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Account Number : I20050000064

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Venezia South Master Property Owners' Association

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ARTICLES OF INCORPORATION

OF

VENEZIA SOUTH MASTER PROPERTY OWNERS' ASSOCIATION, INC.,
a corporation not for profit

Pursuant to the Florida Not for Profit Corporation Act, Chapter 617, Florida Statutes, the undersigned hereby delivers these Articles of Incorporation of Venezia South Master Property Owners' Association, Inc.

ARTICLE I. NAME AND DURATION

The name of this corporation shall be VENEZIA SOUTH MASTER PROPERTY OWNERS' ASSOCIATION, INC. (hereinafter referred to as the "Association"). The existence of the Association shall commence with the filing of these Articles of Incorporation with the Florida Secretary of State in Tallahassee, Florida. The Association shall exist in perpetuity.

ARTICLE II. REGISTERED AGENT AND OFFICE

Ronald W. Sikes, Esquire, whose address is 310 S. Dillard Street, Suite 120, Winter Garden, FL 34787, is hereby appointed the initial Registered Agent of this Association.

ARTICLE III. INITIAL PRINCIPAL OFFICE

The initial principal office of the Association shall be located at 3700 34th St. Suite 302, Orlando, FL 32805. The Association may change its principal office from time to time without amendment of these Articles of Incorporation.

ARTICLE IV. PURPOSE AND POWERS OF THE ASSOCIATION

A. The purpose and object of the Association shall be to administer the operation and management of the "Community" as defined and described in the Declaration of Master Covenants, Conditions, Restrictions and Easements for Venezia South which is to be recorded in the Public Records of Lake County, Florida ("Declaration") and more fully described in Exhibit "A" attached hereto. The Definitions in the Declaration are incorporated herein by reference.

B. The Association does not contemplate pecuniary gain or profit to the Members thereof and shall undertake and perform all acts and duties incident to the operation, management, preservation and architectural control of the Community in accordance with the terms, provisions and conditions of these Articles of Incorporation, the By-Laws of the Association and the Declaration, in conformity with Chapters 617 and 720,

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Florida Statutes. The Association shall further promote the health, safety and welfare of the Members of the Association and of the Community.

C. The Association shall have the following powers:

1. All of the powers and privileges granted to corporations not for profit under the laws of the State of Florida as the same may be amended from time to time as therein provided;

2. All of the powers reasonably necessary to implement and effectuate the purposes of the Association, including, without limitation, the power, authority and right to undertake all powers and duties set forth in the Declaration, these Articles and By-Laws as same may be amended from time to time, the Declaration and By-Laws being incorporated herein as if set forth in full;

3. The right to tax, levy, collect and enforce payment by any lawful means, all charges or Assessments pursuant to the terms of the Declaration;

4. The right to pay all expenses incident to conduct the business of the Association, including all licenses, taxes or governmental charges levied or imposed against the property of the Association;

5. The right to acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association and to annex such property owned by it to the Declaration;

6. The right to borrow money, mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred in accordance with the provisions of the Declaration;

7. The right to dedicate, grant easements, sell or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be required by the Declaration. No such dedication or transfer shall be effective unless an instrument has been signed by the Board of Directors, agreeing to such dedication, grant, sale or transfer, provided, however, the Association shall have the right to grant permits, easements or licenses to a public agency or utility company for utilities, roads, other purposes reasonably necessary or useful for the proper maintenance or operation of the Community, which grants shall not be deemed a dedication, sale or transfer requiring the consent of Members;

8. The right to participate in mergers and consolidations with other nonprofit corporations organized for the same purposes or annex additional property and Common Areas, provided that any such merger, consolidations or annexation shall have the consent of Members as required by the Declaration; and

9. Any repair or reconstruction of the Surface Water Management System shall be as permitted, or if modified, as approved by the District.

D. With respect to the Surface Water Management System, the Association shall have the following duties:

1. The obligation to operate, maintain and manage the Surface Water Management System in a manner consistent with the St. Johns River Water Management District (the "District") Permit No. IND-069-18971-7 requirements and applicable District rules, and to assist in the enforcement of the Declaration which relate to the Surface Water Management System. The Association shall levy and collect adequate assessments against Members of the Association for the costs of maintenance and operation of the Surface Water Management System.

2. Any amendment to the Declaration which alters the Surface Water Management System, beyond maintenance in its original condition, including the water management portions of the Common Area, must have the prior approval of the District.

3. The District shall have the right to enforce, by a proceeding at law or in equity, the provisions contained herein which relate to the maintenance, operation, and repair of the Surface Water Management System.

ARTICLE V. QUALIFICATION OF MEMBERS

The qualification of Members, manner of their admission to and termination of membership shall be as provided in the Declaration.

ARTICLE VI. VOTING RIGHTS

The voting membership and the voting rights of the Members shall be as provided in the Declaration.

ARTICLE VII. BOARD OF DIRECTORS

A. Board of Directors: Selection: Terms of Office. The affairs of the Association shall be managed by a Board of Directors who need not be members of the Association. The initial Board of Directors shall consist of six (6) Directors who shall be selected by the Developer. The Developer shall have the sole right to appoint and remove any member or members of the Board of Directors of the Association at any time prior to Turnover. Developer shall be entitled to elect at least one (1) member of the Board of Directors as long as Developer holds for sale in the ordinary course of business at least five percent (5%) of the total acreage of the Property.

B. At the first annual meeting after Turnover, there shall be elected two (2) directors for a term of one (1) year, two (2) directors for a term of two (2) years and two (2) directors for a term of three (3) years; and at each annual meeting thereafter the Members shall elect two (2) directors (being the same number of directors as those whose terms have expired) for a term of three (3) years.

ARTICLE VIII. OFFICERS

A. The officers of the Association shall be a President, one (1) or more Vice Presidents, Secretary and Treasurer, and if any, the Assistant Secretaries and Assistant Treasurers, who shall perform the duties of such offices customarily performed by like officers of corporations in the State of Florida subject to the directions of the Board of Directors.

B. Officers of the Association may be compensated in the manner to be provided in the By-Laws. The Board of Directors, or the President with the approval of the Board of Directors, may employ a managing agent, agency, and/or other managerial and supervisory personnel or entity to administer or assist in the administration of the operation and management of the Community and the affairs of the Association, and any and all such persons and/or entities must either be a Member, Director or officer of the Association or an officer, director or agent either of the Developer or of a general partner of Developer.

C. Election of Officers. The Developer shall have the sole right to appoint and remove any officer of the Association so long as Developer shall own ten percent (10%) or more of the total number of Lots in the Community. Thereafter, all officers shall hold office at the pleasure of the Board of Directors and shall be elected as provided for in the By-Laws.

D. The persons who are to serve as officers of the Association until their successors are chosen are:

<u>OFFICE:</u>	<u>NAME:</u>
President	Ted Bolin
Vice President	Ron Roberts
Secretary	Carly Ervin
Treasurer	Rob Clements

E. Except as set forth in sub-paragraph C. of this section, the officers shall be elected by the Board of Directors at their annual meeting as provided in the By-Laws and any vacancies in any office shall be filled by the Board of Directors at any meeting duly held.

F. The President shall be elected from the membership of the Board, but no other officer need be a Director. The offices of Secretary and Treasurer may be held by the same person. Without the approval of the Board, no person shall simultaneously hold more than one (1) of any of the other offices except Secretary and Treasurer.

ARTICLE IX. BYLAWS

A. The Board of Directors shall adopt by a majority vote the initial By-Laws of the Association.

B. The By-Laws shall be amended by the procedure more fully set forth in the By-Laws and shall be approved by at least a majority of the membership.

ARTICLE X. AMENDMENT OF ARTICLES

Amendment of these Articles shall require the assent of seventy-five percent (75%) of the votes of the Board.

ARTICLE XI. INDEMNITY

Every Director and every officer of the Association shall be indemnified by the Association against all expenses and liabilities, including attorneys' fees, reasonably incurred by or imposed upon him in connection with any proceeding to which he may be a party, or in which he may become involved, by reason of his being or having been a Director or officer at the time such expenses are incurred, except in such cases where the Director or officer is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such Director or other officer may be entitled.

ARTICLE XII. NON-PROFIT STATUS

No part of the income of this corporation shall be distributed to the Members except upon the dissolution or final liquidation and as permitted by the court having jurisdiction thereof. No other act by the Association or any of the Officers or Directors acting on its behalf shall be permitted which shall result in the disqualification of the Association as a not for profit corporation.

ARTICLE XIII. MERGER AND DISSOLUTION

The Association shall have the right to participate in mergers and consolidations with other nonprofit corporations organized for the same purposes, provided such merger or consolidation shall have the assent of two-thirds (2/3) of Members.

The Association may be dissolved by the approval of two-thirds (2/3) of the votes of Members given in person, by proxy or by written consent. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets 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 such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any non profit corporation, association, trust or other organization to be devoted to such similar purposes.

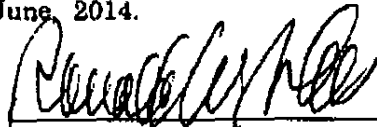
In the event of termination, dissolution or final liquidation of the Association, the responsibility for the operation and maintenance of the Surface Water Management System must be transferred to and accepted by an entity which would comply with Section 40C-42.027, F.A.C., and be approved in writing by the District prior to such termination, dissolution or liquidation. This procedure shall be subject to court approval on dissolution pursuant to Florida Statutes, Chapter 617.

ARTICLE XIV SUBSCRIBER

The name and address of the subscriber to these Articles is:

Name: Ronald W. Sikes, Esquire
310 S. Dillard Street, Suite 120
Winter Garden, FL 34787

IN WITNESS WHEREOF, the undersigned subscriber has executed the foregoing Articles of Incorporation this 2nd day of June, 2014.



Name: Ronald W. Sikes

STATE OF FLORIDA
COUNTY OF ORANGE

The foregoing Articles of Incorporation were acknowledged before me this ____ day of June, 2014, by Ronald W. Sikes, who is personally known to me.


NOTARY PUBLIC

My Commission Expires:



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DIVISION OF CORPORATIONS

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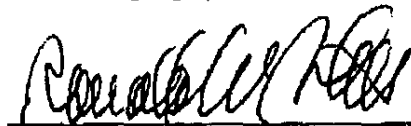
**CERTIFICATE DESIGNATING PLACE OF REGISTERED OFFICE
FOR SERVICE OF PROCESS WITHIN THIS STATE,
NAMING REGISTERED AGENT UPON WHICH
PROCESS MAY BE SERVED**

PURSUANT to Chapter 48.091, Florida Statutes, the following is submitted in compliance with said Act:

THAT, VENEZIA SOUTH MASTER PROPERTY OWNERS' ASSOCIATION, INC., desiring to organize under the laws of the State of Florida, with the principal office of the Association located at: 3700 34th St., Suite 302, Orlando, FL 32805 , as indicated in the Articles of Incorporation, and has named as its Registered Agent Ronald W. Sikes, Esquire , whose address is 310 S. Dillard Street, Suite 120, Winter Garden, FL 34787, to accept service of process within this State.

ACKNOWLEDGMENT

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


Name: Ronald W. Sikes

**ARTICLES OF INCORPORATION OF
Venezia South Master Property Owners' Association, Inc.**

EXHIBIT "A"

THIS INSTRUMENT PREPARED BY
AND SHOULD BE RETURNED TO:
RONALD W. SIKES, Esquire
310 South Dillard Street, Suite 120
Winter Garden, FL 34787
(407) 877-7115 (Telephone)
(407) 877-6970 (Facsimile)

-----[SPACE ABOVE FOR RECORDING PURPOSES]-----

**DECLARATION OF MASTER COVENANTS, CONDITIONS, RESTRICTIONS AND
EASEMENTS FOR VENEZIA SOUTH**

THIS DECLARATION OF MASTER COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS FOR VENEZIA SOUTH ("Master Declaration") is made and executed on the date hereinafter set forth by VENEZIA PARTNERS, LLC, a Florida limited liability company (the "Developer").

WITNESSETH:

WHEREAS, Developer is the owner of certain property described in the plat for Venezia South, as to be recorded in the Public Records of Lake County, (the "Community"); and

WHEREAS, Developer has established a land use plan for the Community and desires to provide for the preservation of the values and amenities hereby established and as may be established for the Community hereafter committed to a land use plan and to this end does hereby subject the Community to use covenants, conditions, restrictions, easements, reservations, regulations, burdens and liens as hereinafter set forth; and

WHEREAS, Developer has deemed it desirable for the efficient preservation of the values and amenities established as aforesaid to create a corporation known as VENEZIA SOUTH MASTER PROPERTY OWNERS' ASSOCIATION, INC., a Florida corporation not-for-profit, to which there has been and will be delegated and assigned certain powers and duties of ownership, operation, administration, maintenance and repair, the enforcement of the covenants, restrictions and easements contained herein and the collection and disbursement of the assessments and charges hereinafter provided.

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained, Developer hereby declares that the Community shall be owned, held, used, transferred, sold,

conveyed, demised and occupied subject to the covenants, restrictions, easements, reservations, burdens and liens hereinafter set forth.

DEFINITIONS

Section 1. "**Annexation**" shall mean the subjecting of real property to this Master Declaration by amendment in accordance with Article VI hereof.

Section 2. "**Articles**" shall mean the Articles of Incorporation of the Master Association, as the same may be amended from time to time.

Section 3. "**Board**" shall mean the Board of Directors of the Master Association. The members of the Board shall be referred to herein as "Directors."

Section 4. "**Builder**" shall mean a party who is in the business of purchasing Lots for the purpose of constructing a Home or commercial improvements thereon.

Section 5. "**By-Laws**" shall mean the By-Laws of the Master Association which shall be adopted by the Company and may be amended from time to time.

Section 6. "**Commercial Building**" shall mean a completely constructed structure located on the Commercial Property (as hereinafter defined) intended for commercial use and which is subject to assessments under this Master Declaration and the declaration of the Commercial Sub-Association. Said term includes any interest in land, improvements and other property appurtenant to the Commercial Building.

Section 7. "**Commercial Property**" shall mean that portion of the Property designated for commercial activities and usage in accordance with applicable zoning and use ordinances of the Town of Howey-in-the-Hills.

Section 8. "**Commercial Sub-Association**" shall mean the Venezia South Commercial Sub-Association, Inc., a Florida not-for-profit corporation, established to own and maintain common areas designated for the use and benefit of the Owners of Commercial Property and to perform the obligations assigned and exercise the rights created by this Master Declaration specifically identified herein as obligations or rights of the Commercial Sub-Association

Section 9. "**Common Areas**" shall mean Tracts A, B, C, D, F, AA, BB, CC, DD, EE, FF, GG, HH, NN, XX, OO, PP, QQ, RR, SS, TT, X, Y, Z, ZZ and AB of the Plat and any improvements thereof and all other real property owned, or to be owned, by the Master Association for the common use and enjoyment of the Owners. The Common Areas do not include any real or personal property owned, or to be owned, by the Commercial Sub-Association, the Single Family Sub-Association, or the Multi Family Sub-Association (as those terms are defined herein).

Section 10. "Common Expenses" shall mean any and all expenses of any kind or nature whatsoever incurred by the Master Association, including, but not limited to, the following:

- a. Expenses incurred in connection with the ownership, maintenance, repair, improvement or operation of the Common Areas, or any other property to be maintained by the Master Association as provided in this Master Declaration, including, but not limited to, utilities, taxes, assessments, insurance, operation, maintenance, repairs, improvements, and alterations.
- b. Expenses of obtaining, repairing or replacing personal property in connection with any of the Common Areas or the performance of the Master Association's duties.
- c. Expenses incurred in connection with the administration and management of the Master Association.
- d. Expenses incurred in providing common water, sewer, trash removal, and other common utility, governmental, or similar services for the Homes, which are not separately metered or charged to the Owners, or which the Master Association determines to pay in common in the best interest of the Owners.
- e. Expenses declared to be Common Expenses by the provisions of this Master Declaration, or by the Articles or By-Laws.

Section 11. "Community" shall mean that certain real property legally described in Exhibit "A" attached hereto and made a part hereof, and such additional lands that may be subjected to this Master Declaration by Annexation.

Section 12. "County" shall mean Lake County, Florida.

Section 13. "Developer" shall mean Venezia Partners, LLC, a Florida limited liability company, its successors and assigns, if such successors and assigns should: (i) acquire more than one undeveloped and/or unimproved Lot from Developer for the purpose of development; and (ii) obtain a written assignment of the Developer's rights from Developer.

Section 14. "District" shall mean the St. Johns River Water Management District, an agency created pursuant to Chapter 373, Florida Statutes.

Section 15. "Director" shall mean any single director of the Board.

Section 16. "Home" shall mean a completely constructed single family Home or multi family Home which is designated and intended for use and occupancy as a residence and which is subject to assessments under this Master Declaration, or a Sub-Association Declaration made by the Developer. Said term includes any interest in land, improvement and other property appurtenant to the Home.

Section 17. "Institutional Mortgages" or "Institutional Lender" shall mean a bank, savings and loan association, insurance company, real estate or mortgage investment trust,

pension fund, an agency of the United States Government, mortgage banker, or any other lender generally recognized as an institutional type lender, or the Developer, holding a first mortgage on a Home.

Section 18. "Lot" shall mean those parcels of land upon which exists or will exist a single family Home, multi family Home or commercial improvements, regardless of whether such parcel(s) of land have been platted or are unplatted.

Section 19. "Master Association" shall mean the VENEZIA SOUTH MASTER PROPERTY OWNERS' ASSOCIATION, INC., a Florida corporation not-for-profit, its successors and assigns.

Section 20. "Member" shall mean each member of the Master Association as provided in Article III hereof.

Section 21. "Model Home" shall mean a fully constructed single family or multi family Home that prior to its sale by Developer, will be used by Developer to show prospective purchasers a model of the Home available for purchase.

Section 22. "Multi Family Home" shall mean an attached multi family Home which is one in a row of such connected Homes.

Section 23. "Multi Family Building" shall mean a building comprised of Multi Family Homes.

Section 24. "Multi Family Sub-Association" shall mean the Venezia South Multi Family Sub-Association, Inc., a Florida not-for-profit corporation established to own and maintain common areas designated for the use and benefit of the Owners of Multi Family Homes and to perform the obligations assigned and exercise the rights created by this Master Declaration specifically identified herein as obligations or rights of the Multi Family Sub-Association.

Section 25. "Owner" shall mean the record owner, whether one or more persons or entities, of a fee simple title to any Lot, single family or multi family Home or Commercial Building including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 26. "Plat" shall mean the plat of Venezia South recorded in Plat Book ___, Page ___ through ___, Official Public Records of Lake County, Florida.

Section 27. "Public Area" shall mean all lands owned by the State of Florida, the County, or the Town which, to the extent allowed by such governmental authority, are to be maintained by the Master Association. Public Areas do not include any property owned, or to be owned, by the Master Association.

Section 28. "Single Family Sub-Association" shall mean the Venezia South Single Family Sub-Association, Inc., a Florida not-for-profit corporation which will perform the

obligations assigned and exercise the rights created by this Master Declaration specifically identified herein as obligations or rights of the Single Family Sub-Association.

Section 29. "Sub-Association(s)" shall mean the Commercial Sub-Association, the Single Family Sub-Association and/or the Multi Family Sub-Association, collectively or individually.

Section 30. "Sub-Association Declaration(s)" shall mean the declarations of covenants, conditions, restrictions and easements drafted and recorded in the Public Records of Lake County Florida for the Commercial Sub-Association, the Single Family Sub-Association and/or the Multi Family Sub-Association.

Section 31. "Surface Water Management System" shall mean a system which is designed and constructed or implemented to control discharges which are necessitated by rainfall events, incorporating methods to collect, convey, store, absorb, inhibit, treat, use or reuse water to prevent or reduce flooding, overdrainage, environmental degradation, and water pollution or otherwise affect the quantity and quality of discharges.

Section 32. "Town" shall mean the Town of Howey-in-the-Hills.

Section 33. "Tract" shall mean any area so designated on the Plat.

Section 34. "Turnover" shall mean the events described in Article XVIII of this Master Declaration.

PROPERTY RIGHTS

Section 35. Owners' Easements of Enjoyment. Every Owner shall have a non-exclusive right and easement of enjoyment in and to the Common Areas which shall be appurtenant to and shall pass with the title to every Lot and Home, subject to the following:

- a. All provisions of this Master Declaration, the Plat of the Community, and the Articles and By-Laws;
- b. The right of the Master Association to establish uniform rules and regulations pertaining to the use of the Common Areas;
- c. Rules and regulations adopted by the Master Association governing the use and enjoyment of the Common Areas;
- d. The right of the Master Association to charge reasonable admission and other fees for the use of any recreational facility, if any, which may be situated upon the Common Areas;
- e. The right of the Master Association to levy assessments against each Lot for the purpose of maintaining Common Areas in accordance with the restrictions on the Plat and this Master Declaration;

f. The right of the Master Association to suspend the voting rights and to suspend the Owner's right to use the Common Areas for any period during which any assessment against a Lot remains unpaid;

g. The right of the Master Association to suspend the voting rights and to suspend the Owner's right to use the Common Areas for a period not to exceed sixty (60) days for an infraction of the Master Association's rules and regulations;

h. The right of the Master Association to dedicate, sell or transfer all or any part of the Common Areas to any public agency, authority or utility for such purpose and subject to such conditions as may be agreed upon in an instrument signed by two-thirds (2/3) of the Members of the Master Association and recorded in the public records of the County;

i. The right of the Master Association to borrow money, and with the consent of two-thirds (2/3) of Directors to mortgage, pledge or hypothecate all of its real and personal property as security for money borrowed or debts incurred;

j. The right of the Master Association to make additions, alterations or improvements to the Common Areas, and to purchase any personal property as it deems necessary or desirable from time to time, provided, however, the approval of two thirds (2/3) of the Owners shall be required for any addition, alteration or improvement or any purchase of personal property exceeding a sum equal to one (1) month's total Assessments payable by all the Owners, or if the cost of the foregoing shall in any fiscal year exceed in the aggregate a sum equal to two (2) month's Assessments payable by all of the Owners. The foregoing approval shall in no event be required with respect to expenses incurred in connection with the maintenance, repair or replacement of existing Common Areas, or any existing improvements or personal property associated therewith. The cost and expense of any such additions, alterations or improvements to the Common Areas, or the purchase of personal property, shall be a Common Expense. In addition, so long as the Developer owns any portion of the Community, Developer shall have the right to make any additions, alterations or improvements to the Common Areas as may be desired by Developer in its sole discretion from time to time, at Developer's sole cost and expense;

k. The right of the Master Association to maintain, repair, operate and otherwise manage the Common Areas; and

l. The intention of Developer concerning utilization of the Tracts is as set forth on the Plat of the Community.

Section 36. Easement for Unintentional Encroachment. An exclusive easement shall exist for the minor, unintentional encroachment of any building, Home or other improvements upon any Lot or Common Areas caused by or resulting from the original construction of improvements or the repair or replacement of same, which exclusive easement shall exist at all times during the continuance of such encroachment, as an easement appurtenant to the encroaching building, Home or other improvement, to the extent of such encroachment.

Section 37. Delegation of Use. Any Owner may delegate, in accordance with the appropriate By-Laws, his right of enjoyment to the Common Areas, to the members of the Owner's family, permitted tenants or contract purchasers, who reside on a full time, year round basis in the Home or Lot.

Section 38. Permitted Uses. The Common Areas, now and forever, shall be restricted hereby such that they shall be maintained as open areas for the recreation, use and benefit of the Owners, including as and for easements and rights-of-way for the construction, operation and maintenance of utility services and drainage facilities and shall not be used for any commercial or industrial use, except as herein described.

Section 39. Delegation of Rights. Any Owner, including Developer, may grant the benefit of any easement, license, right or privilege to tenants and guests for the duration of their tenancies or visits with the condition that such tenants and guests agree to comply with this Master Declaration and the reasonable rules, regulations and policies of the Master Association as may be promulgated from time to time, but the same are not intended nor shall they be construed as creating any rights in or for the benefit of the general public.

Section 40. Security. The Master Association may, but shall not be obligated to, maintain or support certain activities within the Community designed to make the Community safer than it otherwise might be. Neither the Master Association, the Developer, nor any successor Developer shall in any way be considered insurers or guarantors of security or safety within the Community, nor shall any of them be held liable for any loss or damage by reason of failure to provide adequate security or ineffectiveness of security or safety measures undertaken. No representation or warranty is made that any fire protection system, burglar alarm system or other security system cannot be compromised or circumvented, nor that any such systems or security measures undertaken will in all cases prevent loss or provide the detection or protection for which the system is designed or intended. Each Owner acknowledges, understands and covenants to inform its tenants that the Master Association, the Board, Developer, any successor Developer or any applicable Committees, are not insurers and that each person in the Community assumes all risks for loss or damage to persons, to Homes and to the contents of Homes resulting from acts of third parties or other casualties.

MEMBERSHIP AND VOTING RIGHTS

Section 41. Membership. Developer and each Sub-Association are the Members of the Master Association. The Owners of Lots shall not be voting members of the Master Association, but shall rather be represented through their respective Sub-Associations.

Section 42. Governance of Master Association. The Master Association shall be governed by a Board made up of six (6) Directors in accordance with the provisions of the Articles and By-Laws. The Developer shall have the sole right to appoint and remove any Directors of the Board of the Master Association prior to Turnover of the Master Association. After Turnover, each Sub-Association shall elect two (2) Directors to the Board of the Master Association.

Section 43. Voting Rights. Unless otherwise specifically set forth in this Master Declaration, or duly executed and recorded amendment or supplement thereto, Members shall not have the right to vote on matters within the purview of the Board. The Directors shall each be entitled to one (1) vote which shall be cast in any manner each such Director shall see fit.

COVENANT FOR MAINTENANCE

Section 44. Common Areas and General Scheme of Development. The Developer has created a general scheme of development for the Community whereby the Common Areas will be owned and maintained by the Master Association, with all Owners in the Community (except those expressly exempt by the terms of this Master Declaration) paying assessments to the Master Association and with all Multi Family Home Owners, Commercial Property Owners, and Single Family Home Owners paying an additional assessment for maintenance of their respective Sub-Associations. The Owners in the Community have been given easements across the Community which grant the Owners, and their successors in title, the non-exclusive right to use the Common Areas, and subject the Lots to assessments, among other things.

Section 45. Master Association Maintenance Responsibility. The Master Association shall at all times maintain: (i) the Common Areas, including all retention areas and the Stormwater Management System, (ii) the grassed and landscaped area of the Public Areas within the Community or contiguous thereto, (iii) any entrance features constructed on the Common Areas or in Public Areas or on easements granted to the Master Association that run through the Community, (iv) any landscape easements or buffer areas contiguous to public rights-of-way which are dedicated on the Plat of the Community for maintenance by the Master Association (the maintenance of all grassed and landscaped area includes mowing and edging the grass, trimming the hedges and trees, and fertilization), (v) any Community message board located on the Common Areas (Developer, for so long as it owns a Lot or Home may use said message board for advertising the Lots or Homes it has for sale), (vi) the sewer effluent lines located on the Common Areas and within easements, (vii) any easements granted to the Master Association, (viii) the electrical meters on the exterior of all the buildings, and (ix) the boundary wall around the perimeter of the Community. The Master Association shall also have the right to do anything necessary or desirable in the judgment of the Board to keep the Community neat and attractive, to preserve or enhance the value thereof, to eliminate fire, health or safety hazards, or otherwise to benefit the Owners. Assessments shall also be used for the maintenance and repair of the Surface Water Management System including, but not limited to, work within retention areas, drainage structures and drainage easements.

Section 46. Exterior Maintenance. Other than as specifically set forth in the Sub-Association Declarations and this Section 3, each Owner shall be responsible for maintaining such Owner's Lot, the exterior of the Home or Commercial Building located thereon and the exterior of all other improvements located thereon in a neat and attractive manner and as provided elsewhere herein. The Owners' maintenance obligations shall include, but shall not be limited to, maintaining, repairing and replacing all sidewalks located on or adjacent to such Owner's Lot and replacing all broken glass. Prior to Turnover, no Owner or any other party may install any grass or landscaping on any Lot; provided, however, following Turnover, if an Owner seeks and obtains the approval of the Committee (as hereinafter defined) to install and

maintain additional landscaping on such Owner's Lot, then the Owner obtaining such approval shall be required to maintain such additional landscaping on such Owner's Lot at such Owner's sole cost and expense. Notwithstanding the foregoing, to the extent that any Owner, or any of such Owner's agents, employees, guests, invitees or licensees, causes damage to any improvement for which the Master Association is obligated to maintain, repair and/or replace, then any cost incurred by the Master Association to maintain, repair or replace such damaged improvements shall be charged to such Owner as an individual assessment, which individual assessment shall be subject to the same collection, lien and lien enforcement rights in favor of the Master Association as exist for annual Assessments.

Section 47. Owner's Responsibility. Except as specifically set forth in the Sub-Association Declarations and Section 3 above, each Owner shall keep and maintain the Home, building, improvements and landscaping located on that Owner's Lot in good and presentable condition and repair consistent with the approved plans therefor, and shall otherwise keep such Lot and any Home located thereon in neat and attractive condition. Each Owner shall, at his sole cost and expense, mow and otherwise keep and maintain those portions of the Surface Water Management System located on that Owner's Lot (whether or not included in a platted drainage easement) free of debris and other obstructions on a routine basis.

- No Owner shall remove native vegetation from a conservation area or which becomes established within any Owner's Lot, except in accordance with all applicable District and governmental regulations. For the purposes hereof, removal includes dredging, application of herbicides, and cutting.

- Except as otherwise set forth in the Sub-Association Declarations and in Section 3 above, the Master Association shall have the right, but not the obligation, to provide exterior repair and maintenance on any Lot, Home or Commercial Building in the event of default by any Owner in the duties hereby imposed. Prior to performing repair or maintenance on any Lot, Home or Commercial Building, the Board shall determine that same is in need of repair or maintenance and is detracting from the overall appearance of the Community. Except in emergency situations, prior to commencement of any work, the Board must furnish written notice to the Owner to the effect that, unless specified repairs or maintenance are commenced within fifteen (15) days after the mailing of the notice, and thereafter diligently pursued to completion, the Master Association may procure said repairs. Upon the Owner's failure to commence timely and to diligently pursue the repairs or maintenance, the Master Association and its agents or employees shall have the right to perform such acts including, but not limited to, paint, repair, replace and care for pools, pool enclosures, roofs, gutters, down spouts and exterior building surfaces, clean or resurface paved access ways and parking areas, trim and care for trees, shrubs, grass, walks, swales, berms and other landscaping and drainage improvements, as well as to provide general cleanup, shoreline maintenance, and removal of debris which, in the opinion of the Board, detracts from the overall beauty and setting of the Community. Developer, the Master Association, and their respective agents and employees, shall have no liability to the Owner or any occupant or guest for trespass, or damage or injury to the Lot, Home or any person as the result of actions taken hereunder unless caused by its or their gross negligence or intentional wrongdoing.

Section 48. Assessment of Cost. The cost of any work performed by or at the request of the Master Association pursuant to Section 4 shall be assessed as an individual assessment against the Lot(s) upon which such work is done.

Section 49. Responsibility for the Surface Water Management System. The Master Association shall be responsible for the maintenance, operation and repair of the Surface Water Management System. Maintenance of the Surface Water Management System shall mean the exercise of practices which allow the systems to provide drainage, water storage, detention, retention, conveyance or other surface water or stormwater management capabilities as permitted by the District. Any repair or reconstruction of the Surface Water Management System shall be as permitted, or if modified, as approved in writing by the District, County and/or the Town. The District shall also have the right to enforce the obligations of the Master Association described in this Section 6.

Section 50. Swale Maintenance. The Developer may construct a drainage swale upon each or any 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 Owner, including Builders, shall be responsible for the maintenance, operation, and repair of any swales located on any Lot. Maintenance, operation and repair shall mean the exercise of practices, such as mowing and erosion repair, which allow the swales to provide drainage, water storage, retention, detention, conveyance or other stormwater management capabilities as permitted by the District. Filling, excavation, construction of fences or other obstruction of the surface water flow in the swales is prohibited. No alteration of the drainage swales 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.

Section 51. Access. For the purpose of performing the maintenance authorized by this Article IV and as otherwise provided for in this Master Declaration, the Master Association, through its duly authorized agents or employees, shall have the right to enter upon any Lot(s) or the Common Areas, at reasonable hours on any day. In the case of emergency repairs, access will be permitted at any time with only such notice as, under the circumstances, is practically affordable.

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 52. Creation of a Lien and Personal Obligation for Assessments. The Developer, for each Lot owned by it within the Community, hereby covenants, and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Master Association: (1) annual assessments or charges hereinafter referred to as "Annual Assessments"; and (2) special assessments to be established hereinafter referred to as "Special Assessments"; together with interest, costs and reasonable attorneys' fees, which shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. The Annual Assessments and the Special Assessments shall hereinafter collectively be referred to as "Assessments." The Assessments, together with costs and reasonable attorneys' fees, shall also be the personal

obligation of the person who is the Owner of such Lot at the time the Assessments fell due. The personal obligation for delinquent Assessments shall not pass to his successors in title unless expressly assumed by them.

Section 53. Rates of Assessments. The Board shall equitably allocate Assessments to the Sub-Associations based on the following criteria:

- a. Sixty percent (60%) shall be allocated to the Single Family Sub-Association, and within the Single Family Sub-Association, the sixty percent (60%) allocation shall be prorated equally among each of the single family Homes;
- b. Thirty percent (30%) shall be allocated to the Multi Family Sub-Association, and within the Multi Family Sub-Association, the thirty percent (30%) allocation shall be prorated equally among each of the Multi Family Homes; and
- c. Ten percent (10%) shall be allocated to the Commercial Sub-Association, and within the Commercial Sub-Association, the ten percent (10%) allocation shall be prorated equally on the basis of the total acreage of the Commercial Property.

Notwithstanding the foregoing, at any time prior to Turnover, Developer shall have the right, but not the obligation, to re-allocate the percentages between the Sub-Associations.

Section 54. Establishment of Assessments. Prior to the beginning of each fiscal year, the Board shall adopt a budget for such fiscal year that shall estimate all of the Common Expenses to be incurred by the Master Association during the fiscal year. Unless waived by the Master Association pursuant to this Master Declaration, the budget for each fiscal year shall include, but will not be limited to, all Assessments levied by the Master Association on all Lots and Homes in the Community. The Board shall establish the Assessment for each Sub-Association and shall notify each Sub-Association in writing of the amount, frequency, and due dates of the Assessment. From time to time during the fiscal year, the Board may modify the budget, and pursuant to the revised budget or otherwise, the Board may, upon written notice to the Sub-Associations, change the amount, frequency and/or due dates of the Assessments. If the expenditure of funds for Common Expenses will exceed the funds produced by Assessments, the Board may make Special Assessments, which shall be levied in the same manner as hereinbefore provided for regular Assessments, and shall be payable in the manner determined by the Board, as stated in the notice of any Special Assessments. In the event any Assessments are made payable in equal payments, as provided in the notice from the Master Association, such periodic payments shall automatically continue to be due and payable in the same amount and frequency unless and until: (i) the notice specifically provides that the periodic payments will terminate or change upon the occurrence of a specified event or date of the payment of the specific amount; or (ii) the Master Association notifies the Sub-Association in writing of a change in the amount and/or frequency of the periodic payments. In no event shall any Assessments be due less than ten (10) days from the date of the notification of such Assessments.

Section 55. Collection of Assessments. Each Sub-Association shall have the duty to timely collect Assessments due to the Master Association from the Owners within its respective Sub-Association. The Board shall have the right to impose any or all Assessment obligations on

the Sub-Association as collective obligations of the Owners within the Sub-Associations. It shall be the obligation of each Sub-Association to pay the entire amount of the Assessments as and when such sums shall become due and payable, notwithstanding the failure or refusal of Owners within the Sub-Association to remit their pro rata shares of such Assessments to the Sub-Association. In the event that a Sub-Association shall pay the entire amount due the Master Association despite the failure or refusal of Owners to pay their pro rata share of such Assessments to the Sub-Association, the Board shall have the authority to assign the rights and remedies of the Master Association against such delinquent Owners to the Sub-Association. If any Sub-Association shall fail or refuse to pay the entire amount of the Master Association's Assessments allocated to the Sub-Association when such payments are due, in addition to the lien rights reserved for the benefit of the Master Association herein created, the Master Association shall have the right to recover the amounts due directly from the delinquent Sub-Association without joining any Owner as a party to any suit initiated by the Master Association for such recovery. In the event that at any time the collection of Assessments levied pursuant hereto is made by an entity other than the Master Association, all references herein to collection by the Master Association shall be deemed to refer to the other entity performing such collection duties and the obligations of Owners to pay Assessments shall be satisfied by making such payments to the applicable collecting entity. If collection of Assessments is delegated to a Sub-Association, that Sub-Association shall have all of the powers granted herein to the Master Association regarding collection of Assessments.

Section 56. Commencement of Assessments. The Annual Assessments as to each Lot owned by an Owner other than the Developer shall commence on the first day of the full calendar month after a certificate of occupancy is issued by the County. As to any Home, including Model Homes owned by the Developer, the Annual Assessments shall commence on the date that the Developer closes the sale of said Home to the first Owner acquiring title from the Developer.

Section 57. Working Capital Contribution. In addition to the applicable Assessments, each Owner, at the time of acquiring title to a Lot, shall pay to the Master Association a contribution to a working capital fund of the Master Association in the amount of Five Hundred and No/100 Dollars (\$500.00), which shall be in addition to the Owner's responsibility for Assessments. The working capital fund shall be used by the Master Association to pay for any expenses as the Master Association shall determine from time to time and need not be restricted or accumulated.

Any Builder acquiring title to a Lot shall not be required to pay the working capital contribution, unless the Builder leases the Lot to a third party or occupies the Home on the Lot as a personal residence.

Section 58. Purpose of Assessments. The Assessments levied by the Master Association shall be used exclusively to pay Common Expenses and to promote the recreation, health, safety and welfare of the residents in the Community, for the improvement of the Common Areas and for the responsibilities set forth in Article IV, Section 2 hereof.

Section 59. Effect on Developer. Notwithstanding any provision set forth herein to the contrary, for as long as Developer (or any of its affiliates) is the Owner of any Lot, Developer

shall have the option, in its sole discretion, to: (i) pay Assessments on the Lots owned by Developer; (ii) pay Assessments only on certain designated Lots (e.g., those under construction or those containing a Home or Commercial Building for which a certificate of occupancy has been issued); or (iii) not paying Assessments on any Lots (regardless of whether there is a Home or Commercial Building thereon) and in lieu thereof funding any resulting deficit in the Master Association's operations (exclusive of any reserves or capital improvements). The deficit to be paid under option (iii) above shall be the difference between (a) actual operating expenses of the Master Association (exclusive of capital improvement costs and reserves) and (b) the sum of all monies receivable by the Master Association (including, without limitation, Assessments, interest, late charges, fine and incidental income) and any surplus carried forward from the preceding year(s). Developer may from time to time change the option stated above under which Developer is making payments to the Master Association by delivering written notice of same to the Master Association. If Developer at any time elects option (ii) above, it shall not be deemed to have elected option (iii) as to the Lots which are not designated under option (ii). When all Lots within the Community are sold and conveyed to purchasers, neither the Developer, nor its affiliates, shall have further liability of any kind to the Master Association for the payment of Assessments, deficits or contributions.

Section 60. Special Assessments. In addition to the Annual Assessments and Special Assessments authorized above, the Master Association, through a two-thirds (2/3) vote of its Board, may levy in any assessment year a Special Assessment against any Owner(s) to the exclusion of other Owners or to one (1) or more Sub-Associations to the exclusion of the other Sub-Association(s) for the purpose of defraying, in whole or in part, the cost of (i) any construction, reconstruction, repaving, repair or replacement of a capital improvement upon the Common Areas, including fixtures and personal property related thereto, if any, or (ii) work performed by the Master Association in accordance with this Master Declaration. Any such Special Assessment shall be subject to all of the applicable provisions of this Article including, without limitation, lien filing and foreclosure proceedings and interest. Any Special Assessment levied hereunder shall be due and payable within the time specified by the Board in the action imposing such Assessment.

Section 61. Cable Television Services. The Developer or the Master Association may contract with a franchised cable television operator to provide cable television service in bulk to any one or all of the Sub-Associations. This service may include channels for security information and for a community bulletin board. If the Developer or the Master Association enters into such an agreement, each Owner shall pay for such cable television charges as part of that Lot's Assessments.

Section 62. Annual Assessments. The first Annual Assessment shall be adjusted according to the number of months remaining in the calendar year. The Board shall fix the amount of the Annual Assessment against each Sub-Association at least thirty (30) days in advance of each Annual Assessment period. Failure to fix the amounts of the Annual Assessments within the time period set forth above shall not preclude the Board from fixing the Assessments at a later date.

- The Master Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Master Association setting forth whether

the Assessments on a specified Lot have been paid. A properly executed certificate of the Master Association as to the status of Assessments on a Lot is binding upon the Master Association as of the date of its issuance. The Master Association may delegate to a management company or financial institution the responsibility for collection of Assessments and the issuance of such certificates.

Section 63. Effect of Non-Payment of Assessment; Remedies of the Master Association. Any Assessment not paid within fifteen (15) days of the due date shall be subject to an administrative charge of Twenty Five and No/100 Dollars (\$25.00). Any Assessment not paid within thirty (30) days of the due date shall, in addition to the late charge due if not paid within fifteen (15) days of the due date, bear interest from the due date at the rate of eighteen percent (18%) per annum or at such rate as the Board may from time to time establish provided, however, that at no time shall the Association or the Board have the power to establish a rate of interest in violation of the law of the State of Florida. The Master Association may, at its election, bring an action at law against the Owner personally obligated to pay the same and/or foreclosure of the lien against the Lot and any improvements thereon. No Owner may waive or otherwise escape liability for the Assessments provided for herein by non-use of the Common Areas or abandonment of his Lot, Home or Commercial Building.

Section 64. Subordination of the Lien to Mortgages. The lien of the Assessments provided for herein shall be a lien superior to all other liens save and except ad valorem tax liens and mortgage liens, provided said mortgage liens are first liens against the Lot encumbered thereby, subject only to ad valorem tax liens, and said first mortgage secures an indebtedness which is amortized on monthly or quarter-annual payments over a period of not less than ten (10) years. The sale or transfer of any Lot pursuant to the foreclosure, or any proceeding in lieu thereof of a first mortgage meeting the above qualifications, shall extinguish the lien of such Assessments only as to payments which became due prior to such sale or transfer pursuant to the foreclosure. No sale or transfer shall relieve such Lot from liability for any Assessments thereafter becoming due or from the lien thereof.

Section 65. Exempt Property. All Common Areas and properties dedicated to and accepted by the District, County and Town shall be exempt from the Assessments created herein. However, no Lot, land or improvements devoted to dwelling use or for commercial purposes shall be exempt from said Assessments.

Section 66. Individual Assessments. The Master Association may levy individual assessments against any Owner, Lot, Home or Commercial Building located thereon in order to cover costs incurred by the Master Association due to that Owner's failure to maintain his Lot, Home or Commercial Building pursuant to the standards set forth in or adopted pursuant to this Master Declaration, or to reimburse the Master Association for loss or damage to the Master Association or to any Common Areas or easement area caused by that Owner or his lessee, agent, tenant, contractor or guest, or for any other purpose expressly permitted by this Master Declaration.

ANNEXATION OF PROPERTY

Section 67. Approval of Annexation. Prior to Turnover, additional land may be annexed to the Community by the Developer alone or, at any time after Turnover, by the approval of two-thirds of the Directors. The additional lands annexed in accordance with the provisions hereof shall become subject to the provisions of this Master Declaration upon the recording in the Public Records of the County of an amendment hereto properly executed by the Developer and without the consent of the Members or Directors of the Master Association. Until such amendment is recorded, no provision of this Master Declaration shall be effective as to any additional lands. Developer or its designated successors or assigns may also annex additional land to this Master Declaration.

Section 68. Additions or Modifications. Such amendments to this Master Declaration may contain such complementary additions and modifications of this Master Declaration as may be necessary to reflect the different character, if any, of the additional lands which are the subject of such amendments to this Master Declaration as are not inconsistent with the scheme of this Master Declaration, as determined by the Developer. Further, such amendments to this Master Declaration may contain provisions relating to the additional lands, or any portions thereof, dealing with, among other things, Assessments and the basis thereof, rules and regulations, architectural controls and other provisions consistent with the nature of the development of such Community and pertaining to all or part of such additional lands to the exclusion of other portions of the Community.

- The provisions of this Article VI, Section 2 cannot be amended without the written consent of the Developer, and any amendment of this Article VI, Section 2, without the written consent of the Developer, shall be deemed null and void.

WITHDRAWAL OF PROPERTY

- Notwithstanding anything herein to the contrary, Developer reserves the absolute right to amend this Master Declaration at any time prior to Turnover, without prior notice and without the consent of any person or entity, but not without the written approval of the Town for the purpose of removing certain portions of the Community from the provisions of this Master Declaration, so long as a Home has not been constructed on said land to be withdrawn.

PLATTING AND SUBDIVISION RESTRICTIONS

- Prior to Turnover, Developer shall be entitled at any time and from time to time, to plat and/or replat all or any part of the Community, and to file subdivision restrictions and/or amendments thereto with respect to any undeveloped portion or portion(s) of the Community without the consent or approval of the Owners, but only with the written approval of the Town.

ARCHITECTURAL CONTROL

Section 69. Committee. Except for improvements constructed by Developer, no building, fence (including without limitation chain link fences), wall or other structure shall be commenced, erected or maintained upon the Community, nor shall any exterior addition, change or alteration therein, including a change of the building exterior paint color, be made within the Community, until the plans and specifications showing the nature, kind, shape, height, materials and location of the same shall have been submitted to and approved in writing as to the harmony of external design and location in relation to the surrounding structures and topography by the Board, or at the Board's sole discretion, by an architectural control committee composed of three (3) or more representatives appointed by the Board (the "Committee"). In the event said Board or its designated Committee fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with. Nothing contained herein shall relieve the Owner from the responsibility of obtaining proper governmental approvals and permits. The minimum square footage of heated and air conditioned space of any Home constructed in the Community shall be 1,300 square feet.

Section 70. Master Association and Committee Not Liable. The Master Association and Committee shall not be liable to any Owner in connection with the exercise or non-exercise of architectural control hereunder, or the approval or disapproval of any alteration, addition, improvement or change. Furthermore, any approval of any plans or specifications by the Master Association or the Committee shall not be deemed to be a determination that such plans or specifications are complete, do not contain defects, meet any standards, guidelines and/or criteria of the Master Association, are architecturally or aesthetically appropriate, or comply with any applicable governmental requirements, and the Master Association and the Committee shall not be liable for any deficiency, or any injury resulting from any deficiency in such plans and specifications.

Section 71. Rights of Developer. Notwithstanding the foregoing, prior to Turnover, architectural control shall be vested in Developer and not the Master Association, and during such period all references contained in this Article to the Master Association or the Committee shall be deemed to refer to Developer; provided, however, that at any time Developer may assign its right to architectural control to the Master Association by a written assignment.

Section 72. Additions. Any proposed additions, changes or improvements to any Home or Lot by an Owner shall be subject to the provisions of this Article IX. However, either the Developer or the Committee may waive any of the requirements of this Article IX provided, however, that any such waiver is granted in good faith.

EASEMENTS

Section 73. Utility Easements. Easements may be granted by the Master Association for utility purposes in accordance with the requirements of this Master Declaration.

Section 74. Easements for Master Association and Owners. Developer does hereby establish and create for the benefit of the Master Association and for all Owners from time to time subject to this Master Declaration, and does hereby give, grant and convey to each of the aforementioned, the following easements, licenses, rights and privileges:

Rights to connect to, maintain and make use of any and all utility lines, wires, pipes, conduits, cable television lines, telephone lines and equipment, sewers and drainage lines which may from time to time be in or along the streets, roads and Common Areas, but only in accordance with applicable laws and regulations and the requirements of the applicable entities which regulate said utilities.

Section 75. Easements for Developer. Developer hereby reserves to itself, its designees, successors and assigns such easements, licenses, and rights and privileges of a right-of-way in, through, over, under and across the Community for the construction, maintenance and repair of utility lines, wires, pipes, conduits, cable television, sewers, and drainage lines and other improvements which may from time to time be in or along the streets, roads, Common Areas or other areas of the Community. Developer also reserves the right for itself, its designees, successors and assigns to continue to use the Community, and any Common Areas, streets, roads, sales offices, Model Homes, signs, flags, promotional material and parking spaces located on the Community, in its efforts to market Lots, land, Homes and Commercial Buildings in the Community. This paragraph may not be amended without the prior written consent of the Developer and is subject to the terms of those certain Notices of Development Obligations.

Section 76. Sewer and Water Maintenance Easement for Owners. The Developer, by its execution of this Master Declaration, hereby grants to each Owner a non-exclusive perpetual easement for the maintenance, repair and replacement of water and sanitary sewer lateral pipes servicing the Lot and improvements thereon, which lateral pipes are located within the Common Areas.

Section 77. Easement for Services. Developer hereby grants to delivery, pickup and fire protection services, police, building, zoning, code enforcement, health and sanitation, and other public service personnel and vehicles, United States mail carriers, representatives of electrical, telephone, cable television and other utilities authorized by the Developer, its successors or assigns to service the Community, and to such other persons as the Developer from time to time may designate, a perpetual non-exclusive easement for ingress and egress over and across the Common Areas for the purposes of performing their authorized services and investigation.

Section 78. Easement for Access and Drainage. The Master Association shall have a perpetual non-exclusive easement over all areas of the Surface Water Management System for access to operate, maintain or repair the Surface Water Management System. By this easement, the Master Association shall have the right to enter upon any portion of any Lot which is a part of the Surface Water Management System, at a reasonable time and in a reasonable manner, to operate, maintain or repair the Surface Water Management System as required by the District permit. Additionally, the Master Association shall have a perpetual non-exclusive easement for drainage over the entire Surface Water Management System. No Person shall alter the drainage

flow of the Surface Water Management System, including buffer areas or swales, without the prior written approval of the Master Association, District and the Town.

Section 79. Construction and Sales. There is hereby reserved to the Developer, its designees, and such of its successors and assigns who have been expressly assigned the rights set forth in this Section, including, without limitation, its sales agents and representatives, and prospective purchasers of Lots, easements over the Common Areas for construction, utility lines, display, maintenance and exhibit purposes in connection with the erection of improvements and sale of Lots within the Subdivision; provided, however, that such use shall terminate upon the sale of all Lots; provided further, that no such use by the Developer and others shall otherwise restrict the Owners in the reasonable use and enjoyment of the Common Areas. The exercise of the rights in and to the easement granted in this Section 7 shall be limited to the extent a bona fide need exists for such exercise of the rights so granted.

Section 80. Other Easements. Easements are reserved over each Lot and the Common Areas in favor of each Lot in order to permit drainage and run-off from one Lot (and its improvements) to another Lot, or to the Common Areas or from the Common Areas to any Lot. Easements are reserved over the Common Areas in favor of each Lot and Owner, his tenants, invitees, and agents for the purpose of ingress and egress to any Lot, and any encumbrance of the Common Areas shall be subject the foregoing easement rights, provided that such ingress and egress shall be exercised only upon paved roadways or paths designed for such ingress and egress, if the same shall then exist.

Section 81. Encroachments on Lots or Common Areas. In the event any portion of any roadway, walkway, parking area, roof drainage system, roof, trellis, water lines, sewer lines, utility lines, sprinkler system, Home, Commercial Building or any other improvement as originally constructed by Developer or its designee, successor or assign encroaches on any Lot or Common Areas, it shall be deemed that the Owner of such Lot or Common Areas has granted a perpetual easement to the Owner of the adjoining Lot, Common Areas, or the Master Association as the case may be, for continuing maintenance and use of such encroaching roadway, walkway, parking area, roof drainage system, roof, trellis, water line, sewer line, utility line, sprinkler system or other structure originally constructed by the Developer. The foregoing shall also apply to any replacements of any such roadway, walkway, parking area, roof drainage system, roof, trellis, water lines, sewer lines, utility lines, sprinkler system or other structure, if same are constructed in substantial conformance to the original. Other encroachments may hereafter be maintained as provided in a supplemental declaration. The foregoing conditions shall be perpetual in duration and shall not be subject to amendment of this Master Declaration.

CONVEYANCE OF COMMON AREAS TO MASTER ASSOCIATION

- At such time that Developer conveys the first Home in the Community, Developer shall be obligated to convey title to all of the Common Areas located in the Community to the Master Association, which shall be obligated to accept such conveyance. In the event Developer annexes any additional land into this Master Declaration, Developer shall convey the Common Areas in the additional land to the Master Association prior to the closing of title to the first Home in said additional land.

In the event Developer withdraws any of the Common Areas from this Master Declaration as permitted by Article VII hereof, the Master Association will reconvey to the Developer those Common Areas withdrawn by Developer. Any withdrawal of Common Areas shall require the approval of the Town.

RESTRICTIONS

Section 1. Easements. Easements for installation and maintenance of utilities and drainage facilities are reserved as shown or designated on the Plat(s). Within these easements, no structure, planting or other material shall be placed or permitted to remain which would damage or interfere with the installation or maintenance of the utilities or which may change the direction of flow or drainage channels in the easements. No obstructions such as gates, fences, etc., that will prevent emergency access shall be erected in any easement strip for fire fighting access purposes. The Master Association is hereby granted an easement over each Lot for ingress and egress to any portions of the Lot or the improvements thereon requiring maintenance by the Master Association.

Section 2. Wells and Septic Tanks. Except for any existing wells or wells constructed by Developer for irrigation purposes, no wells or septic tanks will be permitted on any Lot or the Common Areas within this Community. This restriction will be enforceable as long as the water services and sewage disposal are in operation, satisfactorily servicing each Lot on which a completed Home or Commercial Building is located in the Community in accordance with the standard requirements as provided for by the applicable Board of Health.

Section 3. Nuisances. No noxious or offensive activity shall be carried on or upon any lands within the Community, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood.

Section 4. Temporary Structures and Use. No structure of a temporary character, trailer, basement, shack, shed, garage, barn or other structure or building shall be moved to, erected on, or used on any of the lands within the Community at any time for a residence, workshop, office, storage room, either permanently or temporarily, provided, however, that Developer may place on the lands in the Community such construction sheds, trailers, temporary sales offices or sales trailers used to facilitate the development, construction and sale of land, Homes and Commercial Buildings in the Community. No canvas, pipe, or other type of carport shall be placed between the sidewalk and the front building line on any Lot. Except during deliveries to Homes and Commercial Buildings, no commercial vehicles shall be parked in areas zoned for residential uses, including the roads and streets. No business, including any service, repair, or maintenance business shall be allowed in any Home at any time. In order to prevent unsightly objects in and about each of the Homes to be erected in this Community, no gas tank, gas container, or gas cylinder, except those used by portable barbecue grills shall be permitted to be placed on or about the outside of any of the Homes built in this Community or any ancillary building.

Section 5. Oil and Mining Operations. No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in any Lot,

nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in any portion of the Community. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted on any portion of the Community.

Section 6. Pets. In no event shall dogs be permitted upon the Common Areas unless on a leash. Any Owner who keeps a pet hereby agrees to indemnify the Master Association and hold it harmless against any loss or liability of any kind or character whatsoever arising from or growing out of the keeping of any such pet. All owners of pets shall be required and responsible to clean up any of their pet's excrements.

Section 7. Visibility at Street Corners. Notwithstanding anything to the contrary in these restrictions, no obstruction to visibility at street intersections shall be permitted and such visibility clearances shall be maintained as required by applicable government agencies.

Section 8. Barbecues. Barbecues may be located or permitted only upon such portions of the Lots and Common Areas as are, from time to time, designated by the Master Association; provided, however, that barbecuing shall be subject to such rules and regulations as may be promulgated from time to time by the Board.

Section 9. Vehicles and Recreational Equipment. No truck or commercial vehicle, limousine, mobile home, motor home, house trailer, utility trailer, camper, watercraft, watercraft trailer or other recreational vehicle or equipment, horse trailer, bus, passenger vehicle without current registration, van (other than a passenger van), or the like shall be permitted to be parked or stored on any portion of the Common Areas, unless they are parked within a garage, or are located on a Lot so they cannot be seen from any street and are shielded from view from any adjoining Lot (as viewed from ground level). For the purposes of this rule the following definitions shall apply:

"Truck" means a vehicle with any sort of weight capacity, which has a compartment or bed for carrying cargo, as opposed to passengers. Regardless if such vehicle has a cover or topper for the cargo-carrying area, it shall be deemed to be a Truck; however, "pick-up trucks" or "sport utility vehicles" with a cargo capacity of one ton or less that are not Commercial Vehicles (as hereinafter defined) are permitted to park on the driveway of a Home.

"Commercial Vehicle" means any vehicle, which from viewing the exterior of the vehicle or any portion thereof, shows any commercial markings, signs, logos, displays, tool racks, saddle racks, or other elements of a commercial nature or otherwise indicates a commercial use.

This prohibition of parking shall not apply to temporary parking of Trucks and Commercial Vehicles used for pickup, delivery, and repair and maintenance of a Lot, or to any vehicles of Developer, nor to any of the Commercial Property.

Any such vehicle or recreation equipment parked in violation of these or other regulations contained herein or in the rules and regulations adopted by the Master Association may be towed by the Master Association at the sole expense of the owner of such vehicle or

recreation equipment, if it remains in violation for a period of twenty-four (24) consecutive hours or for forty-eight (48) non-consecutive hours in any seven (7) day period. The Master Association shall not be liable to the owner of such vehicle or recreational equipment for trespass, conversion, damages, or otherwise, nor guilty of any criminal act by reason of such towing, and neither its removal nor failure of the owner of such vehicle or recreational equipment to receive any notice of said violation shall be grounds for relief of any kind.

Section 10. Parking. Parking shall be permitted within the Common Areas only within spaces and areas clearly marked for this purpose. The Master Association is hereby empowered to establish parking regulations and to enforce these parking regulations by all means lawful for such enforcement, including the removal of any violating vehicle.

Section 11. Bicycles or Other Items. No bicycles, motorcycles, scooters, wagons, carriages, shopping carts, chairs, benches, tables, toys or other such items shall be parked or be permitted to stand for any period of time on any part of the Common Areas except in accordance with the rules and regulations promulgated from time to time by the Board.

Section 12. Antenna and Aerials. Except as required to be permitted by applicable federal, state or local law, no antenna, aerial or satellite dish of any type shall be placed upon a Home or within a Lot or the Common Areas unless approved by the Board or Committee.

Section 13. Signs. Except as otherwise permitted by the Board, no sign of any character shall be displayed or placed upon any Lot except a "for sale" sign, which sign may refer only to the particular Lot on which displayed, shall not be larger than three (3) feet by two (2) feet in size, shall not extend more than four (4) feet above the ground, and shall be limited to one (1) sign per Lot. Notwithstanding the foregoing, however, no "for sale" sign may be displayed or placed upon any Lot owned by an Owner until such time as the Developer, its affiliates, successors and/or assigns have completed the construction of Homes on all of the residential Lots of the Community and all such Homes have been sold and title transferred to Owners. This paragraph shall not apply to, and shall not prohibit, the Developer from erecting any number of signs of any size or configuration related to the construction or marketing of the Community or any of the Homes in the Community owned by Developer.

Section 14. Litter and Garbage Collection. No garbage, trash, refuse or rubbish shall be deposited, dumped, or kept on any part of the Common Areas except in closed containers located in areas designated by the Master Association.

Section 15. Personal Property. No articles of personal property of Owners shall be placed on any portion of the Common Areas unless such articles are being used by Owners in accordance with the terms and conditions of this Master Declaration and any rules and regulations promulgated from time to time by the Board.

Section 16. Removal of Sod and Shrubbery; Additional Planting. No significant change shall be made in any landscaping or plant material anywhere in the Community, no change shall be made in the elevation of any area of the Community and no change shall be made in the condition of the soil or the level of the land or any areas of the Community if such change would or might result in any permanent change in the flow and drainage of surface water