaining Lots until each such Lot is conveyed to another Owner, and thereupon and thereafter each and every Owner, including Declarant as to Lots owned by Declarant, shall be a Member and exercise all of the rights and privileges of a Member.

C. Membership in the Association for Owners other than Declarant shall be established by the acquisition of ownership of fee simple title to a Lot as evidenced by the recording of an instrument of conveyance amongst the Public Records of the County. Where title to a Lot is acquired by conveyance from a party other than Declarant by means of sale, gift, inheritance, devise, bequest, judicial decree or otherwise, the person, persons or entity thereby acquiring such Lot shall not be a Member unless or until such Owner shall deliver a true copy of a deed or other instrument of acquisition of title to the Association.

D. The Association shall have two (2) classes of voting membership:

1. Class "A" Members shall be all Members, with the exception of Declarant while Declarant is a Class "B" Member, each of whom shall be entitled to one (1) vote for each Lot owned.

2. Class "B" Member shall be Declarant, who shall be entitled to three (3) times the total number of votes of all Class "A" Members plus one (1) vote. Class "B" membership shall cease and be converted to Class "A" membership upon the earlier to occur of the following events ("Turnover Date"):

(a) three (3) months after the conveyance of ninety percent (90%) of the "Total Developed Lots" (as defined below) by Declarant, as evidenced by the recording of instruments of conveyance of such Homes amongst the Public Records of the County;

(b) upon the Class "B" Member abandoning or deserting its responsibility to maintain and complete the amenities or infrastructure as disclosed in the

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Subdivision Documents. There is a rebuttable presumption that Declarant has abandoned and deserted the Property if Declarant has unpaid Assessments or guaranteed amounts under Section 720.308 of the HOA Act for a period of more than two (2) years;

(c) upon the Class "B" Member filing a petition seeking protection under Chapter 7 of the Federal Bankruptcy Code;

(d) upon the Class "B" Member losing title to the Property through a foreclosure action or the transfer of a deed in lieu of foreclosure, unless the successor owner has accepted an assignment of developer rights and responsibilities first arising after the date of such assignment;

(e) upon a receiver for the Class "B" Member being appointed by a circuit court and not being discharged within 30 days after such appointment, unless the court determines within 30 days after such appointment that transfer of control would be detrimental to the Association or the Members; or

(f) when, in its discretion, the Class "B" Member so determines.

On the Turnover Date, Class "A" Members, including Declarant, shall assume control of the Association and elect not less than a majority of the Board.

Notwithstanding the foregoing, Class "A" Members are entitled to elect at least one (1) member of the Board when fifty percent (50%) of the Total Developed Lots have been conveyed to Members other than Declarant.

E. The designation of different classes of membership are for purposes of establishing the number of votes applicable to certain Lots, and nothing herein shall be deemed to require voting solely by an individual class on any matter which requires the vote of Members, unless otherwise specifically set forth in the Subdivision Documents.

F. No Member may assign, hypothecate or transfer in any manner his/her membership in the Association except as an appurtenance to his/her Lot.

G. Any Member who conveys or loses title to a Lot by sale, gift, devise, bequest, judicial decree or otherwise shall, immediately upon such conveyance or loss of title, no longer be a Member with respect to such Lot and shall lose all rights and privileges of a Member resulting from ownership of such Lot.

H. There shall be only one (1) vote for each Lot, except for the Class "B" Member as set forth herein. If there is more than one (1) Member with respect to a Lot as a result of the fee interest in such Lot being held by more than one (1) person, such Members collectively shall be entitled to only one (1) vote. The vote of the Owners of a Lot owned by more than one (1) natural person or by a corporation or other legal entity shall be cast by the person named in a certificate signed by all of the Owners of the Lot, or, if appropriate, by properly designated officers, partners or principals of the respective legal entity ("Voting Representative"), and filed with the Secretary of the Association, and such certificate shall be valid until revoked by a subsequent certificate. If such a certificate is not filed with the Secretary of the Association, the vote of such Lot shall not be considered for a quorum or for any other purpose.

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Notwithstanding the foregoing provisions, whenever any Lot is owned by a husband and wife they may, but shall not be required to, designate a Voting Representative. In the event a certificate designating a Voting Representative is not filed by the husband and wife, the following provisions shall govern their right to vote:

1. When both are present at a meeting, each shall be regarded as the agent and proxy of the other for purposes of casting the vote for each Lot owned by them. In the event they are unable to concur in their decision upon any topic requiring a vote, they shall lose their right to vote on that topic at that meeting, but shall count for purposes of establishing a quorum.

2. When only one (1) spouse is present at a meeting, the person present may cast the Lot vote without establishing the concurrence of the other spouse, absent any prior written notice to the contrary by the other spouse. In the event of prior written notice to the contrary to the Association by the other spouse, the vote of said Lot shall not be considered, but shall count for purposes of establishing a quorum.

3. When neither spouse is present, the person designated in a "Proxy" (as defined in the Bylaws) signed by either spouse may cast the Lot vote, when voting by Proxy is allowed, absent any prior written notice to the contrary to the Association by the other spouse or the designation of a different Proxy by the other spouse. In the event of prior written notice to the contrary to the Association or the designation of a different Proxy by the other spouse, the vote of said Lot shall not be considered, but shall count for purposes of establishing a quorum.

I. Except for special meetings of the Members where a quorum of the Members shall consist of Members entitled to cast thirty percent (30%) of the total number of votes of the Members, a quorum of the Members for regular meetings of the Members shall consist of Members entitled to cast ten percent (10%) of the total number of votes of the Members.

J. The Association is a "Subassociation" under the Master Declaration. Pursuant to the Master Declaration, the Owners are "Members" of the Master Association and shall be entitled to vote collectively through the Association; and the Association shall be entitled to exercise the number of votes equal to the number of "Assessment Equivalents" attributable to the "Lots" and "Building Sites" owned by "Owners" who are members of the Association (as such terms are used and defined in the Master Declaration). These votes shall be exercised through the Association's "voting designee" to the Master Association, on behalf of the Members, on matters requiring a vote of the Owners. As used herein, the "voting designee" shall be the President of the Association. In the absence of the President, the Directors shall designate any one of their number to serve as the Association's "voting designee" to the Master Association.

ARTICLE VI TERM

The term for which this Association is to exist shall be perpetual. In the event of dissolution of the Association (unless same is reinstated), other than incident to a merger or consolidation, all of the assets of the Association shall be conveyed to a similar homeowners association or a public agency having a similar purpose, or any Member may petition the appropriate circuit court of the State of Florida for the appointment of a receiver to manage the affairs of the dissolved Association and its properties in the place and stead of the dissolved Association and to make such provisions as may be necessary for the continued management of the affairs of the dissolved Association and its properties.

In no event shall the Association be dissolved, and any attempt to do so shall be

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ineffective, unless and until maintenance responsibility for the Surface Water or Stormwater Management System and discharge facilities located within the Property is assumed by an entity acceptable to the Water Management District, Florida Department of Environmental Regulation, or other governmental authority having jurisdiction, pursuant to the requirements of Section 373.416(2), Florida Administrative Code and Chapter 62-330, Florida Administrative Code, or other administrative regulation of similar import. Further, such dissolution shall require the prior approval of the Army Corps of Engineers.

In the event and upon dissolution of the Association, if the Veterans Administration ("VA") is guaranteeing or the U.S. Department of Housing and Urban Development ("HUD") is insuring the mortgage on any Lot, then unless otherwise agreed to in writing by HUD or VA, and only to the extent, if at all, required by such governmental agencies rules and regulations, any remaining real property of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this Association was created. In the event that acceptance of such dedication is refused, such assets shall be granted, conveyed and assigned to any nonprofit corporation, association, trust, or other organization to be devoted to such similar purposes. Such requirement shall not apply if VA is not guaranteeing and HUD is not insuring any mortgage and/or if not required by HUD or VA regulations; provided if either agency has granted project approval for the Subdivision, then HUD and/or VA shall be notified of such dissolution, if and as required by HUD and/or VA applicable rules and regulations.

ARTICLE VII INCORPORATOR

The name and address of the Incorporator of these Articles is: Sandra E. Krumbein Sadov, Esq., 200 East Broward Boulevard, Suite 2100, Fort Lauderdale, Florida 33301.

ARTICLE VIII OFFICERS

The affairs of the Association shall be managed by the President of the Association, assisted by the Vice President(s), Secretary and Treasurer, and, if any, by the Assistant Secretary(ies) and Assistant Treasurer(s), subject to the directions of the Board. Except for officers elected prior to the Turnover Date, officers must be Members, or the parents, children or spouses of Members.

The Board shall elect the President, Secretary and Treasurer, and as many Vice Presidents, Assistant Secretaries and Assistant Treasurers as the Board shall, from time to time, determine. The President shall be elected from amongst the membership of the Board, but no other officer need be a Director. The same person may hold two (2) or more offices, the duties of which are not incompatible; provided, however, the office of President and a Vice President shall not be held by the same person, nor shall the office of President and Secretary or Assistant Secretary be held by the same person.

ARTICLE IX FIRST OFFICERS

The names of the officers who are to serve until the first election of officers by the Board are as follows:

President	Mary Moulton
Vice President	Jennifer Grose

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Secretary/Treasurer

Sarah Wicker

ARTICLE X
BOARD OF DIRECTORS

A. The number of Directors on the first Board of Directors of the Association ("First Board") and the "Initial Elected Board" (as hereinafter defined) shall be three (3). The number of Directors elected by the Members subsequent to the "Declarant's Resignation Event" (as hereinafter defined) shall be not less than three (3) nor more than five (5), as the Board shall from time to time determine prior to each meeting at which Directors are to be elected. Except for Declarant-appointed Directors, Directors must be Members or the parents, children or spouses or officers or directors of Members. There shall be only one (1) vote for each Director.

B. The names and addresses of the persons who are to serve as Directors on the First Board are as follows:

<u>NAMES</u>	<u>ADDRESSES</u>
Mary Moulton	Forestar (USA) Real Estate Group Inc. 4220 Race Track Road St. Johns, Florida 32259
Jennifer Grose	Forestar (USA) Real Estate Group Inc. 4220 Race Track Road St. Johns, Florida 32259
Sarah Wicker	Forestar (USA) Real Estate Group Inc. 4220 Race Track Road St. Johns, Florida 32259

Declarant reserves the right to replace and/or designate and elect successor Directors to serve on the First Board for so long as the First Board is to serve, as hereinafter provided.

C. Declarant intends that the Subdivision, if and when ultimately developed, is anticipated to contain four hundred (400) Lots with Homes constructed thereon (collectively, "Total Developed Lots"). Notwithstanding the foregoing, however, Declarant has reserved the right in the Declaration to modify the plan of development for the Subdivision and the right to, among other things, modify the site plan and the right to change the recreational facilities, if any, amenities, Home product types and the number of Homes to be constructed within the Subdivision and/or the right to add or withdraw land from the Subdivision, all in its sole and absolute discretion, and therefore, the total number of Homes within the Subdivision may refer to a number greater or lesser than four hundred (400).

D. Upon the Turnover Date, the Members other than Declarant ("Purchaser Members") shall be entitled to elect not less than a majority of the Board. The election of not less than a majority of the Board by the Purchaser Members shall occur at a special meeting of the membership to be called by the Board for such purpose ("Initial Election Meeting"). The First Board shall serve until the Initial Election Meeting.

E. The Initial Election Meeting shall be called by the Association, through the Board, within sixty (60) days after the Purchaser Members are entitled to elect a majority of Directors as

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provided in Paragraph D hereof. A notice of meeting shall be forwarded to all Members in accordance with the Bylaws; provided, however, that the Members shall be given at least fourteen (14) days prior notice of such meeting. The notice shall also specify the number of Directors which shall be elected by the Purchaser Members and the remaining number of Directors designated by Declarant.

F. At the Initial Election Meeting, Purchaser Members, who shall include all Members other than Declarant, the number of which may change from time to time, shall elect two (2) of the Directors, and Declarant, until the Declarant's Resignation Event, shall be entitled to (but not obligated to) designate one (1) Director (same constituting the "Initial Elected Board"). Declarant reserves and shall have the right, until the Declarant's Resignation Event, to name the successor, if any, to any Director it has so designated.

G. The Board shall continue to be so designated and elected, as described in Paragraph F above, at each subsequent "Annual Members' Meeting" (as defined in the Bylaws), until the Annual Members' Meeting following the Declarant's Resignation Event or until a Purchaser Member-elected Director is removed in the manner hereinafter provided.

A Director (other than a Declarant-appointed Director) may be removed from office upon the affirmative vote or the agreement in writing of a majority of the voting interests of Purchaser Members for any reason deemed to be in the best interests of the Purchaser Members. A meeting of the Purchaser Members to so remove a Director (other than a Declarant-appointed Director) shall be held upon the written request of ten percent (10%) of the Purchaser Members. Any such recall shall be effected and a recall election shall be held, if applicable, as provided in the HOA Act.

H. Upon the earlier to occur of the following events ("Declarant's Resignation Event"), Declarant shall cause all of its designated Directors to resign:

1. When Declarant no longer holds at least five percent (5%) of the Total Developed Lots for sale in the ordinary course of business and all Lots sold by Declarant have been conveyed as evidenced by the recording of instruments of conveyance of such Lots amongst the Public Records of the County; or
2. When Declarant causes the voluntary resignation of all of the Directors designated by Declarant and does not designate replacement Directors.

Upon Declarant's Resignation Event, the Directors elected by Purchaser Members shall elect a successor Director to fill the vacancy caused by the resignation or removal of Declarant's designated Director. This successor Director shall serve until the next Annual Members' Meeting and until his or her successor is elected and qualified. In the event Declarant's Resignation Event occurs prior to the Initial Election Meeting, the Initial Election Meeting shall be called in the manner set forth in Paragraph E of this Article X, and all of the Directors shall be elected by the Purchaser Members at such meeting.

I. At each Annual Members' Meeting held subsequent to Declarant's Resignation Event, all of the Directors shall be elected by the Members. At the first Annual Members Meeting held after the Initial Election Meeting, a "staggered" term of office of the Board shall be created as follows:

1. a number equal to fifty percent (50%) of the total number of Directors rounded to the nearest whole number is the number of Directors whose term of office shall be

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established at two (2) years and the Directors serving for a two (2) year term will be the Directors receiving the most votes at the meeting; and

2. the remaining Directors' terms of office shall be established at one (1) year.

At each Annual Members' Meeting thereafter, as many Directors of the Association shall be elected as there are Directors whose regular term of office expires at such time, and the term of office of the Directors so elected shall be for two (2) years, expiring when their successors are duly elected and qualified.

J. The resignation of a Director who has been designated by Declarant or the resignation of an officer of the Association who has been elected by the First Board shall be deemed to remise, release, acquit, satisfy and forever discharge such officer or Director of and from any and all manner of action(s), cause(s) of action, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, executions, claims and demands whatsoever, in law or in equity, which the Association or Purchaser Members had, now have or will have or which any personal representative, successor, heir or assign of the Association or Purchaser Members hereafter can, shall or may have against said officer or Director for, upon or by reason of any matter, cause or thing whatsoever from the beginning of the world to the day of such resignation, except for such Director's or officer's willful misconduct or gross negligence.

ARTICLE XI INDEMNIFICATION

Each and every Director and officer of the Association shall be indemnified by the Association against all costs, expenses and liabilities, including attorney and paralegal fees at all trial and appellate levels and post judgment proceedings, reasonably incurred by or imposed upon him/her in connection with any negotiation, proceeding, arbitration, litigation or settlement in which he/she becomes involved by reason of his/her being or having been a Director or officer of the Association, and the foregoing provision for indemnification shall apply whether or not such person is a Director or officer at the time such cost, expense or liability is incurred. Notwithstanding the above, in the event of any such settlement, the Indemnification provisions provided in this Article XI shall not be automatic and shall apply only when the Board approves such settlement and reimbursement for the costs and expenses of such settlement as being in the best interest of the Association, and in the event a Director or officer admits that he/she is or is adjudged guilty of willful misfeasance or malfeasance in the performance of his/her duties, the indemnification provisions of this Article XI shall not apply. The foregoing right of indemnification provided in this Article XI shall be in addition to and not exclusive of any and all rights of indemnification to which a Director or officer of the Association may be entitled under statute or common law.

ARTICLE XII BYLAWS

The Bylaws shall be adopted by the First Board, and thereafter may be altered, amended or rescinded in the manner provided for in the Bylaws. In the event of any conflict between the provisions of these Articles and the provisions of the Bylaws, the provisions of these Articles shall control.

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ARTICLE XIII
AMENDMENTS

A. Prior to the First Conveyance, these Articles may be amended only by an instrument in writing signed by Declarant and filed in the Office of the Secretary of State of the State of Florida.

B. After the First Conveyance, and prior to the Turnover Date, these Articles may be amended solely by a majority vote of the Board, without the prior written consent of the Members, at a duly called meeting of the Board.

C. After the Turnover Date, these Articles may be amended in the following manner:

1. (a) The Board shall adopt a resolution setting forth the proposed amendment and directing that it be submitted to a vote at a meeting of the Members, which may be at either the Annual Members' Meeting or a special meeting. Any number of proposed amendments may be submitted to the Members and voted upon by them at one (1) meeting.

(b) Written notice setting forth the proposed amendment or a summary of the changes to be effected thereby shall be given to each Member within the time and in the manner provided in the Bylaws for the giving of notice of meetings.

(c) At such meeting, a vote of the Members shall be taken on the proposed amendment(s). The proposed amendment(s) shall be adopted upon receiving the affirmative vote of a majority of the total voting interests present at such meeting.

2. An amendment may be adopted by a written statement (in lieu of a meeting) signed by all Members and all members of the Board setting forth their intention that an amendment to the Articles be adopted.

D. These Articles may not be amended without the written consent of a majority of the members of the Board.

E. Notwithstanding any provisions of this Article XIII to the contrary, these Articles shall not be amended in any manner which shall prejudice the rights of: (i) Declarant, without the prior written consent thereto by Declarant, for so long as Declarant holds either a leasehold interest in or title to at least one (1) Home or Lot; (ii) any "Institutional Mortgagee" (as such term is defined in the Declaration) without the prior written consent of such Institutional Mortgagee, or (iii) Participating Builders without the prior written consent of such Participating Builders.

F. Notwithstanding the foregoing provisions of this Article XIII to the contrary, no amendment to these Articles shall be adopted which shall abridge, prejudice, amend or alter the rights of Declarant or a Participating Builders without the prior written consent of Declarant or the Participating Builder, including, but not limited to, Declarant's right to designate and select members of the First Board or otherwise designate and select Directors as provided in Article X above, nor shall any other amendment be adopted or become effective without the prior written consent of Declarant for so long as Declarant holds either a leasehold interest in or title to at least one (1) Lot.

G. Any instrument amending these Articles shall identify the particular article or articles being amended and shall provide a reasonable method to identify the amendment being

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made. A certified copy of each such amendment shall be attached to any certified copy of these Articles, and a copy of each amendment certified by the Secretary of State shall be recorded amongst the Public Records of the County.

ARTICLE XIV
MERGERS AND CONSOLIDATIONS

Subject to the provisions of the Declaration applicable to the Property and to the extent permitted by law, the Association may participate in mergers and consolidations with other nonprofit corporations organized for the same purposes, provided that any such merger or consolidation shall be approved in the manner provided by Chapter 617, Florida Statutes, as the same may be amended from time to time. For purposes of any vote of the Members required pursuant to said statutes, for so long as Declarant shall own any portion of the Property, any such merger or consolidation shall require Declarant's prior approval.

ARTICLE XV
REGISTERED OFFICE AND REGISTERED AGENT

The name and street address of the initial registered agent of the Association is Corporation Service Company, 1201 Hays Street, Tallahassee, Florida 32301.

IN WITNESS WHEREOF, the Incorporator has hereunto affixed her signature, this 31st day of MARCH, 2021.

Sandra E. Krumbein Sadov
Sandra E. Krumbein Sadov, Incorporator

The undersigned hereby accepts the designation of Registered Agent as set forth in Article XV of these Articles of Incorporation, and acknowledges that he is familiar with and accepts the obligations imposed upon registered agents under the Florida Not For Profit Corporation Act.

Corporation Service Company, a Delaware corporation

By: Elizabeth Kitchen

Printed Name: Elizabeth Kitchen

Dated: 03/30/2021

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EXHIBIT "C"

Bylaws of Waterford Lakes Townhome Homeowners Association, Inc.

COPY

**BYLAWS
OF
WATERFORD LAKES TOWNHOME HOMEOWNERS ASSOCIATION, INC.**

Section 1. Identification of Association

These are the Bylaws of WATERFORD LAKES TOWNHOME HOMEOWNERS ASSOCIATION, INC. ("Association") as duly adopted by its Board of Directors ("Board"). The Association is a corporation not for profit, organized pursuant to Chapters 617 and 720, Florida Statutes.

1.1. The office of the Association shall be for the present at c/o Forestar (USA) Real Estate Group Inc., 4220 Race Track Road, St. Johns, Florida 32259 and thereafter may be located at any place designated by the Board.

1.2. The fiscal year of the Association shall be the calendar year.

1.3. The seal of the Association shall bear the name of the Association, the word "Florida" and the words "Corporation Not For Profit."

Section 2. Explanation of Terminology

The terms defined in the Articles of Incorporation of the Association ("Articles") as well as in the Declaration of Covenants, Conditions, Restrictions and Easements for Waterford Lakes ("Declaration") are incorporated herein by reference and shall appear in initial capital letters each time such terms appear in these Bylaws.

Section 3. Membership; Members' Meetings; Voting and Proxies

3.1. The qualification of Members, the manner of their admission to membership in the Association, the manner of termination of such membership and the voting by Members shall be as set forth in the Articles.

3.2. The Members shall meet annually ("Annual Members' Meeting"). The Annual Members' Meeting shall be held at the office of the Association or at such other place in the County as the Board may determine and on such day and at such time as designated by the Board in the notice of such meeting commencing with the year following the year in which the Articles are filed with the Secretary of State. The purpose of the Annual Members' Meeting shall be to hear reports of the officers, elect members of the Board (when that shall be appropriate as determined by the provisions of the Articles) and transact any other business authorized to be transacted at such Annual Members' Meeting.

3.3. Special meetings (meetings other than the Annual Members' Meeting) of the Members shall be held at the office of the Association or at such other place within the County whenever called by the President or Vice President or by a majority of the Board. A special meeting must be called by such President or Vice President upon receipt of a written request from Members having the right to vote at least one-third (1/3) of the total number of votes entitled to be cast by Members at any such special meeting.

3.4. Except as otherwise provided in the Articles, a written notice of each Members' meeting, whether an Annual Members' Meeting or a special meeting (collectively "Meeting"), shall be

given to each Member entitled to vote thereat at his last known address as it appears on the books of the Association and shall be mailed or hand delivered to the said address or electronically transmitted to the location furnished by the Member for that purpose not less than fourteen (14) days nor more than forty-five (45) days prior to the date of the Meeting. Proof of such mailing, delivery or electronic transmission shall be given by the affidavit of the person giving the notice. Any notice given hereunder shall state the time and place of the Meeting and the purposes for which the Meeting is called. The notices of all Annual Members' Meetings shall, in addition, specify the number of Directors of the Association to be designated by Declarant and the number of Directors to be elected by the Members, if applicable. Notwithstanding any provisions hereof to the contrary, notice of any Meeting may be waived before, during or after such Meeting by a Member or by the person entitled to vote for such Member by signing a document setting forth the waiver of such notice.

3.5. The Members may, at the discretion of the Board, act by written response in lieu of a Meeting provided written notice of the matter or matters to be agreed upon is given to the Members or duly waived in accordance with the provisions of these Bylaws. Unless some greater number is required under the Governing Documents and except as to the election of Directors, which shall be accomplished by plurality vote, the decision of a majority of the votes cast by Members as to the matter or matters to be agreed or voted upon shall be binding on the Members provided a quorum is either present at such Meeting or submits a response if action is taken by written response in lieu of a Meeting, as the case may be. The notice with respect to actions to be taken by written response in lieu of a Meeting shall set forth the time period during which the written responses must be received by the Association.

3.6. (a) Except for special meetings of the Members where a quorum of the Members shall consist of Members entitled to cast thirty percent (30%) of the total number of votes of the Members, a quorum of the Members for regular meetings of the Members shall consist of Members entitled to cast ten percent (10%) of the total number of votes of the Members. Except for special meetings of any class of Members where a quorum of of any class of Members shall consist of class Members of such class entitled to cast thirty percent (30%) of the total number of votes of the class, a quorum of any class of Members for regular meetings of a class, shall consist of class Members of such class entitled to cast ten percent (10%) of the total number of votes of the class. Limited "Proxies" and general "Proxies" (as hereinafter defined in Paragraph 3.10) may be used to establish a quorum.

(b) When a quorum is present at any Meeting and a question which raises the jurisdiction of such Meeting is presented, the holders of a majority of the voting rights present in person or represented by written Proxy shall be required to decide the question. However, if the question is one upon which a vote other than the majority vote of a quorum is required by express provision of the Governing Documents or by law, then such express provision shall govern and control the required vote on the decision of such question.

3.7. At any Annual Members' Meeting when elections of Directors are to occur, written ballots are to be supplied to Members for such purposes. Members may vote for Directors in person or by Proxy. Members are not permitted to vote for Directors by absentee ballot. Furthermore, at any Annual Members' Meeting at which Directors are to be elected, the "Chairman" (as hereinafter defined in Paragraph 7.2) shall appoint an "Election Committee" consisting of three (3) Members to supervise the election, count and verify ballots, disqualify votes if such disqualification is justified under the circumstances and certify the results of the election to the Board. The Election Committee shall be able to determine questions within its jurisdiction by plurality vote of all three (3) members, but matters resulting in deadlocked votes of the Election Committee shall be referred to the entire Board for resolution.

3.8. If a quorum is not in attendance at a Meeting, the Members who are present, either in person or by Proxy, may adjourn the Meeting from time to time until a quorum is present with no further notice of such adjourned Meeting being required unless otherwise determined by the Board.

3.9. Minutes of all Meetings shall be kept in a businesslike manner and be available for inspection by the Members and Directors at all reasonable times. The Association shall retain minutes for at least seven (7) years subsequent to the date of the meeting the minutes reflect.

3.10. Voting rights of Members shall be as stated in the Articles with respect to the election of all Boards other than the First Board. Such votes may be cast in person or by absentee ballot. Proxies may be used to vote on other agenda items at meetings at which Directors are to be elected, and may also be used to establish a quorum. "Proxy" is defined to mean an instrument containing the appointment of a person who is substituted in the place and stead of the person or authorized representative of an entity entitled to vote. Proxies shall be in writing signed by the person or authorized representative of an entity giving the same and shall be valid only for the particular Meeting designated therein and, if so stated in the Proxy, any adjournments thereof, provided, however, any proxy automatically expires ninety (90) days after the date of the meeting for which it was originally given. A Proxy must be filed with the Secretary of the Association before the appointed time of the Meeting in order to be valid. Any Proxy may be revoked prior to the time a vote is cast in accordance with such Proxy.

3.11. The voting on any matter at a Meeting shall be by secret ballot upon request of the holders of twenty percent (20%) of the votes represented at such Meeting and entitled to be cast on such matter, if such request is made prior to the vote in question.

3.12. Remote Participation at Members' Meetings. The President may designate any Members' Meetings, including the annual meeting and any and all special members' meetings, as one at which remote participation will be permitted. At such a remote participation Meeting, some or all of the Members may participate through any means of communication at the President's election by which all Members participating may simultaneously hear each other during the Meeting. Such a Meeting shall be conducted in accordance with the following special rules for debate in remote participation Meetings:

(a) A quorum shall exist in accordance with these Bylaws;

(b) Members shall be provided an opportunity to be heard in the order and manner directed by the President; and

(c) Minutes shall be taken.

At a remote participation Members' Meeting, the Association may transact its business, including but not limited to voting, with the same force and effect as at a Members' Meeting held without remote participation.

3.13. Electronic Voting. The Association may permit Members who desire to do so the ability to utilize electronic voting in conformance with the requirements of Section 720.317 of the Act.

(a) The Board or its President may determine that utilizing electronic voting is not in the best interest of the Association as to any particular meeting. Accordingly, there shall be no

obligation for the Association to utilize electronic voting at any particular Members' Meeting or election.

(b) Notice to Owners of the opportunity to vote through an online voting system shall be provided as required by the HOA Act.

(c) The Association hereby adopts the following forms which are incorporated into these Bylaws by reference:

(i) The "Consent to Electronic Voting," attached as **Exhibit A** hereto and incorporated herein by this reference, which consent form an Owner must sign and file with the Association or be affirmed by the Owner in order for such Owner to be entitled to vote by electronic means; and,

(ii) The "Revocation of Consent to Electronic Voting," attached hereto as **Exhibit B** and incorporated herein by this reference, which revocation form an Owner must sign and file with the Association or be affirmed by the Owner to revoke his or her consent to electronic voting.

If permitted by the HOA Act, an electronic notification from an Owner to the Association may be used in lieu of a signed consent or revocation form, in which case the terms of the attached consent forms are incorporated by reference and shall be deemed affirmed by the Owner when consent is given or revoked by electronic means.

(d) In order to implement electronic voting, the Association may contract with an outside vendor or other party that provides electronic voting services. The Board shall use reasonable judgment to ensure that such vendor's services comply with the requirements of the HOA Act.

(e) At such time as the Association contracts with or otherwise arranges for a vendor to provide electronic voting services, or if the Association changes vendors, the Association or its agent shall notify the Owners who have consented to electronic voting, by electronic mail or U.S. mail (or both), at the discretion of the Association, as to the identity of such vendor, including such contact or other information (including, but not limited to a vendor e-mail address or website), as the Association reasonably believes sufficient, to enable Owners to communicate directly with the vendor to engage in electronic voting.

(f) Owners who consent to vote by electronic means may still vote in person, if they choose, by paper means (use of proxies and ballots), or may send proxies to the Association by facsimile transmission or electronic mail, to the extent the Association otherwise receives and accepts proxies through such media. In the event of multiple votes cast by an Owner as to the same matter, the following priority shall prevail: (a) votes cast in person; (b) paper documents; (c) proxies sent by e-mail or facsimile transmission; and (d) on-line/internet/electronic votes.

(g) By signing or affirming the consent form attached as **Exhibit A** hereto, each Owner recognizes that the Association cannot control the practices of third parties regarding internet

communications and use of the Owner's e-mail address. As such, and as a condition of the Association's agreement to permit electronic voting, each Owner who consents to electronic voting releases and waives any claim against the Association pertaining to such voting, including but not limited to the transmission or placement of "viruses," "malware," "spyware," "cookies," and the like. Each Owner who consents to electronic voting also consents to the Association's publication of their e-mail address, as well as other information (including necessary personal identifying information) to vendors or other third parties to the extent and as may be reasonably necessary to enable the use of electronic voting processes. Such information shall not be considered an Official Record of the Association and shall not be available for inspection unless otherwise required by applicable law.

(h) By signing or affirming the consent form attached as **Exhibit A** hereto, each Owner further recognizes that internet/electronic communications may be subject to failure, interruptions, or other problems due to a variety of reasons, including but not limited to Owner operator error, vendor system or server failures, "spam" blockers, power outages, and the like. As such, and as a condition of the Association's agreement to permit electronic voting, each Owner who consents to electronic voting releases and waives any claim or challenge to such voting, including but not limited to situations where an Owner vote was not received or counted by the Association due to no fault of the Board of the Association or management company.

Section 4. Board; Directors' Meetings

4.1. The business and administration of the Association shall be by its Board.

4.2. The election and, if applicable, designation of Directors shall be conducted in accordance with the Articles. Except for Declarant-appointed Directors, Directors must be Members or the parents, children or spouses of Members.

4.3. (a) Any person elected or designated as a Director shall have all the rights, privileges, duties and obligations of a Director of the Association.

(b) The term of a Director's service shall be as stated in the Articles and, if not so stated, shall extend until the next Annual Members' Meeting and thereafter until his/her successor is duly elected and qualified or until he/she resigns or is removed in the manner elsewhere provided.

4.4. The organizational meeting of a newly elected Board shall be held within ten (10) days of its election at such place and time as shall be fixed by the Directors at the meeting at which they were elected. Provided the organizational meeting is held directly following the Annual Members' Meeting, no further notice of the organizational meeting shall be necessary; if not, however, notice of the organizational meeting shall be given in accordance with Section 720.303(2) of the HOA Act.

4.5. Regular meetings of the Board may be held at such times and places at the office of the Association or at such other place in the County as shall be determined from time to time by a majority of the Directors. Special meetings of the Board may be called at the discretion of the President or the Vice President. Special meetings must be called by the Secretary at the written request of at least one-third (1/3) of the Directors. Any such special meeting may be held at the office of the Association or at such other place in the County at such time and place as determined by the Directors requesting such meeting or in such other place as all of the Directors shall agree upon.

4.6. Notice of the time and place of regular and special meetings of the Board, or adjournments thereof, shall be given to each Director personally, by mail, telephone or electronically transmitted if correctly directed to an electronic mail address at which the Director has consented to receive notice at least three (3) days prior to the day named for such meeting unless such notice is waived before, during or after such meeting. Any Director may waive notice of the meeting in writing before, during or after a meeting and such waiver shall be deemed equivalent to the receipt of notice by such Director.

4.7 Notice of all Board meetings shall be given to the members in accordance with the HOA Act.

4.8. A quorum of the Board shall consist of the Directors entitled to cast a majority of the votes of the entire Board. Matters approved by a majority of the Directors present at a meeting at which a quorum is present shall constitute the official acts of the Board, except as may be otherwise specifically provided by law, by the Articles or elsewhere herein. If at any meeting of the Board there shall be less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present. At any meeting that takes place on account of a previously adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted. In the case of the adjournment of a meeting, no further notice of the adjourned meeting need be given unless otherwise determined by the Board.

4.9. The presiding officer at all Board meetings shall be the President. In the absence of the President, the Directors shall designate any one of their number to preside.

4.10. Directors' fees, if any, shall be determined by the Members.

4.11. Minutes of all meetings of the Board shall be kept in a businesslike manner and be available for inspection by Members and Directors at all reasonable times.

4.12. The Board shall have the power to appoint an "Executive Committee(s)" of the Board consisting of not less than three (3) Directors. An Executive Committee(s) shall have and exercise such powers of the Board as may be delegated to such Executive Committee(s) by the Board.

4.13. Meetings of the Board shall be open to all Members. The Board may also hold closed meetings to the extent permitted by applicable law, including, by way of example but not by way of limitation, when the discussion at a meeting is governed by attorney-client privilege. Members shall have the right to participate in meetings with reference to all designated agenda items in accordance with the HOA Act and any rules and regulations promulgated by the Association. In the event a Member conducts himself or herself in a manner detrimental to the carrying on of the meeting, then any Director may expel said Member from the meeting by any reasonable means which may be necessary to accomplish said Member's expulsion. Also, any Director shall have the right to exclude from any meeting of the Board any person who is not able to provide sufficient proof that he or she is a Member or a duly authorized representative, agent or proxy holder of a Member, unless said person has been specifically invited by any of the Directors to participate in such meeting.

4.14. Any action required or permitted to be taken at a meeting of the Directors may be taken without a meeting if a consent in writing, specifically setting forth the action to be taken, shall be signed by all the Directors entitled to vote with respect to the subject matter thereof and such consent shall have the same force and effect as a unanimous vote of the Directors, provided, however, whenever

assessments are to be considered, they may be considered only at a meeting of the Directors properly noticed in accordance with the HOA Act.

4.15. Remote Participation at Board Meetings. The President may designate any Board meeting, whether regular or special, as one at which remote participation will be permitted. At such a remote participation Board meeting, some or all of the Board members may participate through any means of communication at the President's election by which all Board members participating may simultaneously hear each other during the Board meeting. Such a Board meeting shall be conducted in accordance with the following special rules for debate in remote participation Board meetings:

- (a) A quorum shall exist in accordance with these Bylaws;
- (b) Directors shall be provided an opportunity to be heard in the order and manner directed by the President;
- (c) Members who are not Board members may attend as observers; and
- (d) Minutes shall be taken.

At a remote participation Board meeting, the Association may transact its business, including but not limited to voting, with the same force and effect as at a Board meeting held without remote participation.

Section 5. Powers and Duties of the Board

5.1. All of the powers and duties of the Association shall be exercised by the Board. Such powers and duties of the Board shall include, but not be limited to, all powers and duties set forth in the Governing Documents, as well as all of the powers and duties of a director of a corporation not for profit not inconsistent therewith.

5.2. The Association may employ a manager to perform any of the duties, powers or functions of the Association. Notwithstanding the foregoing, the Association may not delegate to the manager the power to conclusively determine whether the Association should make expenditures for capital additions or improvements chargeable against the Association funds. The members of the Board shall not be personally liable for any omission or improper exercise by the manager of any duty, power or function delegated to the manager by the Association.

Section 6. Late Fees

An Owner who fails to timely pay any Assessment shall be charged a late charge of Twenty-Five Dollars (\$25) or five percent (5%) of the past due amount, whichever is greater, by the Association for such late Assessment. This amount is subject to change in the Board's sole discretion. In addition, any party who fails to pay any Assessment within ten (10) days of the due date shall be charged interest thereon from the date due until paid at 18% per annum. Lot Owners shall be responsible to pay all Legal Fees incurred in connection with the collection of late Assessments whether or not an action at law to collect said Assessment and foreclose the Association's lien has been commenced.

Section 7. Officers of the Association

7.1. Executive officers of the Association shall be the President, who shall be a Director, one or more Vice Presidents, a Treasurer and a Secretary, all of whom shall be elected annually by the Board. Any officer may be removed without cause from office by vote of the Directors at any meeting of the Board. The Board may, from time to time, elect such other officers and assistant officers and designate their powers and duties as the Board shall find to be required to manage the affairs of the Association. One person may hold any two offices simultaneously, except when the functions of such offices are incompatible, but no person shall hold the office of President and any of the following offices simultaneously: Vice President, Secretary or Assistant Secretary.

7.2. The President shall be the chief executive officer of the Association. He/She shall have all of the powers and duties which are usually vested in the office of the President of an association or a corporation not for profit, including, but not limited to, the power to appoint such committees from among the Members at such times as he/she may, in his/her discretion, determine appropriate to assist in the conduct of the affairs of the Association. If in attendance, the President ("Chairman") shall preside at all meetings of the Board and the Members; provided, however, that the President may appoint a substitute. The President shall also be the "voting designee" to the Master Association board of directors and will cast the votes of the Owners on all Master Association matters requiring a vote of the Owners. In the absence of the President, the Directors shall designate any one of their number to serve as the "voting designee" of the Master Association.

7.3. In the absence or disability of the President, the Vice President shall exercise the powers and perform the duties of the President. If there is more than one (1) Vice President, the Board shall designate which Vice President is to perform which duties. The Vice President(s) shall also generally assist the President and exercise such other powers and perform such other duties as shall be prescribed by the Board. In the event there shall be more than one Vice President elected by the Board, then they shall be designated as "First Vice President", "Second Vice President", etc., and shall exercise the powers and perform the duties of the presidency in such order.

7.4. The Secretary shall keep the minutes of all meetings of the Board and the Members, which minutes shall be kept in a businesslike manner and be available for inspection by Members and Directors at all reasonable times. The Secretary shall have custody of the seal of the Association and affix the same to instruments requiring such seal when duly authorized and directed to do so. The Secretary shall be custodian for the corporate records of the Association, except those of the Treasurer, and shall perform all of the duties incident to the office of Secretary of the Association as may be required by the Board or the President. The Assistant Secretary, if any, shall perform the duties of the Secretary when the Secretary is absent and shall assist the Secretary under the supervision of the Secretary.

7.5. The Treasurer shall have custody of all of the monies of the Association, including funds, securities and evidences of indebtedness. The Treasurer shall keep the assessment rolls and accounts of the Members and shall keep the books of the Association in accordance with good accounting practices and he/she shall perform all of the duties incident to the office of the Treasurer. The Assistant Treasurer, if any, shall perform the duties of the Treasurer when the Treasurer is absent and shall assist the Treasurer under the supervision of the Treasurer.

7.6. The compensation, if any, of the officers and other employees of the Association shall be fixed by the Board. This provision shall not preclude the Board from hiring a Director as an employee of the Association or preclude contracting with a Director or a party affiliated with a Director for the management or performance of contract services for all or any part of Waterford Lakes.

Section 8. Resignations

Any Director or officer may resign his/her post at any time by written resignation, delivered to the President or Secretary, which shall take effect upon its receipt unless a later date is specified in the resignation, in which event the resignation shall be effective from such date unless withdrawn. The acceptance of a resignation shall not be required to make it effective. The conveyance of all Homes owned by any Director or officer (other than appointees of Declarant) shall constitute a written resignation of such Director or officer.

Section 9. Accounting Records; Fiscal Management

9.1. The Association shall prepare financial reports and maintain accounting records in accordance with the HOA Act. The accounting records of the Association shall be open to inspection by Members and Institutional Mortgagees or their respective authorized representatives at reasonable times and in accordance with, but subject to the limitations of, the HOA Act. Such authorization as a representative of a Member must be in writing and signed by the person giving the authorization and dated within sixty (60) days of the date of the inspection. Such records shall include, but not be limited to: (i) a record of all receipts and expenditures; (ii) an account for each Lot within Waterford Lakes which shall designate the name and address of the Owner thereof, the amount of Individual Lot Assessments and all other Assessments, if any, charged to the Lot, the amounts and due dates for payment of same, the amounts paid upon the account and the dates paid, and the balance due; (iii) any tax returns, financial statements and financial reports of the Association; and (iv) any other records that identify, measure, record or communicate financial information.

9.2. The Board shall adopt a Budget (as defined and provided for in the Declaration) of the anticipated Operating Expenses for each forthcoming calendar year (the fiscal year of the Association being the calendar year) at a special meeting of the Board ("Budget Meeting") called for that purpose to be held during the month of November or December of the year preceding the year to which the Budget applies. Prior to the Budget Meeting, a proposed Budget for the Operating Expenses shall be prepared by or on behalf of the Board. Within thirty (30) days after adoption of the Budget, a copy thereof shall be furnished to each Member, upon request, and each Owner shall be given notice of the Individual Home Assessment applicable to his/her Home(s). The copy of the Budget, if requested, shall be deemed furnished and the notice of the Individual Home Assessment shall be deemed given upon its delivery or upon its being mailed to the Owner shown on the records of the Association at his/her last known address as shown on the records of the Association.

9.3. In administering the finances of the Association, the following procedures shall govern: (i) the fiscal year shall be the calendar year; (ii) any monies received by the Association in any calendar year may be used by the Association to pay expenses incurred in the same calendar year; (iii) there shall be apportioned between calendar years on a *pro rata* basis any expenses which are prepaid in any one calendar year for Operating Expenses which cover more than such calendar year; (iv) Assessments shall be made quarterly in amounts no less than are required to provide funds in advance for payment of all of the anticipated current Operating Expenses and for all unpaid Operating Expenses previously incurred; and (v) items of Operating Expenses incurred in a calendar year shall be charged against income for the same calendar year regardless of when the bill for such expenses is received. Notwithstanding the foregoing, the Assessments for Operating Expenses and any periodic installments thereof shall be of sufficient magnitude to insure an adequacy and availability of cash to meet all budgeted expenses in any calendar year as such expenses are incurred in accordance with the accrual basis method of accounting.

9.4. Individual Home Assessments shall be payable as provided in the Declaration.

9.5. No Board shall be required to anticipate revenue from Assessments or expend funds to pay for Operating Expenses not budgeted or which shall exceed budgeted items, and no Board is required to engage in deficit spending. Should there exist any deficiency which results from there being greater Operating Expenses than monies from Assessments, then such deficits shall be carried into the next succeeding year's Budget as a deficiency or shall be the subject of a Special Assessment or an upward adjustment to the Individual Home Assessment.

9.6. The depository of the Association shall be such bank or banks as shall be designated from time to time by the Board in which the monies of the Association shall be deposited. Withdrawal of monies from such account shall be only by checks signed by such persons as are authorized by the Board.

9.7. A report of the accounts of the Association shall be made annually by an accountant and a copy of the report shall be furnished to each Member who requests same in writing no later than the first day of April of the year following the year for which the report is made. The report shall be deemed to be furnished to the Member upon its delivery or mailing to the Member at his/her last known address shown on the records of the Association.

Section 10. Rules and Regulations

The Board may at any meeting of the Board adopt rules and regulations or amend, modify or rescind then existing rules and regulations for the operation of Waterford Lakes; provided, however, that such rules and regulations are not inconsistent with the terms or provisions of the Governing Documents. Copies of any rules and regulations promulgated, amended or rescinded shall be mailed or delivered to all Members at the last known address for such Members as shown on the records of the Association at the time of such delivery or mailing and shall not take effect until forty-eight (48) hours after such delivery or mailing, or, in the event both forms of notification are used, whichever is later. Notwithstanding the foregoing, when rules and regulations are to regulate the use of a specific portion of the Property, same shall be conspicuously posted and such rules and regulations shall be effective immediately upon such posting. Care shall be taken to insure that posted rules and regulations are conspicuously displayed and easily readable and that posted signs or announcements are designed with a view toward protection from weather and the elements. Posted rules and regulations which are torn down or lost shall be promptly replaced.

Section 11. Parliamentary Rules

The then latest edition of Robert's Rules of Order shall govern the conduct of all meetings of the Members and the Board; provided, however, if such rules of order are in conflict with any of the Governing Documents, Robert's Rules of Order shall yield to the provisions of such instrument.

Section 12. Roster of Owners

Each Owner shall file with the Association a copy of the deed or other document showing his or her ownership of a Lot in Waterford Lakes. The Association shall maintain such information. The Association shall also maintain the electronic mailing addresses and numbers designated by Owners for receiving notices sent by electronic transmission of those Owners consenting to receive notice by electronic transmission. The electronic mailing address and numbers provided by Owners to receive notice by electronic transmission shall be removed from Association records when consent to receive

notice by electronic transmission is revoked. The Association may rely on the accuracy of such information for all purposes until notified in writing of changes therein. The Association may rely on the accuracy of such information for all purposes until notified in writing of changes therein.

Section 13. Amendment of the Bylaws

13.1. These Bylaws may be amended as hereinafter set forth in this Section 13.

13.2 After the Turnover Date, any Bylaw of the Association may be amended or repealed, and any new Bylaw of the Association may be adopted by either:

(i) a majority vote of the Members at any Annual Members' Meeting or any special meeting of the Members called for that purpose or by majority action of the Members who have acted by written response in lieu of a Meeting as permitted by these Bylaws; or

(ii) by the affirmative vote of a majority of the Directors then in office at any regular meeting of the Board or at any special meeting of the Board called for that purpose or by written instrument signed by all of the Directors as is permitted by these Bylaws, provided that the Directors shall not have any authority to adopt, amend or repeal any Bylaw if such new Bylaw or such amendment or the repeal of a Bylaw would be inconsistent with any Bylaw previously adopted by the Members.

13.3. Notwithstanding any of the foregoing provisions of this Section 13 to the contrary, until the Turnover Date, all amendments or modifications to these Bylaws and adoption or repeal of Bylaws shall only be made by action of the First Board as described in the Articles, which First Board shall have the power to amend, modify, adopt and repeal any Bylaws without the requirement of any consent, approval or vote of the Members.

13.4. Notwithstanding the foregoing provisions of this Section 13, there shall be no amendment to these Bylaws which shall abridge, prejudice, amend or alter the rights of: (i) Declarant, without the prior written consent thereto by Declarant for so long as Declarant holds title to at least one (1) Home; (ii) any Institutional Mortgagee without the prior written consent of such Institutional Mortgagee; or (iii) Participating Builders without the prior written consent of such Participating Builders.

13.5. Any instrument amending, modifying, repealing or adding Bylaws shall identify the particular section or sections affected and give the exact language of such modification, amendment or addition or of the provisions repealed. A copy of each such amendment, modification, repeal or addition attested to by the Secretary or Assistant Secretary of the Association shall be recorded amongst the Public Records of the County.

Section 14. Mediation

Pursuant to the HOA Act, mandatory mediation before the Department of Business and Professional Regulation ("Department") shall be required prior to institution of court litigation for disputes involving certain actions or inactions, as described therein.

Section 15. Recall of Board Members and Election Disputes

Pursuant to the HOA Act, mandatory binding arbitration before the Department shall be required for election disputes and disputes involving the recall of any member of the Board. Any member of the Board may be recalled and removed from office as provided for and described in the HOA Act.

Section 16. Notice and Hearing Procedure.

In those instances which specifically provide an Owner the right of Notice and a Hearing, the following procedures and provisions shall apply:

A. Notice. The Association shall notify the Owner in writing of the noncompliance and set forth the corrective action to be taken. A fine or suspension of use rights may not be imposed without notice of at least fourteen (14) days to the Owner sought to be fined or suspended and an opportunity for a hearing before a committee of at least three (3) members appointed by the Board who are not officers, directors, or employees of the Association, or the spouse, parent, child, brother or sister of an officer, director, or employee of the Association. If the committee, by majority vote, does not approve a proposed fine or suspension, it may not be imposed. At the Association's option, any fine may be levied on a daily basis in the event of a continuing violation without the necessity of a new hearing and without any limitation on the amount of such fine.

B. Hearing. Should the Owner still be in noncompliance, the noncompliance shall be presented to the Board after which the Board shall hear reasons why a fine should or should not be imposed. A written decision of the Board shall be submitted to the Owner, as applicable, not later than twenty-one (21) days after said meeting.

C. Payment. A fine shall be paid not later than thirty (30) days after notice of the imposition of the fine.

D. Fines. An Owner shall be responsible for all Legal Fees incurred in connection with the collection of a fine whether or not an action at law to collect said fine is commenced. All monies received from fines shall be allocated as directed by the Board, subject always to the provisions of this Declaration. A fine of less than One Thousand and No/100 Dollars (\$1,000.00) may not become a lien against a Lot.

E. Failure to Pay Assessments. Notice and Hearing as provided in Subparagraphs A and B above shall not be required with respect to the imposition of suspension of use rights or imposition of suspension of voting rights upon any Owner because of such Owner's failure to pay Assessments or other monetary obligations or charges which are due for more than ninety (90) days.

F. Access. Suspension of use rights to Association Property shall not impair the right of an Owner or tenant of a Home to have vehicular and pedestrian ingress to and egress from such Home, including, but not limited to, the right to park, nor to provide access to utility services provided to the Home.

Section 17. Interpretation

In the case of any conflict between the Articles and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control; and in the event of any conflict between the Articles and the Declaration, the Declaration shall control.

The foregoing Bylaws of Waterford Lakes Townhome Homeowners Association, Inc. were adopted by the Board of Directors as of the date of filing the Articles of Incorporation for the Association.

EXHIBIT A**CONSENT TO ELECTRONIC VOTING**

The undersigned, being all the Owners, or the eligible voter(s) for the Home and Lot located at _____, of Waterford Lakes, hereby consent(s) in writing (by signing this form or agreeing to electronic voting by e-mail) to voting electronically at meetings for the Waterford Lakes Townhome Homeowners Association, Inc. ("Association") to the fullest extent permitted by law, pursuant to the provisions of the Bylaws of the Association.

My/Our e-mail address that will be used for electronic voting is: _____ .

The undersigned hereby understand(s) and agree(s) that in order to be valid, this consent form must be on file with the Association or an equivalent affirmation on file with the service which conducts electronic voting no later than five (5) days prior to the meeting or election in which the Owner wishes to vote by electronic means.

All Owners of the Home and Lot or the eligible voter thereof, please complete and sign below.

By: _____
Printed Name: _____
Home/Lot Number: _____
Date: _____

By: _____
Printed Name: _____
Home/Lot Number: _____
Dated: _____

EXHIBIT B**REVOCATION OF CONSENT TO ELECTRONIC VOTING**

The undersigned, being all the Owners, or the eligible voter(s) for the Home and Lot located at (insert property address), of Waterford Lakes, has/have previously consented to electronic voting at meetings for the Waterford Lakes Townhome Homeowners Association, Inc. ("Association"), as permitted by law by consent form dated _____, 20__, duly filed with the Association.

I/We hereby revoke my/our consent.

The undersigned hereby understand(s) and agree(s) that in order to be valid, this revocation of consent form must be on file with the Association or an equivalent affirmation on file with the service which conducts electronic voting no later than five (5) days prior to the meeting in which the Owner wishes to revoke consent to vote by electronic means.

All Owners of the Home and Lot or the eligible voter thereof, please complete and sign below.

By: _____
 Printed Name: _____
 Home/Lot Number: _____
 Date: _____

By: _____
 Printed Name: _____
 Home/Lot Number: _____
 Dated: _____

EXHIBIT "D"

St. Johns River Water Management District Permit

COPY



St. Johns River

Water Management District

Ann B. Shortelle, Ph.D., Executive Director

4049 Reid Street • P.O. Box 1429 • Palatka, FL 32178-1429 • (386) 329-4500
On the Internet at www.sjrwmd.com.

August 3, 2020

Sarah Wicker
Forestar (USA) Real Estate Group Inc.
4220 Race Track Rd
St Johns, FL 32259-2084

SUBJECT: Transfer of an Environmental Resource Permit
Permit Number 99446-45
Project Name: Waterford Lakes (Transfer)

Dear Sir/Madam:

The St. Johns River Water Management District (District) has received your request to transfer the attached permit to Forestar (USA) Real Estate Group Inc. In support of this request, the District has received sufficient ownership or control documentation from Forestar (USA) Real Estate Group Inc., which has accepted this permit and all of the listed conditions.

This permit is hereby transferred to Forestar (USA) Real Estate Group Inc. As the new permit holder, you are required to comply with all the conditions as noted in the permit. If you have any questions concerning the conditions of your permit, please contact Allen Baggett, Compliance Coordinator at (386) 329-4565.

This permit issuance does not relieve you from the responsibility of obtaining permits from any federal, state and/or local agencies asserting concurrent jurisdiction over this work. The enclosed permit is a legal document and should be kept with your other important records. Please read the permit and conditions carefully since the referenced conditions may require submittal of compliance information. Also, enclosed is the Notice of Permit Transfer, the Permit, Conditions for Issuance, and Notice of Rights.

Compliance with Permit Conditions:

To submit your required permit compliance information, go to the District's website at floridaswater.com/permitting. Under the "Apply for a permit or submit compliance data" section, click to sign-in to your existing account or to create a new account. Select the "Compliance Submittal" tab, enter your permit number, and select "No Specific Date" for the Compliance Due Date Range. You will then be able to view all the compliance submittal requirements for your project. Select the compliance item that you are ready to submit and then attach the appropriate information or form.

The forms to comply with your permit conditions are available at floridaswater.com/permitting under the section "Handbooks, forms, fees, final orders". Click on forms to view all permit compliance forms, then scroll to the Environmental Resource Permit (ERP) application forms section and select the applicable compliance forms. Alternatively, if you have difficulty finding forms or need copies of the appropriate forms, please contact the Office of Business and Administrative Services at (386) 329-4570.

GOVERNING BOARD

Douglas Burnett, CHAIRMAN
ST. AUGUSTINE

Ron Howse, TREASURER
COCOA

Douglas C. Bournique
VERO BEACH

Susan Dolan
SANFORD

Transferring Your Permit:

As required by a condition of your permit, you must notify the District within 30 days of any sale, conveyance or other transfer of a permitted system or facility, or within 30 days of any change in ownership or control of the real property (or project or activity) where the permitted system or facility is located. You will need to provide the District with the information specified in Rule 62-330.340, Florida Administrative Code (name and address of the transferee and a copy of the instrument effectuating the transfer). Please note that a permittee remains jointly and severally liable with the new owner for any corrective actions that may be required as a result of any permit violations that occur before the permit is transferred, so it is recommended that you request a permit transfer promptly to reduce your potential liability.

Thank you and please let us know if you have additional questions. For general questions contact e-permit@sjrwmd.com or (386) 329-4570.

Sincerely,



Michelle Reiber, Bureau Chief
Regulatory Services
St. Johns River Water Management District
525 Community College Parkway, S.E.
Palm Bay, FL 32909
(321) 409-2129

Enclosures: Permit
Notice of Permit Transfer
Notice of Rights

cc: District Permit File

John G Metclaf
White's Ford Timber, LLC
111 Nature Walk Pkwy
Unit 104
St Augustine, FL 32092-3064

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT
Post Office Box 1429
Palatka, Florida 32178-1429

PERMIT NO. 99446-45**TRANSFER PERMIT ISSUED:** August 3, 2020**PROJECT NAME:** Waterford Lakes (Transfer)**A PERMIT AUTHORIZING:**

Transfer of an existing permit from White's Ford Timber, LLC to Forestar (USA) Real Estate Group, Inc. for the construction and operation of a surface water management system serving Waterford Lakes, a 63.08-acre residential project to be constructed as per plans received by the District on April 24, 2020.

LOCATION:**SECTION(S):**

36

St. Johns County

TOWNSHIP(S):

5S

RANGE(S):

27E

ISSUED TO:

Forestar (USA) Real Estate Group Inc.
4220 Race Track Rd
St Johns, FL 32259-2084

The permittee agrees to hold and save the St. Johns River Water Management District and its successors harmless from any and all damages, claims, or liabilities which may arise from permit issuance. Said application, including all plans and specifications attached thereto, is by reference made a part hereof.

This permit does not convey to the permittee any property rights nor any rights or privileges other than those specified herein, nor relieve the permittee from complying with any applicable local government, state, or federal law, rule, or ordinance. All structures and works installed by permittee hereunder shall remain the property of the permittee.

This permit may be revoked, modified or transferred at any time pursuant to the appropriate provisions of Chapter 373, Florida Statutes:

PERMIT IS CONDITIONED UPON:

See conditions on attached "Exhibit A", dated August 3, 2020

AUTHORIZED BY: St. Johns River Water Management District
Division of Regulatory Services

By:



Brad Purcell
Environmental Resource Program Manager

"EXHIBIT A"
CONDITIONS FOR ISSUANCE OF PERMIT NUMBER 99446-45
Waterford Lakes (Transfer)
PERMIT TRANSFER ISSUED August 03, 2020

1. All activities shall be implemented following the plans, specifications and performance criteria approved by this permit. Any deviations must be authorized in a permit modification in accordance with Rule 62-330.315, F.A.C. Any deviations that are not so authorized may subject the permittee to enforcement action and revocation of the permit under Chapter 373, F.S.
2. A complete copy of this permit shall be kept at the work site of the permitted activity during the construction phase, and shall be available for review at the work site upon request by the District staff. The permittee shall require the contractor to review the complete permit prior to beginning construction.
3. Activities shall be conducted in a manner that does not cause or contribute to violations of state water quality standards. Performance-based erosion and sediment control best management practices shall be installed immediately prior to, and be maintained during and after construction as needed, to prevent adverse impacts to the water resources and adjacent lands. Such practices shall be in accordance with the State of Florida Erosion and Sediment Control Designer and Reviewer Manual (Florida Department of Environmental Protection and Florida Department of Transportation June 2007), and the Florida Stormwater Erosion and Sedimentation Control Inspector's Manual (Florida Department of Environmental Protection, Nonpoint Source Management Section, Tallahassee, Florida, July 2008), which are both incorporated by reference in subparagraph 62-330.050(9)(b)5, F.A.C., unless a project-specific erosion and sediment control plan is approved or other water quality control measures are required as part of the permit.
4. At least 48 hours prior to beginning the authorized activities, the permittee shall submit to the District a fully executed Form 62-330.350(1), "Construction Commencement Notice," (October 1, 2013) (<http://www.flrules.org/Gateway/reference.asp?No=Ref-02505>), incorporated by reference herein, indicating the expected start and completion dates. A copy of this form may be obtained from the District, as described in subsection 62-330.010(5), F.A.C., and shall be submitted electronically or by mail to the Agency. However, for activities involving more than one acre of construction that also require a NPDES stormwater construction general permit, submittal of the Notice of Intent to Use Generic Permit for Stormwater Discharge from Large and Small Construction Activities, DEP Form 62-621.300(4)(b), shall also serve as notice of commencement of construction under this chapter and, in such a case, submittal of Form 62-330.350(1) is not required.
5. Unless the permit is transferred under Rule 62-330.340, F.A.C., or transferred to an operating entity under Rule 62-330.310, F.A.C., the permittee is liable to comply with the plans, terms and conditions of the permit for the life of the project or activity.
6. Within 30 days after completing construction of the entire project, or any independent portion of the project, the permittee shall provide the following to the Agency, as applicable:
 - a. For an individual, private single-family residential dwelling unit, duplex, triplex, or quadruplex — "Construction Completion and Inspection Certification for Activities Associated with a Private Single-Family Dwelling Unit" [Form 62-330.310(3)]; or
 - b. For all other activities — "As-Built Certification and Request for Conversion to Operation Phase" [Form 62-330.310(1)].

c. If available, an Agency website that fulfills this certification requirement may be used in lieu of the form.

7. If the final operation and maintenance entity is a third party:

a. Prior to sales of any lot or unit served by the activity and within one year of permit issuance, or within 30 days of as-built certification, whichever comes first, the permittee shall submit, as applicable, a copy of the operation and maintenance documents (see sections 12.3 thru 12.3.4 of Volume I) as filed with the Florida Department of State, Division of Corporations and a copy of any easement, plat, or deed restriction needed to operate or maintain the project, as recorded with the Clerk of the Court in the County in which the activity is located.

b. Within 30 days of submittal of the as- built certification, the permittee shall submit "Request for Transfer of Environmental Resource Permit to the Perpetual Operation and Maintenance Entity" [Form 62-330.310(2)] to transfer the permit to the operation and maintenance entity, along with the documentation requested in the form. If available, an Agency website that fulfills this transfer requirement may be used in lieu of the form.

8. The permittee shall notify the District in writing of changes required by any other regulatory District that require changes to the permitted activity, and any required modification of this permit must be obtained prior to implementing the changes.

9. This permit does not:

a. Convey to the permittee any property rights or privileges, or any other rights or privileges other than those specified herein or in Chapter 62-330, F.A.C.;

b. Convey to the permittee or create in the permittee any interest in real property;

c. Relieve the permittee from the need to obtain and comply with any other required federal, state, and local authorization, law, rule, or ordinance; or

d. Authorize any entrance upon or work on property that is not owned, held in easement, or controlled by the permittee.

10. Prior to conducting any activities on state-owned submerged lands or other lands of the state, title to which is vested in the Board of Trustees of the Internal Improvement Trust Fund, the permittee must receive all necessary approvals and authorizations under Chapters 253 and 258, F.S. Written authorization that requires formal execution by the Board of Trustees of the Internal Improvement Trust Fund shall not be considered received until it has been fully executed.

11. The permittee shall hold and save the District harmless from any and all damages, claims, or liabilities that may arise by reason of the construction, alteration, operation, maintenance, removal, abandonment or use of any project authorized by the permit.

12. The permittee shall notify the District in writing:

a. Immediately if any previously submitted information is discovered to be inaccurate; and

b. Within 30 days of any conveyance or division of ownership or control of the property or the system, other than conveyance via a long-term lease, and the new owner shall request transfer of the permit in accordance with Rule 62-330.340, F.A.C. This does not apply to the sale of lots or units in residential or commercial subdivisions or condominiums where the stormwater management system has been completed and converted to the operation phase.

13. Upon reasonable notice to the permittee, District staff with proper identification shall have permission to enter, inspect, sample and test the project or activities to ensure conformity with the plans and specifications authorized in the permit.
14. If prehistoric or historic artifacts, such as pottery or ceramics, projectile points, stone tools, dugout canoes, metal implements, historic building materials, or any other physical remains that could be associated with Native American, early European, or American settlement are encountered at any time within the project site area, the permitted project shall cease all activities involving subsurface disturbance in the vicinity of the discovery. The permittee or other designee shall contact the Florida Department of State, Division of Historical Resources, Compliance Review Section (DHR), at (850) 245-6333, as well as the appropriate permitting agency office. Project activities shall not resume without verbal or written authorization from the Division of Historical Resources. If unmarked human remains are encountered, all work shall stop immediately and the proper authorities notified in accordance with Section 872.05, F.S. For project activities subject to prior consultation with the DHR and as an alternative to the above requirements, the permittee may follow procedures for unanticipated discoveries as set forth within a cultural resources assessment survey determined complete and sufficient by DHR and included as a specific permit condition herein.
15. Any delineation of the extent of a wetland or other surface water submitted as part of the permit application, including plans or other supporting documentation, shall not be considered binding unless a specific condition of this permit or a formal determination under Rule 62-330.201, F.A.C., provides otherwise.
16. The permittee shall provide routine maintenance of all components of the stormwater management system to remove trapped sediments and debris. Removed materials shall be disposed of in a landfill or other uplands in a manner that does not require a permit under Chapter 62-330, F.A.C., or cause violations of state water quality standards.
17. This permit is issued based on the applicant's submitted information that reasonably demonstrates that adverse water resource-related impacts will not be caused by the completed permit activity. If any adverse impacts result, the District will require the permittee to eliminate the cause, obtain any necessary permit modification, and take any necessary corrective actions to resolve the adverse impacts.
18. A Recorded Notice of Environmental Resource Permit may be recorded in the county public records in accordance with Rule 62-330.090(7), F.A.C. Such notice is not an encumbrance upon the property.
19. All wetland areas or water bodies that are outside the specific limits of construction authorized by this permit must be protected from erosion, siltation, scouring or excess turbidity, and dewatering.

20. This permit does not authorize the permittee to cause any adverse impact to or "take" of state listed species and other regulated species of fish and wildlife. Compliance with state laws regulating the take of fish and wildlife is the responsibility of the owner or applicant associated with this project. Please refer to Chapter 68A-27 of the Florida Administrative Code for definitions of "take" and a list of fish and wildlife species. If listed species are observed onsite, FWC staff are available to provide decision support information or assist in obtaining the appropriate FWC permits. Most marine endangered and threatened species are statutorily protected and a "take" permit cannot be issued. Requests for further information or review can be sent to FWCConservationPlanningServices@MyFWC.com.
21. At a minimum, all retention and detention storage areas must be excavated to rough grade prior to building construction or placement of impervious surface within the area to be served by those facilities. To prevent reduction in storage volume and percolation rates, all accumulated sediment must be removed from the storage area prior to final grading and stabilization.
22. The permittee has documented its real property interest over the land upon which the activities subject to the application will be conducted as evidenced by a contract to purchase the real property included in the application. In accordance with Section 4.2.3.(d), ERP Applicant's Handbook, Volume I, work cannot begin until proof of ownership is provided to the Agency.
23. The operation and maintenance entity shall inspect the stormwater or surface water management system once within two years after the completion of construction and every two years thereafter to determine if the system is functioning as designed and permitted. The operation and maintenance entity must maintain a record of each required inspection, including the date of the inspection, the name and contact information of the inspector, and whether the system was functioning as designed and permitted, and make such record available for inspection upon request by the District during normal business hours. If at any time the system is not functioning as designed and permitted, then within 30 days the entity shall submit a report electronically or in writing to the District using Form 62-330.311(1), "Operation and Maintenance Inspection Certification," describing the remedial actions taken to resolve the failure or deviation.
24. This permit does not authorize impacts to wetlands or other surface waters. All work in wetlands or other surface waters is addressed under permit no. 99446-23 and associated mitigation must be implemented as a condition of that permit.
25. All work associated with the recreational pond, access for construction and the proposed pervious walking trail must be consistent with the verbiage of the conservation easement recorded under OR Book 2738 Page 1744 in St. Johns County. Immediately following construction of the recreational pond, the permittee must provide an as-built survey of the pond that demonstrates the pond meets the criteria of the recorded conservation easement.
26. The Surface Water Management System shall be constructed and operated per the plans received by the District on April 24, 2020.
27. Prior to the beginning of construction activities within the Florida Power and Light easement, the applicant must submit a copy of the fully executed Consent Agreement between FP&L and the permittee to the District.
28. This permit for construction will expire on June 23, 2025.



St. Johns River

Water Management District

Ann B. Shortelle, Ph.D., Executive Director

4049 Reid Street • P.O. Box 1429 • Palatka, FL 32178-1429 • (386) 329-4500
On the Internet at www.sjrwmd.com.

August 3, 2020

John G Metclaf
White's Ford Timber, LLC
111 Nature Walk Pkwy
Unit 104
St Augustine, FL 32092-3064

SUBJECT: Notice of Permit Transfer
Environmental Resource Permit 99446-45
Project Name: Waterford Lakes (Transfer)

Dear Sir/Madam:

The St. Johns River Water Management District (District) has received a request to transfer the attached permit to Forestar (USA) Real Estate Group Inc. In support of this request, the District has received sufficient ownership or control documentation from Forestar (USA) Real Estate Group Inc., which has accepted this permit and all of the listed conditions.

This permit is hereby transferred to:

Forestar (USA) Real Estate Group Inc.
4220 Race Track Rd
St Johns, FL 32259-2084

This letter is the Notice of Permit Transfer required by Rule 62-330.340(4)(b), Florida Administrative Code. If you have any questions regarding this transfer of your permit, please contact Allen Baggett, Compliance Coordinator at (386) 329-4565. If you wish to do so, please refer to the attached Notice of Rights to determine any legal rights you may have concerning the District's decision to transfer the permit described in this letter.

Please note that this permit transfer does not relieve you of any potential liability for any violations of the permit or rules that occurred prior to transfer of the permit.

Thank you and please let us know if you have additional questions. For general questions contact e-permit@sjrwmd.com or (386) 329-4570.

GOVERNING BOARD

Douglas Burnett, CHAIRMAN
ST. AUGUSTINE

Ron Howse, TREASURER
COCOA

Douglas C. Bournique
VERO BEACH

Susan Dolan
SANFORD

Notice Of Rights

1. A person whose substantial interests are or may be affected has the right to request an administrative hearing by filing a written petition with the St. Johns River Water Management District (District). Pursuant to Chapter 28-106 and Rule 40C-1.1007, Florida Administrative Code, the petition must be filed (received) either by delivery at the office of the District Clerk at District Headquarters, P. O. Box 1429, Palatka Florida 32178-1429 (4049 Reid St., Palatka, FL 32177) or by e-mail with the District Clerk at Clerk@sjrwmd.com, within twenty-six (26) days of the District depositing the notice of District decision in the mail (for those persons to whom the District mails actual notice), within twenty-one (21) days of the District emailing the notice of District decision (for those persons to whom the District emails actual notice), or within twenty-one (21) days of newspaper publication of the notice of District decision (for those persons to whom the District does not mail or email actual notice). A petition must comply with Sections 120.54(5)(b)4. and 120.569(2)(c), Florida Statutes, and Chapter 28-106, Florida Administrative Code. The District will not accept a petition sent by facsimile (fax), as explained in paragraph no. 4 below.
2. Please be advised that if you wish to dispute this District decision, mediation may be available and that choosing mediation does not affect your right to an administrative hearing. If you wish to request mediation, you must do so in a timely-filed petition. If all parties, including the District, agree to the details of the mediation procedure, in writing, within 10 days after the time period stated in the announcement for election of an administrative remedy under Sections 120.569 and 120.57, Florida Statutes, the time limitations imposed by Sections 120.569 and 120.57, Florida Statutes, shall be tolled to allow mediation of the disputed District decision. The mediation must be concluded within 60 days of the date of the parties' written agreement, or such other timeframe agreed to by the parties in writing. Any mediation agreement must include provisions for selecting a mediator, a statement that each party shall be responsible for paying its pro-rata share of the costs and fees associated with mediation, and the mediating parties' understanding regarding the confidentiality of discussions and documents introduced during mediation. If mediation results in settlement of the administrative dispute, the District will enter a final order consistent with the settlement agreement. If mediation terminates without settlement of the dispute, the District will notify all the parties in writing that the administrative hearing process under Sections 120.569 and 120.57, Florida Statutes, is resumed. Even if a party chooses not to engage in formal mediation, or if formal mediation does not result in a settlement agreement, the District will remain willing to engage in informal settlement discussions.
3. A person whose substantial interests are or may be affected has the right to an informal administrative hearing pursuant to Sections 120.569 and 120.57(2), Florida Statutes, where no material facts are in dispute. A petition for an informal hearing must also comply with the requirements set forth in Rule 28-106.301, Florida Administrative Code.

Notice Of Rights

4. A petition for an administrative hearing is deemed filed upon receipt of the complete petition by the District Clerk at the District Headquarters in Palatka, Florida during the District's regular business hours. The District's regular business hours are 8:00 a.m. – 5:00 p.m., excluding weekends and District holidays. Petitions received by the District Clerk after the District's regular business hours shall be deemed filed as of 8:00 a.m. on the District's next regular business day. The District's acceptance of petitions filed by e-mail is subject to certain conditions set forth in the District's Statement of Agency Organization and Operation (issued pursuant to Rule 28-101.001, Florida Administrative Code), which is available for viewing at www.sjrwmd.com. These conditions include, but are not limited to, the petition being in the form of a PDF or TIFF file and being capable of being stored and printed by the District. Further, pursuant to the District's Statement of Agency Organization and Operation, attempting to file a petition by facsimile is prohibited and shall not constitute filing.
5. Failure to file a petition for an administrative hearing within the requisite timeframe shall constitute a waiver of the right to an administrative hearing. (Rule 28-106.111, Florida Administrative Code).
6. The right to an administrative hearing and the relevant procedures to be followed are governed by Chapter 120, Florida Statutes, Chapter 28-106, Florida Administrative Code, and Rule 40C-1.1007, Florida Administrative Code. Because the administrative hearing process is designed to formulate final agency action, the filing of a petition means the District's final action may be different from the position taken by it in this notice. A person whose substantial interests are or may be affected by the District's final action has the right to become a party to the proceeding, in accordance with the requirements set forth above.
7. Pursuant to Section 120.68, Florida Statutes, a party to the proceeding before the District who is adversely affected by final District action may seek review of the action in the District Court of Appeal by filing a notice of appeal pursuant to Rules 9.110 and 9.190, Florida Rules of Appellate Procedure, within 30 days of the rendering of the final District action.
8. A District action is considered rendered, as referred to in paragraph no. 7 above, after it is signed on behalf of the District and filed by the District Clerk.
9. Failure to observe the relevant timeframes for filing a petition for judicial review as described in paragraph no. 7 above will result in waiver of that right to review.

NOR.Decision.DOC.001

Revised 12.7.11

CERTIFICATE REGARDING RECEIPT FOR PAID REAL ESTATE TAXES

This is to certify that all real estate taxes due and owing on the "Property" as described in the foregoing Declaration of Covenants and Restrictions for Waterford Lakes ("Declaration") have been paid as of the date of recordation of the Declaration.

Signed in the presence of:

**Forestar (USA) Real Estate Group Inc., a
Delaware corporation**

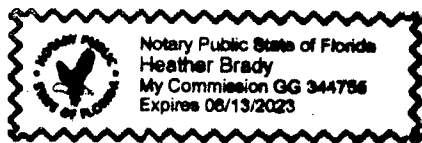
Beth A. Grossman
Name: Beth A. Grossman
Heather Brady
Name: Heather Brady

By: Sarah Wicker
Name: Sarah Wicker
Title: Vice President

STATE OF FLORIDA)
) SS:
COUNTY OF St. Johns)

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State aforesaid and in the County aforesaid to take acknowledgments, the foregoing instrument was acknowledged before me by means of ☒ physical presence or ☐ online notarization, by Sarah Wicker, as Vice President of **Forestar (USA) Real Estate Group Inc., a Delaware corporation**, freely and voluntarily under authority duly vested in him by said corporation, who is personally known to me.

WITNESS my hand and official seal in the County and State last aforesaid this 26th day of March, 2021.



Heather Brady
Notary Public

Heather Brady
Typed, printed or stamped name of Notary Public

My Commission Expires: 6/13/23

CONSENT OF MORTGAGEE

This Consent of Mortgagee ("Consent") is given as of the 26TH day of March, 2021, on behalf of D.R. HORTON, INC. - JACKSONVILLE, a Delaware corporation ("Mortgagee"), being the owner and holder of that certain Mortgage and Security Agreement, dated July 9, 2020 and recorded July 13, 2020 in Official Records Book 4987, Page 954 of the Public Records of the County (as same may be amended or modified from time to time, and including any and all other documents securing the indebtedness referenced in the mortgage, the "Mortgage") securing the Property described in the foregoing Declaration.

WHEREAS, Mortgagee has been requested to consent to the recording of the foregoing Declaration.

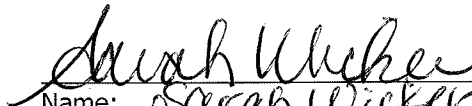
NOW, THEREFORE, Mortgagee hereby consents to the foregoing Declaration.

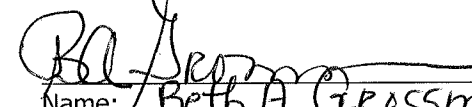
Mortgagee makes no warranty or any representation of any kind or nature concerning the foregoing Declaration, any of its terms or provisions, or the legal sufficiency thereof, and disavows any such warranty or representation and does not assume and shall not be responsible for any of the obligations or liabilities contained in the foregoing Declaration or other documents used in connection therewith. None of the representations contained in the foregoing Declaration or other documents shall be deemed to have been made by Mortgagee, nor shall they be construed to create any obligations on Mortgagee to any person relying thereon. Nothing contained herein shall affect or impair the rights and remedies of Mortgagee as set forth in the Mortgage in connection with the Property or in the Declaration.

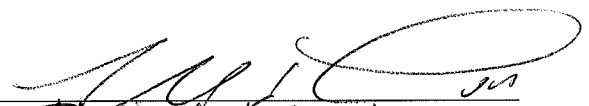
Made as of the day and year first above written.

Witnessed by:

D.R. HORTON, INC. - JACKSONVILLE, a
Delaware corporation


Name: Sarah Wicker


Name: Beth A. Grossman

By: 
Name: Philip A. Tremento
Title: Vice President

(NOTARY BLOCK ON FOLLOWING PAGE)

STATE OF FLORIDA)
COUNTY OF St. Johns) SS:

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State aforesaid and in the County aforesaid to take acknowledgments, the foregoing instrument was acknowledged before me by means of ☒ physical presence or ☐ online notarization, by Philip A. Freneto the Vice President of D.R. HORTON, INC. - JACKSONVILLE, a Delaware corporation, who ☒ is personally known to me or ☐ has produced _____ as identification.

WITNESS my hand and official seal in the County and State last aforesaid this 26th day of March, 2021.



My Commission Expires: 6/13/23

Heather Brady
Name: Heather Brady

Notary Public, State of Florida
Commission No. GG 344755