

**DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS OF  
RESIDENCES AT NATURE CREEK**

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STATE OF FLORIDA  
COUNTY OF ESCAMBIA

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS  
OF RESIDENCES AT NATURE CREEK

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS (herein referred to as the "Declaration") is made this 13 day of November, 2018 by The Residence at Nature Creek, LLC, a Florida Limited Liability Company, (the "Developer"), who is the Declarant herein, and is joined by Residences at Nature Creek Homeowner's Association, Inc., a Florida corporation not-for-profit (The "Association").

**RECITALS**

WHEREAS, Developer is the fee simple owner of certain real property located at Nature Creek Boulevard, Pensacola, Escambia County, Florida, described in Exhibit A attached hereto and made a part hereof ("The Real Property"), and intends to develop on the Real Property, a Residential Townhome Community to be known as The Residence at Nature Creek (and herein referred to as "The Residence at Nature Creek" or "THE COMMUNITY").

WHEREAS, The Community will consist of 214 townhomes, as well as, entranceways, roads, open greenspace areas and recreation facilities and other common properties for the use and benefit of all of the residents of the community.

WHEREAS, Developer desires to provide for the preservation of the values and amenities in the community and to provide the means whereby all owners of property in the community contribute to the cost of constructing and maintaining the entry way, roadways, open space, green areas, and other common properties; and for this purpose will subject the Committed Properties, to this declaration and to the covenants, conditions, restrictions, easements, charges and things hereinafter set forth, all for the benefit of the properties and each owner thereof.

WHEREAS, Developer has caused the Association to be formed, which Association has joined in this Declaration and to which there will be delegated and assigned certain powers and duties of ownership, operation, administration, maintenance and repair of portions of the Committed Property; the enforcement of the covenants, conditions and restrictions contained herein; and the collection and disbursement of the Assessments.

ARTICLE I  
DECLARATION

Section 1.1 Declaration. Developer hereby creates a residential development named "Residences at Nature Creek" on the Committed Property described in Exhibit "A", and any additional Land that may be acquired by the Declarant, and declares that the Committed Property shall be held, sold, and conveyed subject to the covenants, conditions, restrictions, reservations, easements, assessments, charges, liens, and other provisions of this Declaration.

Section 1.2 Covenants Running with the Land. All covenants, restrictions, easements, charges, liens and other provisions of this Declaration are covenants running with the land, or equitable servitudes, as the case may be. The obligations, burdens, and benefits created by this Declaration shall bind and inure to the benefit of the Developer, the Owners, all other parties having any right, title or interest in the Committed Property or any portion thereof and their respective successors, assigns, heirs, devisees, executors, administrators, and personal representatives.

Section 1.3. Duration. The Covenants and Restrictions of this Declaration shall run with and bind the Committed Property and shall inure to the benefit of and be enforceable by the Association, the Developer or the Owner of any Committed Property, their respective legal representatives, heirs, successors, and assigns, for a period of thirty (30) years from the date that this Declaration is recorded. Upon the expiration of said thirty (30) year period, this Declaration may be extended for successive additional periods if three-fourths (3/4) of the votes cast at a duly held meeting of the Association vote in favor of extending this Declaration. The length of each such extension shall be established by such vote. The written notice of any meeting at which such a proposal to extend this Declaration is to be considered shall set forth the fact that such a proposal will be considered. The President and Secretary of the Association shall execute a certificate which shall set forth any Resolution of Extension adopted by the Association and the date of the meeting of the Association at which such Resolution was adopted. Said certificate shall be recorded in the Public Records of the County.

ARTICLE II  
DEFINITIONS

Section 2.1. Act. Shall mean Florida Statute 720 as it exists on the filing of this declaration.

Section 2.2. Articles. Shall mean the Articles of Incorporation of Residences at Nature Creek Homeowners Association, Inc., filed with the Secretary of State of Florida, as amended from time to time. A copy of the Articles is attached as Exhibit "C" hereto. Any future amendments to the original Articles need not be recorded in the public records of the County.

Section 2.3. Assessment. The share of the funds required for the payment of common expenses that is assessed against a residential unit from time to time and including the following:

2.3.1 "General Assessments" shall mean the amount charged to each Member to meet the Association's annual budgeted expenses, which expenses shall include, but not be limited to, payment for reimbursement to the Homeowners Association for all direct expenses incurred in the installation, maintenance, replacement and upkeep of the common areas.

2.3.2 "Individual Residential Unit Assessment" shall mean the amount charged to each Member's individual Residential Unit for any charges

particular to that Residential Unit.

2.3.3 "Special Assessment" shall mean a charge to each Member for capital improvements or emergency expenses.

Section 2.4. Association or Homeowners Association Shall mean Residences at Nature Creek Homeowner's Association, Inc., a not-for-profit Florida corporation organized under F.S. Chapter 617, its successors and assigns, in which the voting membership is made up of residence owners, and in which membership is a mandatory condition of residence ownership, and which is authorized to impose assessments that, if unpaid, may become a lien on the residence.

Section 2.5 Association Property. Shall mean all real or personal property owned or leased by the Association.

Section 2.6 Board of Directors Shall mean the board of directors responsible for the administration of the Association.

Section 2.7 Builder. Shall mean any entity licensed to build structures in the State of Florida.

Section 2.8. Bylaws Shall mean the Bylaws of the Association as they may be amended from time to time. The original Bylaws are attached as Exhibit "C" hereto. Any further Amendments shall not be recorded in the Public Records of the County.

Section 2.9. "Committed Property" or Property Shall mean the Real Property which is now or may become committed in the future to the covenants, conditions and restrictions contained in this Declaration.

Section 2.10. Common Area or Common Property Shall mean certain amenities for the benefit of the community so designated on the Plat recorded in the Records of the County or property deeded to the Association and designated as Common Properties or Common Area, not included in a residential unit, including but not limited to, private roadways, perimeter fences, entrance areas, street lights, buffer walls, drainage, retention, and conservation areas now or hereafter or created within the Committed Property (including the improvements thereto) owned or leased by the Association for the common use, enjoyment or benefit of all of the Owners.

Section 2.11. Common Elements. Shall mean the Common Area to be owned by the Association at the time of the conveyance of the first residential unit is described as follows: All parts of improvements that are not included within the residential unit including but not limited to the exterior; the stone wall perimeter fence; Victorian era electric street lights, grass front yards; the gathering green, gardens, fountain and gazebo, electronically operated gates; exterior walls, roofs, exterior faces of front doors and garage doors, retention and drainage area, and all roads and sidewalks inside the perimeter fence.

Section 2.12. Common Expenses Shall mean all expenses and assessments properly incurred by the Association and any other expenses as may be declared to be common expenses by this Declaration. The cost of providing basic television service under a bulk service contract and the cost of providing electronic security to the residential units shall be a common expense, if the Developer or Association so elects.

Section 2.13. Common Surplus Shall mean the amount of all receipts or revenues, including assessments, rents, or profits collected by the Association, that exceeds common expenses.

Section 2.14. Community. Shall mean the development known as Residences at Nature Creek.

Section 2.15. "County" Shall mean Escambia County, Florida.

Section 2.16. Developer shall mean The Residence at Nature Creek, LLC, its successors or assigns.

Section 2.17. Declarant. Shall mean The Residence at Nature Creek, LLC, a Florida limited liability company authorized to do business in Florida, and its successors, assigns and designees. No successor or assignee of Declarant shall have any rights or obligations of Declarant under this Declaration except to the extent of any such rights and obligations are specifically set forth in an instrument of or assignment, or unless such rights pass by operation of law.

Section 2.18. Director. Shall mean a member of the Board of Directors of the Association.

Section 2.19. Documents or Governing Documents. Shall mean in the aggregate the Plat, this Declaration, the exhibits, supplemental amendments, the Articles, the By-Laws, Rules and Regulations, Architectural Guidelines and all of the instruments and documents referred to therein.

Section 2.20 . Family Shall mean one natural person or a group of two or more natural persons, each of whom is related to each of the other by blood, marriage, or adoption (exclusive of household staff); or not more than two adult persons not so related, and the children of either or both of them, who reside together as a single not-for-profit housekeeping unit.

Section 2.21. Governmental Authorities. Shall mean all governmental authorities having jurisdiction over the properties and improvements constructed thereon including, but not limited to the City of Pensacola, Escambia County, Florida Department of Environmental Protection and Northwest Florida Water Management District.

Section 2.22. Guest shall mean any person who is physically present in or occupies a residential unit on a temporary basis at the invitation of an owner without the payment of consideration.

Section 2.23. "Home Business" shall mean a business that is conducted entirely within the confines of a home and is not open to the public and is otherwise allowed by applicable County ordinances.

Section 2.24. Home Owner or Owner. Shall mean any person who holds title to any Residence. Declarant is a Homeowner with respect to each Residence owned by the Declarant.

Section 2.25. "Institutional Mortgagee" Shall mean (a) any lending institution having a first mortgage lien upon a residential unit including any of the following institutions: a Federal or State Savings and Loan or Building and Loan Association, or bank or real estate investment trust, or mortgage banking company doing business in the State of Florida; or (b) any "Secondary Mortgage Market Institution" including the Federal National Mortgage Association, Government National Mortgage Association, Federal Home Loan Mortgage Corporation and such other secondary mortgage market institution as the board shall hereafter approve in writing which has acquired a first mortgage upon a Lot or Dwelling Unit; or (c) any pension or profit-sharing funds qualified under the Internal Revenue Code; or (d) any and all investing or lending institutions, their successors and assigns (herein referred to as the "Lenders") which has loaned money to Developer to acquire, or construct improvements upon, the Committed Property and which hold a mortgage upon any portion of the Committed Property securing such a loan.

Section 2.26. Lease shall mean the grant by an Owner, of a temporary right of use for a period of no less than six months of the owner's residential unit for a valuable consideration.

Section 2.27. Limited Common Elements Shall mean those portions of the common elements that are reserved for the use of certain residential units to the exclusion of the other

residential units with the exception of the Common Area.

Section 2.28. Member Shall mean a member of the Association. Each owner is a member.

Section 2.29. Mortgagor. Shall mean any institutional lender that holds a mortgage encumbering a residential unit.

Section 2.30. Neighborhood. Shall mean the subdivision project known as Residences at Nature Creek.

Section 2.31. "Operating Expenses" Shall mean the expenses for which Owners are liable to the Association as described in this Declaration and in any other of the Association Documents, and includes, but is not limited to, the costs and expenses incurred by the Association in administering, operating, reconstructing, maintaining, repairing and replacing the Corporation Property and the Common Area.

Section 2.32. Person means any natural person or artificial entity having legal capacity.

Section 2.33. Plat means the instrument titled Plat Of Residences at Nature Creek as recorded or to be recorded in the Public Records of the County and any instrument filed in the Public Records of the County supplementing, amending, or replatting the Plat.

Section 2.34. Property or Properties shall mean and refer to that certain real property hereinbefore described in Exhibit A, which shall include the residences and common areas, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 2.35. Residence or Residential Unit Undivided is a Townhome, the improvements attached thereto and the shares of the common elements appurtenances thereto.

Section 2.36. Residential Unit Number Shall mean the letter, number, or combination that is designated on the subdivision plat and used as the identification of a residential unit

Section 2.37. "Supplemental Declaration" Shall mean a document, filed in the County, supplementing or amending this declaration.

Section 2.38. "Subdivision" refers to Residences at Nature Creek the Plat of which is recorded in the Public Records of the County.

Section 2.39. "Turnover" refers to the point in time in which the control of the Association is transferred to the Class A Members, being three (3) months after 90% of the residences within all phases of the community that will ultimately be operated by the Association have been conveyed and made subject to the Declaration and have been conveyed to Members other than the Class B Member.

Section 2.40. Voting Interest. Shall mean the voting rights distributed to the Association members pursuant to the Article and Bylaws of the Association.

Section 2.41. Work. Shall mean the development of all or any portion of the real property as a subdivision including but not limited to construction of streets, sewers and buildings.

### ARTICLE III PROPERTY SUBJECT TO THIS DECLARATION

Section 3.1. Committed Property. The real property located in the County, which is particularly described in Exhibit A attached hereto shall be the real property initially submitted and subject to the use limitations, restrictions and other provisions, set forth in this Declaration.

Section 3.2. Additions to Committed Property. Developer may in its sole discretion commit any other property to the covenants, conditions and restrictions contained in this Declaration. Each commitment of Property to this Declaration shall be made by a supplement or

amendment to this Declaration, which shall include a legal description of the Property then becoming Committed Property. All additions to the Committed Property must be done within twenty-five years from the date that this declaration is recorded.

Section 3.3. Withdrawal of Property. Developer shall have the right, at any time, to withdraw from the scheme of this Declaration any Committed Property.

Section 3.4. Method for Additions and Withdrawals of Committed Property. The Declarant shall have the absolute right to make any additions or withdrawals authorized in Section 3.2 or 3.3 above by the filing of record of one or more supplemental declarations with respect to the added or withdrawn property. A supplemental declaration may contain such additions to or modifications of the provisions hereof applicable to any additional property as may be necessary to reflect the different character, if any, of the additional property that is the subject of the supplemental declaration including modifications in the basis of or amount of assessments. Such supplemental declaration shall become effective upon being recorded in the County Public Records.

#### ARTICLE IV PROPERTY & BUILDINGS

Section 4.1. Property. The Real Property which is subject to This Declaration is described in Exhibit A.

Section 4.2. Building. There will be 39 Buildings constructed on the Real Property containing a total of two hundred fourteen (214) townhome units as set forth in Exhibit C. The Development will be in two phases as follows:

Phase I – There will be a total of nineteen (19) buildings containing six (6) units each and six (6) buildings containing four (4) units each for a total of one hundred thirty eight (138) units.

Type A – 50 Units

Type B – 38 Units

Type C – 50 Units

Phase II – There will be a total of twelve (12) buildings containing six (6) units each and two buildings containing four (4) units each for a total of eighty (80) units.

Type A – 38 Units

Type B – 24 Units

Type C – 28 Units

Section 4.3 Phasing of Construction. It is anticipated that Blocks D and E will be constructed first. However, the developer reserves the right to alter the order of development, number of buildings and number of units that amending this declaration

Section 4.4 Floor Plans. There are 3 floorplans depicted in composite Exhibit "D" attached hereto.

Floor Plan A – 1758 square feet heated and cooled

Floor Plan B – 1596 square feet heated and cooled

Floor Plan C – 1512 square feet heated and cooled



Section 4.5 Filing Additional Plans on Completion. The declaration might be amended by filing such additional plans as may be required to adequately describe the completion of improvements. Such completion may be shown by a certificate of an architect engineer or surveyor certifying that the improvements have been constructed substantially as here in represented or designating any changes made. Such plans or certificate when signed and acknowledged by the developer shell in themselves constitute an amendment to the Streckel ration, notwithstanding the procedures for amendment that may be described elsewhere in the declaration.

Section 4.6. Alteration of Unit Plans. Alteration of plans develop a reserves the right to make whatever changes it deems necessary to the interior and exterior plans and drawings no such change shell increase the number of units nor alter boundaries of the common elements without amendment of the declaration. The amendment of the decoration reflecting such authorized alterations by the developer need be signed it knowledge only by the developer and did not require approval of homeowners , mortgagee's or the association

Section 4.7 Combining of Residential Units. Any units may be combined with the adjacent unit but only with the approval of the developer so long is that developer owns any residential unit. There after approval will be by the Board of Directors of the association

Section 4.8. Expansion of Neighborhood. Declarant has the right, acting in its sole discretion, but not the obligation, to expand the Neighborhood from time to time by adding additional land, or to change the number of Residences, Homes, and any residential amenities or other features of the Neighborhood.

Section 4.9. Non-Binding Plans. From time to time, Declarant and/or others may present to the public drawings, renderings, plans or models showing development of the Property. Declarant does not represent, warrant and/or guarantee that the development programs or features of any such drawings, renderings, plans and/or models will be carried out or how the improvements, if any, within the Property will actually be developed and/or built. Any such drawings, renderings, plans and/or models are conceptual in nature and do not represent a final development or improvement plan. Each Homeowner acknowledges, covenants and agrees that Declarant shall have no liability to any Homeowner or other party for any changes to, or failure to complete, any development and/or improvement in accordance with any drawings, renderings, plans and/or models. Each Homeowner further acknowledges that the development of the Property may extend over a number of years, and each Homeowner specifically and voluntarily agrees and consents to all changes in the following:

- 4.9.1 the Number of Units or Buildings to be constructed;
- 4.9.2 the architectural scheme of the Property, and/or
- 4.9.3 the architectural pattern of the Property.

Each Homeowner acknowledges and agrees that the Homeowner is not entitled to rely upon, and has not received and/or relied upon, any representations, warrantied and/or guarantees of any type or nature whatsoever as to the current future; design, construction, completion, development, use, benefits and/or value of land within the Property; number, types, sizes, prices and/or designs of any

Home, structure, building, facilities, amenities and/or improvements built or to be built in or on any portion of the Property; and or use or development of any land, real property, personal property, building, structure and/or improvement adjacent to or within the vicinity of the Property.

ARTICLE V  
RECREATIONAL AND COMMONLY USED FACILITIES

It is anticipated that the Developer will provide the following recreational facilities and commonly used facilities as part of Phase II. HOWEVER THE DEVELOPER RESERVES THE RIGHT TO MODIFY THESE FACILITIES OR NOT CONSTRUCT THEM AT ALL.

The common area will include a clubhouse, swimming pool, tree, bush, and grass landscaping and a fence as common elements.

Section 5.1 Clubhouse. Will be a one story building with offices, reception desk and lifestyle center with large screen TV's and fireplace's, and exercise room and full kitchen. There will be a men and ladies restroom in the Clubhouse that will also serve the swimming pool, consisting of a total of 4900 square feet.

Section 5.2 Pool Area. The approximate measurements of the swimming pool are 28x60.

Section 5.3 Pool Deck. Approximately 4200 Square Feet

Section 5.4 Covered Veranda. Approximately 750 Square Feet

Section 5.5 Entry Gate. Entry to the Community will be by an automatic gate.

Section 5.6 Additional Amenities. Fenced in dog park and children's playground.

ARTICLE VI  
LAND USE CLASSIFICATIONS AND RESTRICTIONS  
OF COMMITTED PROPERTY

The following provisions shall be applicable to the Committed Property which is conveyed subject to the terms of this Declaration:

Section 6.1. Residential Property. Residential Property is that portion of the Committed Property upon which Residences may be constructed and shall be for "Residential Use" only. Except for facilities related to construction, development, sales and rental activities permitted on Residential Property as hereinafter set forth, "Residential use" shall include only Residential Units and improvements associated with residential purposes including but not limited to streets, drives, driveways, parking spaces, lawn areas and other amenities as an appurtenance to Residences. No commercial or business occupations may be conducted on Residential Property except for the construction, development, and sale of Residential Property, and except for direct accessory services to Residential Property such as utilities, Residential Unit maintenance, or other such services.

Section 6.2. Common Areas. Common Areas are those portions of the Committed Property designated as, or dedicated for use as "Common Area" in this Declaration, or a plat and shall only be used for "Common purposes". "Common Purposes" includes parks, lakes, retention ponds, fence, green areas, open spaces, facilities intended for use for recreational or

social purposes and amenities associated therewith including but not limited to streets, driveways and parking facilities.

Section 6.3. Association Property. All of the Association Property shall be owned and held by the Association, subject to the terms and provisions of the conveyance thereof and subject to the provisions of this Declaration. The costs of administering, operating, maintaining, repairing, replacing and reconstructing the Association Property, and any improvements to be maintained thereon, shall be part of the Operating Expenses.

Section 6.4. Developer's Right of Use. Notwithstanding anything to the contrary contained in this Declaration, Developer hereby reserves for itself, the right to the use of all Common Areas and all other Committed Property in conjunction with its program of sale, leasing, constructing and developing of the Community without any cost to Developer, its successors and assigns, for such rights and privileges. For purposes of this section, the term "Developer" shall include any Institutional Mortgagee that acquires title to any Committed Property as the result of the foreclosure of any mortgage encumbering Committed Property or by deed in lieu of foreclosure. The rights and privileges of Developer herein set forth, shall terminate upon Developer no longer owning any Committed Property or upon such earlier date as Developer shall notify the Association in writing of Developer's election to relinquish the aforesaid rights and privileges of use.

Section 6.5. Disputes as to Use. In the event there is any dispute as to whether the use of Committed Property complies with the covenants and restrictions contained in this Declaration, or any applicable plat, such dispute shall be referred to the Board of the Association, and a determination rendered by the Board shall be final and binding on all parties concerned. However, any use by Developer of Committed Property in accordance with "Developer's Right Of Use" authorized herein shall be deemed a use which complies with this Declaration and all supplemental Declarations and Plats and shall not be subject to a determination to the contrary by the Board.

## ARTICLE VII EASEMENTS

The following nonexclusive easements are created by and granted from the Developer to the Association; each Homeowner, their families, guests and invitees, employees, agents, and hired contractors; utility companies; and to governmental and emergency services, as applicable.

Section 7.1. Access Easement. An easement for vehicular and pedestrian access is hereby reserved over and across all private roadways in the Subdivision for the benefit of the Association, all Owners, and all tenants and guests of all Owners (the "Access Easement"). The Association shall have the right to promulgate rules and regulations for the use of the Access Easement. The maintenance and repair of the road surface that constitutes the Access Easement shall be performed by the Association. The Association shall have the right, but not the obligation, to construct, install, maintain and repair a controlled access gate at the entrance to the Subdivision (a "Gate"). In the event the Association elects to construct, install, maintain and repair a Gate, the Association shall, subject to any rules and regulations adopted by the Association therefor, provide all Owners with an access code, gate key or some other method of obtaining access through the Gate when it is closed.

Section 7.2. Construction; Maintenance. The Developer (including its designees, contractors, successors and assigns) shall have the right, in its sole discretion, to enter the Property and take any other action necessary or convenient for the purpose of completing the

construction thereof, or any part thereof, or any Improvements located or to be located thereon, and for repair, replacement and maintenance purposes where the Association fails to do so, or for any other purpose, provided such activity does not prevent or unreasonably interfere, in the opinion of the Developer, with the use or enjoyment of the Property.

Section 7.3. Utility and Other Services; Drainage Easements are reserved under, through and over the Property as may be required from time to time for utility, cable TV and other services and drainage in order to serve the Residential Units and Common Areas. A Homeowner shall do nothing within or outside of his Residence that interferes with or impairs, or may interfere with or impair, the provision of such utility or other services or drainage facilities or the use of these easements. The Board of Directors of the Association or its designee shall have a right of access to each Residential Unit to inspect the same, to maintain, repair or replace the pipes, wires, ducts, vents, cables, conduits and other utility, service and drainage facilities, and Common Elements contained in a Residential Unit or elsewhere in the common area, and to remove any Improvements interfering with or impairing such facilities or easement herein reserved; provided such right of access, except in the event of an emergency, shall not unreasonably interfere with the Homeowner's permitted use, and except in the event of an emergency, entry shall be made on not less than one (1) days' notice. Drainage systems on the Homeowners Property, if any, shall be maintained continuously in good condition by the Association and easements are granted hereby over all Residential Units in favor of all Homeowners and the Association with respect thereto. No Residence shall be served with an overhead electrical or communications service, and no Owner shall erect power poles for such service; provided, however, that nothing herein shall be construed to prohibit overhead street lighting or ornamental yard lighting provided that such lighting is constructed in accordance with the terms and conditions thereof.

Section 7.4 Encroachments. If (a) any portion of the Common Elements encroaches upon any Residential Unit; (b) any Unit encroaches upon any other Unit or upon any portion of the Common Elements; or (c) any encroachment shall hereafter occur as a result of (i) construction of the Improvements, (ii) settling or shifting of the Improvements, (iii) any alteration or repair to the Common Areas made by or with the consent of the Association, or (iv) any repair or restoration of the Improvements (or any portion thereof) or any Residential Unit after damage by fire or other casualty or any taking by condemnation or eminent domain proceedings of all or any portion of any Residential Unit or the Common Areas, then, in any such event, a valid easement shall exist for such encroachment and for the maintenance of the same so long as the Improvements shall stand.

Section 7.5. Public Services. Access to both the Common Areas and the residential units for lawfully performed emergency, regulatory, law enforcement, and other public services.

Section 7.6. Sales Activity. For as long as there are any unsold Residential Units, the Developer, its designees, successors and assigns, shall have the right to use any such Residential Units and parts of the Common Elements for models and sales offices, to show to prospective purchasers and tenants, to erect on the Property signs and other promotional material to advertise Residential Units for sale or lease and for any other similar purpose, the Developer deems appropriate in its opinion.

Section 7.7. Additional Easements. The Developer (so long as it owns any Residential Units) and the Association, on its behalf and on behalf of all Homeowners (each of whom hereby appoints the Association irrevocably as their attorney-in- fact for this purpose), shall have the right to grant such additional electric, drainage, gas, cable TV or other utility or service easements, or relocate any existing utility or service easements or drainage facilities (subject to

applicable restrictions), in any portion of the Property, and to grant access easements or relocate any existing access easements in any portion of the Property, as the Developer or the Association shall deem necessary or desirable for the proper operation and maintenance of the Improvements, or any portion hereof, or for the general health or welfare of the Homeowners, or for the purpose of carrying out any provision of this Declaration or otherwise, provided that such easements or the relocation of existing easements will not prevent or unreasonably interfere with the reasonable use of the Units for dwelling purposes.

Section 7.8. Boundary Wall Easements. An easement is hereby reserved to Declarant and granted to the Association for the purpose of engineering, designing, constructing and maintaining any boundary wall that may be constructed by Declarant or the Association, which boundary wall shall be solely maintained by the Association and the costs for which shall constitute a Common Expense. If and when a boundary wall has been constructed, the location of the easement with regard thereto shall be where the boundary wall exists and such area adjacent to the boundary wall necessary for ingress and egress and to construct and maintain such wall. The blanket easement hereby granted shall not interfere with the provisions for access to Homes by curb cuts, driveways and the like.

Section 7.9 Easement for Party Walls. All dividing walls which straddle the boundary line between Lots and the Homes constructed thereon and which stand partly upon one Lot and partly upon another, and all walls which serve two or more Lots or the Homes constructed thereon, shall at all times be considered "Party Walls" and each of the Homeowners of Lots within which such Party Walls shall stand, serve or benefit shall have the right to use said Party Wall below and above the surface of the ground and along the whole length thereof for support of the permitted improvements located within said Lots, and for the support of any Home, constructed to replace the same, and shall have the right to maintain in or on said wall, any pipes, ducts or conduits originally located therein or thereon subject to the following restrictions:

- (a) No Homeowner nor any successor in interest to any such Homeowner shall have the right to extend said Party Wall in any manner, either in length, height or thickness.
- (b) In the event of damage or destruction by fire or other casualty of any Party Wall including the foundation thereof, the Homeowner of any Lot upon which said Party Wall may rest shall have the obligation to repair or build such wall and the Homeowner of each Lot upon which such Party Wall shall rest, be served or be benefited by shall pay his allocated portion of the cost of such repair or rebuilding. All such repair or rebuilding shall be done within a reasonable time, and in such workmanlike manner with materials comparable to those used in the original Party Wall, and shall conform in all respects to the laws or ordinances regulating the construction of buildings in force at the time of such repair or reconstruction. Whenever any such Party Wall or any portion thereof shall be rebuilt, it shall be erected in the same location and on the same line and be of the same size as the original Party Wall.
- (c) The foregoing provision of this Section 6.9 notwithstanding, the Homeowner of any Lot, or other interested party, shall retain the right to receive a larger contribution from another or others under any rule or law regarding liability for negligent or willful acts or omissions. The right of any Homeowner, or other

interest party, to contribution from any other Homeowner under this Section 6.9 shall be appurtenant to the land and shall pass to such Homeowner's or other person's successors in title.

Section 7.10. Cross Easement. The title held by each Homeowner to the portion of each Party Wall within such Homeowner's Residence is subject to a cross easement in favor of the adjoining Homeowner for joint use of said Party Wall.

Section 7.11. General Access Easement in Favor of the Association. Easements over, under, across and through each Residence and the Common Properties are hereby expressly granted to the Association for the purpose of making any repairs or performing any maintenance provided or required by the Declaration, regardless of whether such repairs or maintenance directly benefits the Residence upon which they are performed.

Section 7.12. Easement for Encroachments; Right of Entry. Each Residence and the Common Property are hereby subjected to a permanent easement appurtenant to any adjoining Residence to permit the use, construction, existence, maintenance, repair and restoration of adjoining structures, including but not limited to, driveways, walkways and roof structures which overhang and encroach upon servient Residence or Common Property, if any, provided that such structures were constructed by Declarant or the construction of such structure is permitted and approved as elsewhere provided. The owner of the dominant tenement shall have the right, at all reasonable times, to enter the easement area in order to make full use of such structure for its intended purposes and to maintain, repair and restore any improvements located on the dominant tenement; provided, however, that any such entry made for purposes of maintenance, restoration or repair shall be limited to daylight hours and shall only be made with the prior knowledge of the owner of the servient tenement. In case of an emergency, the right of entry for maintenance, restoration or repair shall be immediate, not restricted as to time, and not be conditioned upon prior knowledge of the owner of the servient tenement. The owner of the servient tenement shall not place any improvement, material or obstacle in or over the easement area on the servient tenement which would unreasonably interfere with the rights of the owner of the dominant tenement granted by this paragraph. Any such improvement, material or obstacle shall be promptly removed by the owner of the servient tenement at that owner's expense when requested by the owner of the dominant tenement of Declarant notwithstanding any lapse in time since such improvement, material or other obstacle was placed in or over the easement area.

Section 7.13. Drainage Easement. Drainage easements have been declared and reserved as shown on and created by the Plat and as described herein. Each Homeowner of any Residence encumbered by a drainage easement upon which a drainage berm and/or swale is located shall be solely responsible for the repair, replacement and maintenance of such drainage berm and/or swale. Alteration, obstruction, modification, removal and/or change of any kind to any drainage swale, drainage berm or drainage control facilities and/or structures is expressly prohibited. In the event any Homeowner fails to repair, replace and maintain any drainage swales and/or drainage berms, and/or alters or obstructs any piping, drainage swales, drainage berms, facilities and/or structures, the Association may repair, replace and maintain such drainage swales, drainage berms, facilities and structures and assess such Homeowners as a Specific Assessment for the costs and expenses incurred in order to accomplish the foregoing. Each Homeowner hereby grants an easement and license to Declarant and the

Association over, upon, under, through and across such Homeowner's Residence in order to facilitate and accomplish the foregoing. Further, no Homeowner shall place, erect, install and/or construct any improvements of any kind or otherwise permit anything to occur within any drainage easement area which would affect said drainage easement of any swale, berm, pipe or drainage control facility or structure located therein or thereon, or prohibit or restrict the flow of stormwaters, unless in the event of construction of any improvements, such improvements have been approved by the County, and/or the Association. Notwithstanding any provision herein to the contrary, all drainage lines, pipes and facilities contained within and under a Residence (whether or not contained within a dedicated drainage easement as depicted on the Plat) shall be maintained by the Association. All drainage easement areas shall remain accessible at all times to the Association .

Section 7.14. Easements for Public Authorities and Utilities. Each Residence and the Common Area shall be subject to easements for public authorities and public utilities purposes (including, but not limited to, fire and police protection, garbage and trash removal, telephone and cable television and other communication services, water and sewage systems, and electric and gas services), and the utilities and applicable governmental agencies having jurisdiction over such services and their employees and agents shall have the right of access to any Residence or the Common Area in furtherance of such easements. The easement areas contained in any Residence, whether or not shown on any map or plat, shall at all times be properly maintained by the applicable Owner whether or not the utility company or governmental agency properly maintains the easement area.

Section 7.15. Reservations to Developer of Easements For Ingress and Egress. Developer retains for itself, its successors in interest, agents, employees, any Builder, and assigns, a nonexclusive easement for ingress and egress over and across all streets, roadways, Common Area, driveways, common parking areas, and walkways that may from time to time exist within the Committed Properties.

Section 7.16. Utility Easements. The Developer hereby reserves a blanket easement for the benefit of the Developer or its designees, upon, across, over, through, and under any portion of the Committed Property for ingress, egress, installation, replacement, repair, and maintenance of all utility and service lines and service systems, public and private.

Section 7.17. Developer's Easement to Correct Drainage. Developer hereby reserves a blanket easement and right on, over and under the ground within the Committed Property to maintain and to correct drainage of surface water and other erosion controls in order to maintain reasonable standards of health, safety and appearance.

Section 7.18. Easement for Unintentional Encroachment. The Developer hereby reserves an exclusive easement for the unintentional and non-negligent encroachment by any Residence caused by or resulting from construction, reconstruction, repair, shifting, settlement or movement of any portion of the Committed Property, which exclusive easement shall exist at an easement appurtenant to the encroaching property, to the extent of such encroachment.

Section 7.19. Developer Right to Grant Additional Easements. The Developer reserves the right, for itself and its designees (so long as Developer or said designees own a Residence) and for the Board of Directors of the Association, without the joinder or consent of any Owner, whatsoever, to grant such-additional easements, including, but not limited to, irrigation wells and pumps, cable television, television antennas, electric, gas, water, sewer, or other utility easements, or to relocate any existing utility easement in any portion of the Properties as the Developer, its designee, or the said Board of Directors shall deem necessary or desirable for the proper operation and maintenance of the Community, or any portion thereof, or for the general health or welfare of the Residence, provided that such additional utilities or the relocation of existing utilities will not prevent or interfere with the use of the Residence or

Common Area for permitted purposes.

Section 7.20. No Obstruction of Easements. No fences or other structures shall be installed in the Public Drainage/Access Easements. These Easements shall be accessible at all times.

Section 7.21. Future Development Easements. The Developer, for itself and its successors and assigns, reserves easements over the property as necessary to complete future development, if any, including construction access and utilities.

Section 7.22. Easement for Marketing and Sale of Homes. In addition to the rights reserved elsewhere herein, Declarant reserves an easement for itself or its nominees over, upon, across and under the Property to promote or otherwise facilitate the sale and/or leasing of Homes and other lands designated by Declarant. Without limiting the foregoing, Declarant specifically reserves the right to use all paved roads and rights of way within the Property for vehicular and pedestrian ingress and egress within the Property. Declarant has the right to use all portions of the Property in connection with its marketing and sales activities, including, without limitation, allowing members of the general public to inspect model homes, installing signs and displays, holding promotional parties and picnics, and using the Property for every other type of promotional sales activity that may be employed in the marketing of new and used residential homes and units owned by the Declarant. The easements created by the Section 7.22, and the rights reserved herein in favor of the Declarant, shall be construed as broadly as possible and supplement the rights of Declarant set forth herein. At no time shall Declarant incur any expense whatsoever in connection with its use and enjoyment of such rights and easements.

#### ARTICLE VIII PROVISIONS RELATING TO USE OF COMMON AREA

Section 8.1. Owners' Easements Over Common Area. Every Owner shall have a right and non-exclusive easement to enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Residence, subject to the following provisions:

- A. the right of the Association from time to time in accordance with its Bylaws to establish, modify, amend, and rescind reasonable rules and regulations regarding use of the Common Area;
- B. the right of the Association to suspend the voting rights of, and right to use the Common Area by, an Owner for any period during which any assessment levied under this Declaration against the Owner's Residence, remains unpaid for a period in excess of ninety (90) days and suspend such rights for a period not to exceed sixty (60) days for any infraction of its published rules and regulations;
- C. the right of the Association to suspend, for a reasonable period of time, not to exceed 60 days, the rights of an Owner and an Owner's tenants, guests, or invitees, to use common areas and facilities and to levy reasonable fines, not to exceed \$100 per violation, against any member or any Owner, guest, or invitee; for any violation of its published rules and regulations; provided, however, that a fine or suspension may not be imposed without notice of at least 14 days to the person sought to be fined or suspended, and an opportunity for a hearing before a committee of at least three 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; and provided further that a fine may be levied on the basis of each day of a continuing violation, with a single notice and opportunity for hearing, except that no such fine shall exceed \$10,000 in the aggregate;



D. the right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility as provided by its Articles;

E. the right of the Association to grant easements as to the Common Area or any part thereof as provided by its Articles;

F. the right of the Association to otherwise deal with the Common Area as provided by its Articles;

G. the right of the Association to release or convey its rights to any part of the Common Area, whether or not deeded to the Association, to the Developer or any Owner to facilitate development of residential dwellings so long as the release or conveyance does not substantially, materially, and adversely affect the function and use of the remaining Common Area;

H. the right of the Developer to transfer or dedicate any portion of the Common Area to the governmental agency having jurisdiction thereof;

I. the right of the Developer and its designees to use Common Area parking areas for parking by its employees and invitees; and

J. the right of the Association to adopt reasonable rules and regulations relating to the sale or lease of an owner's Residence including the right to charge a fee reasonably related to the administrative cost of maintaining Association records.

Section 8.2. Owners Easement for Ingress & Egress. If ingress or egress for any resident is through the common area, any conveyance or encumbrances of such area is subject to the Owner's easement for reasonable use through such common area conveyed.

Section 8.3. Delegation of Use. Any Owner may delegate, in accordance with the Bylaws, all or part of such Owner's right of enjoyment of the Common Area to such Owner's tenants who resides at or in the Residence provided the Owner waives such Owner's use in writing.

Section 8.4. Prohibition of Certain Activities. No damage to, or waste of, the Common Area or any part thereof shall be committed by any Owner or any tenant or invitee of any Owner. No noxious, destructive, or offensive activity shall be permitted on or in the Common Area or any part thereof, nor shall anything be done thereon or therein which may be or may become an unreasonable annoyance or nuisance to any other Owner. No Owner may maintain, treat, landscape, sod, place, or erect any improvement or structure of any kind of any Common Area without the prior approval of the Board of Directors.

Section 8.5. Signs Prohibited. No sign of any kind shall be displayed in or on the Common Area without the prior written consent of the Association. This section, however, shall not apply to the Developer or to the Association or to those actively constructing residences within the Committed Properties for sale to others.

Section 8.6. Animals. No animals shall be permitted on or in the Common Area at any time except as may be provided in this declaration, the rules and regulations of the Association or by applicable law.

Section 8.7. Rules and Regulations. No Owner or other permitted user shall violate the reasonable rules and regulations promulgated for the use of the Common Area, as the same are from time to time adopted or amended or both by the Association.

Section 8.8. Title to Common Area. No later than the time that the Developer no longer exercises voting control over the Association, as provided in this Declaration, continuously for a period of one (1) year, the Developer shall convey, and the Association shall accept, title to any Common Area subject to such easements, reservations, conditions, and restrictions as may then be of record. Developer may convey, and the Association shall accept, title at any time prior to the time referred to in this Section, at Developer's option and sole discretion; it is understood and agreed however, that until Developer transfers any such Common Areas to the Association and upon completion of the anticipated improvements upon any Common Area, the equitable title thereto (or equitable easement) shall pass to the

Association for purposes of taxation, assessment and other governmental regulation affecting same.

Section 8.9. Security Gates. The Developer shall have the right, but not the obligation, to establish security gates on any road right of way over or on any of the Common area, and require persons using the road to present appropriate identification, key, card, or other item in order to pass through the gate.

ARTICLE IX  
PROPERTY RIGHTS

Section 9.1. Exclusive Use. Each residential unit owner will have the exclusive use of such unit.

Section 9.2. Ownership of the Common Elements. The common elements will be owned by each unit owner in undivided share. Such undivided shares are stated as fractions and are based on the total square footage of each residential unit in uniform relationship to the total square footage of all of the residential units in the Development.

Section 9.3. Limited Common Elements. Means those common elements, the exclusive use of which may be reserved to a certain residential unit to the exclusion of other residential units.

9.3.1 Such elements include porches, balconies, patios, access sidewalks, concrete stairs, exterior doors, open terrace(s), deck(s), unit amenities, mechanical rooms serving only one unit, lawns, landscaping and other items exterior to the unit and serving only one unit, and shall be maintained by the Association.

ARTICLE X  
ADDITION & ALTERATION OF COMMON ELEMENTS

Section 10.1. Material Alterations and Additions. Except for changes made by an owner with Association approval, material alterations of, or substantial additions to, the common elements or to Association property, including purchase, acquisition, sale, conveyance, or mortgaging of such property, may be effectuated only by vote of 67% of the voting interests of the Association at a meeting called for that purpose.

Section 10.2. Owner Alteration of Common Elements Restricted. No residential unit owner may make any alterations, add to, or remove any part of the portions of the improvements that are to be maintained by the Association including but not limited to lawns, landscaping or exterior of buildings, without the prior written approval of the Board of Directors. The Board has authority to approve, disapprove, or require modification to the proposed work. The Board's decision will be final. The owner must obtain all necessary approval and permits from applicable government entities. The Association may require approval from engineers or other professional as a prerequisite. The entire expense must be borne by the owner, including any subsequent maintenance and restoration. No owner will do any work that would jeopardize the safety or soundness of a party wall or impair any easements. If approved by the Board tow residential units owned by the same owner that are adjacent, horizontally, may be joined.

ARTICLE XI  
MAINTENANCE BY ASSOCIATION

The Association shall be responsible for the protection, maintenance, repair, and replacement of all common elements and Association property. The cost is a common expense. The association's responsibilities include without limitation the maintenance, repair and replacement of:

11.1 Electrical

10.1.1 Electrical wiring up to the circuit breaker panel in each unit.

11.2 Water Pipes

10.2.1 Water pipes, up to the individual residential unit cut-off valve within the unit.

11.3 Cable

10.3.1 Cable television lines up to the wall outlets in the units.

11.4 Sewer

11.4.1 Sewer lines, up to the point where they enter the unit.

11.5

11.5.1 All installations, fixtures, and equipment located within one residential unit but serving another unit, or located outside the unit, for the furnishing of utilities to more than one residential unit or the common elements.

11.6 Doors

11.6.1 The exterior surface of the main entrance doors to the units and to the exterior surface of the garage doors.

11.7 Exterior Maintenance

11.7.1 In addition to maintenance upon the common area, the Association shall provide exterior maintenance upon each residential unit hereunder as follows: Exterior paint, repair, waterproof, caulking, replacement and care of roofs, gutters, downspouts, painting exterior doors, exterior building surfaces, painting garage doors, landscaping, sprinkler systems, trees, shrubs, grass, walks, and other exterior improvements. Such exterior maintenance shall not include glass surfaces. In the event that the need for maintenance or repair of a residential unit or the improvements thereon is caused through the willful negligent acts of its Owner the Owner's family, guests or invites of the Owner of a residential unit needing exterior maintenance or repair, the cost of such exterior maintenance shall be added to and become a part of the assessment of which such residential unit is subject.

11.8 Pest Control. The Association shall supply pest control services for the inside of each residential unit, with the cost thereof being part of the common expenses.

The Association's responsibility does not include exterior air conditioning compressors of residential units, interior wall switches or receptacles, plumbing fixtures, or other electrical, plumbing, or mechanical installations located within a residential unit and serving only that residential unit. All incidental damage caused to a residential unit or limited common element by work performed or ordered to be performed by the Association shall be repaired promptly by

and at the expense of the Association, which shall restore the property as nearly as practicable to its condition before the damage, and the cost shall be a common expense except the Association shall not be responsible for the damage, to any alteration or addition to the common elements made by a residential unit owner or his or her predecessor in title or for damage to paint, wallpaper, paneling, flooring, or carpet which, of necessity, must be cut or removed to gain access to work areas located behind it.

#### 11.9 Landscaping

11.9.1 Landscaping, sprinklers, trees, walls, gates, walk, excluding grass surfaces.

11.10 Required Retention Pond Maintenance. In accordance with the standards set forth by the NFWMD and Escambia County, the proposed stormwater system shall be operated and maintained as defined below.

11.10.1 Grassed areas of the retention system shall be fertilized only as needed to maintain vegetation and shall be mowed monthly during the spring and summer in order to be kept at a manageable length as required for system functionality, maintenance and safety.

11.10.2 Any bare spots found within basin, including on the side slopes, that are greater than three (3) square feet, shall be re-sodded.

11.10.3 The ponds are designed to function as "dry" ponds. Percolation performance shall be evaluated within the pond one (1) year after beginning operation and a minimum of once every five (5) years thereafter. The pond should percolate dry within 72 hours of the end of a rainfall event. If there is evidence of inadequate percolation, the pond bottom must be re-scarified or deep-raked to restore percolation characteristics. If re-working the pond bottom fails to restore adequate percolation, additional detention area restoration shall be performed as follows:

11.10.3.1 Remove top lay of the detention area bottom material to a depth of 2 to 3 inches and scarify or deep-rake the excavated bottom.

11.10.3.2 Replace excavated bottom material with a suitably permeable material and restore the pond bottom to design grade. Sod accordingly.

11.10.4 Inspect the retention area periodically for accumulation of debris and trash and remove same as required.

11.10.5 The stormwater system shall be inspected periodically for silt accumulation. Accumulations of silt that negatively affect the function of the system shall be removed.

11.10.6 Side banks of the constructed pond shall be inspected to assure of no erosion.

11.10.7 Verify that erosion is controlled and soil is stabilized to prevent sediment discharge to waters of the state.

11.10.8 Install a temporary 6 to 1 access ramp to access desilt or perform major maintenance then remove said ramp, re-stabilize the pond banks and establish pond bottom elevation.

ARTICLE XII  
Residential Unit Owner Responsibilities

Section 12.1 Balconies, Patios, and Porches. Where a residential unit includes a balcony, patio, or porch area, the residential unit owner shall be responsible for the day-to-day cleaning and care of the walls, floor, and ceiling bounding that area, if any; all fixed glass and sliding glass doors in portions of the entranceway to said area, if any; the wiring, electrical outlets(s), and fixture(s) thereon, if any; and the replacement of light bulbs. The Association is responsible for the maintenance, repair, and replacement of all exterior walls of the building and the concrete slabs. The residential unit owner shall be responsible for the day-to-day cleaning and care, but all painting and maintenance of the exterior surfaces and structures of the building shall be the responsibility of the Association and shall be a common expense.

Section 12.2 Sound Transmission. Each residential unit owner, by acceptance of a deed hereby acknowledges and agrees that sound and impact noise transmission is very difficult to control and that noises from adjoining or nearby residential units and/or mechanical equipment can be heard in another residential unit. The Developer does not make any representation or warranty as to the level of sound or impact noise transmission between and among residential units and the other portions of the property, and each residential unit owner hereby waives and expressly releases, to the extent not prohibited by applicable law as of the date of this Declaration, any such warranty and claims for loss or damages resulting from sound or impact noise transmission.

Section 12.3 Window Coverings. The covering and appearance of the windows and doors, whether by draperies, shades, reflective film, or other items, whether installed within or outside of the residential unit, visible from the exterior of the residential unit, shall be subject to the rules and regulations of the Association.

Section 12.4 Modifications and Alterations or Neglect. If a residential unit owner makes any modifications, installations, or additions to the residential unit or the common elements or neglects to maintain, repair, and replace as required by this Section, the residential unit owner, and the owner's successors in title, shall be financially responsible for:

12.4.1 Insurance, maintenance, repair, and replacement of the modifications, installations, or additions;

12.4.2 The costs of repairing any damage to the common elements or other residential units resulting from the existence of such modifications, installations, or additions; and

12.4.3 The costs of removing and replacing or reinstalling such modifications if their removal by the Association becomes necessary in order to maintain, repair, or protect other parts of the common area for which the Association is responsible.

Section 12.5 Use of Licensed and Insured Contractors. Whenever a residential unit owner contracts for maintenance, repair, replacement, alteration, addition, or improvement of any portion of the residential unit, whether with or without Association approval, such owner shall be deemed to have warranted the Association and its members that the owner's contractor(s) are properly licensed and fully insured, and that the owner will be financially responsible for any resulting damage to persons or property not paid by the contractor's

insurance.

ARTICLE XIII  
MEMBERSHIP AND VOTING RIGHTS

The Declarant will control the Association during the development stage. Thereafter, the Owners will be responsible for the continuation of the Association.

Section 13.1 Membership. Every owner of a residential unit which is subject to assessment shall be a member of the Association and shall have one full indivisible vote on all matters. Membership shall be appurtenant to and may not be separated from the ownership of any residential unit.

Section 13.2. The Association shall have two classes of voting membership.

13.2.1 Class A. Class A members shall be all Homeowners with the exception of the Declarant and shall be entitled to one vote for each residential unit owned. When more than one person holds an interest in any residential unit, all such persons shall be members, however the number of votes for that residential unit shall not be increased. The vote for such residential unit shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any residential unit. Corporations, partnerships, and other entities must notify the Association of the natural person who will be considered a Member of the Association and be entitled to exercise its vote.

13.2.2 Class B. The Class B member shall be the Declarant and shall be entitled to ten (10) votes for each residential unit owned.

13.2.3 Transition of Association control from Developer to Members. Transition of control to the Members shall be governed by F.S. 720.307 as it may be amended from time to time, which provides in part.

13.2.4 Members other than the Developer are entitled to elect at least a majority of the members of the Board of Directors of the Homeowners' Association when the earlier of the following events occurs:

13.2.4.1 Three months after 90 percent of the residential units in all phases of the community have been conveyed to the members;

13.2.4.2 Such other percentage of the residences has been conveyed to members, or such other date or event has occurred as set forth in the governing documents in order to comply with the requirements of any governmentally chartered entity with regard to the mortgage financing of residences;

13.2.4.3 Upon the developer abandoning or deserting its responsibility.

13.2.4.4 Upon the developer 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; or

13.2.4.5 Upon a receiver for the developer 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 its members.

ARTICLE XIV  
OPERATION OF ASSOCIATION AND BOARD

The administration of the Association shall be by the Board of Directors. The Association must operate in accordance with Chapters 617 (Corporation Not for Profit) and 720 (Homeowners Associations) of the Florida Statutes, as amended from time to time. Most day-to-day decisions about the maintenance of the Common Property and enforcement of the Declaration are the responsibility of the Board, acting on the Members' behalf. For those decisions requiring Members' approval, the annual meeting provides a public opportunity for discussion

Section 14.1 Annual Meeting. Annual Meetings of members are governed by F.S. 720. When called An Annual Meeting will be called every year for the election to the Board of the class of directors whose term then expires and for other business requiring approval of the Members. The meeting date shall be as determined by the Articles and Bylaws.

14.1.1 Quorum. Voting at an annual meeting requires the presence of (i) Members (in person or by proxy) representing 20% of votes, and (ii) Declarant or its representative so long as Declarant owns at least one residential unit.

14.1.2 Notices. Notice of the annual meeting may be given by (i) mailing a notice to each Member at the last address furnished to the Association (ii) delivering notices to the Member's dwellings or Residential Units, or (iii) posting conspicuous notices for the meeting in the Common Area or Entry Gate. Notice should be given at least 48 hours before the annual meeting.

14.1.3 Record Keeping. The Board shall keep, or cause to be kept, a record of all meetings, both of the Board and the Association. For each action taken, the record must state the vote and description of the action approved, and, if applicable, the reasons why the action was considered necessary and a summary of the information on which the decision was based. The record must be available for inspection by any Member, except for records of closed meetings of the Board. Officers may be elected by the Board by secret ballot. The Association shall maintain such items, as are designated official records in accordance with Chapter 720, Florida Statutes, for the time period designated with inspection and copying for members as prescribed therein.

ARTICLE XV  
ASSOCIATION BUDGET

The Board will be responsible for the fiscal management of the Association. The Association shall prepare an annual budget that sets out the annual operating expenses. The budget must reflect the estimated revenues and expenses for that year and the estimated surplus or deficit as of the end of the current year. The budget must set out separately all fees or charges paid for by the association for recreational amenities, whether owned by the association, the developer, or another person. The association shall provide each member with a copy of the annual budget or a written notice that a copy of the budget is available upon

request at no charge to the member.

Section 15.1 Fiscal Year. The fiscal year of the Association will begin January 1 of each year and end on December 31 of that year. The Board may elect another fiscal year. The Board must prepare an annual Budget.

Section 15.2 Budget. A copy of the budget must be provided to each Member or a notice must be given to the Members that a copy of the budget is available upon request and without charge. The annual budget will estimate total expenses to be incurred by the Association in carrying out responsibilities. The budget must include:

15.2.1 The cost of wages, materials, insurance premiums, services, supplies, and other expenses for the rendering of all services required or permitted under this Declaration;

15.2.2 Reasonable amounts, as determined by the Board, for working capital for the Association and for reserves;

15.2.3 Fees for professional management of the Association (which may include Declarant), legal counsel, and accounting;

15.2.4 Taxes, if the Common Property is taxed separately from the Residential Units;

15.2.5 An itemized list of all fees or charges for recreational amenities; and

15.2.6 An estimate of revenues from the General Assessment.

Section 15.3 Reserves. The Association shall accumulate and maintain adequate reserves for working capital, contingencies, and replacements, to be included in the annual budget and collected as part of the annual General Assessment. This shall not occur until the termination of Declarant's guarantee described in Paragraph 11.2 of this document. Extraordinary expenses not originally included in the annual budget will be charged first against such reserves. Except in the event of an emergency, reserves accumulated for one purpose may not be expended for any other purpose. If there is an excess of reserves at the end of a fiscal year, such excess may be used to reduce the following year's assessments.

Section 15.4 Preparation and Approval of Annual Budget.

15.4.1 Initial Budget. Declarant will prepare the first annual budget. Any reserves established by the Declarant must designate the components for which the reserve accounts may be used.

15.4.2 Subsequent Years. Budgets other than the initial budget will be prepared at the direction of the Board at least one month before the end of the fiscal year. The budget and the annual General Assessment must be adopted by a majority of the Board.

Section 15.5 Effect of Failure to Prepare or Adopt Budget. The Board's failure or delay in preparing or adopting the annual budget for any fiscal year will not waive or release a Member's obligation to pay General Assessments, whenever the amount of such assessments is finally determined. In the absence of an annual Association budget, each Member shall continue to pay the assessment at the rate established for the previous fiscal period until notified otherwise.

Section 15.6 Financial Reporting. The Board shall prepare an annual financial report for the Association within 90 days of the close of the fiscal year and provide each Member with a copy of the report, or a written notice that a copy of the financial report is available upon



request, without charge to the Member. The report must be in form required by Florida Statutes.

Section 15.7 Capital Improvements. The Board shall determine whether capital improvements should be paid from General Assessments or by Special Assessment. If the cost of all capital improvements to be paid within a single year totals more than 25% of the Association's annual budget, the capital improvements must be approved by majority vote of the Members. Any repair or replacement of existing improvements will not be considered a capital improvement.

Section 15.8 Reserves shall be kept separate from other Association funds. All other sums collected by the Board with respect to Assessments and charges of all types may be commingled in a single fund.

Section 15.9 Amendment of Budget. The Board may amend the budget during any fiscal year and increase the amount of the annual General Assessment for such year if it appears that there will be insufficient income to meet the obligations of the Association.

## ARTICLE XVI COVENANTS TO PAY ASSESSMENTS

The cost of fulfilling the Association's financial obligations is divided equitably among the Members by means of Assessments. To ensure that the Association has a reliable source of funds and to protect those Members who contribute their equitable share, assessments are mandatory and are secured both by a lien on the Residential Units and the Member's personal obligation.

Section 16.1 Obligations for Assessments. Declarant covenants for each Residential Unit, and, by acceptance of a deed or other transfer instrument, whether or not expressed in such deed or instrument, each Owner of any Residential Unit is deemed to covenant and agree to pay to the Association the following (to be known collectively as "Assessments"):

16.1.1 General Assessment for expenses included in the budget,

16.1.2 Special Assessments for the purposes provided in this Declaration, and

16.1.3 Individual Assessments for any charges particular to that Residential Unit.

Section 16.2 Guarantee of Class B Member. The Class B Member agrees that, until the end of the first fiscal year of the Association or such extended period as set forth here in below, it will guarantee that the General Assessments shall not exceed \$180.00 per Residential Unit per quarter during the first fiscal year of the Association. The Class B member will be exempt from General Assessments in consideration of its guarantee. The Class B Member may elect to renew the Budget Guarantee for one or more additional fiscal years, during which the Class B Member will not be liable for any Assessments on any Residential Units it owns. Such election shall be deemed to occur on an annual basis unless, prior to the end of the fiscal year of the Association, the Class B member gives notice of its intention to not elect to renew its guarantee. A Residential Unit exempt from assessments pursuant to this paragraph is referred to as an "Exempt Residential Unit." The amount of the guarantee will increase so that Assessments will not be greater than fifteen percent (15%) more than in the previous year.

Section 16.3 Share of Common Expense. The General Assessment and Special Assessments shall be assessed among all Residential Units, except that Exempt Residential

Units will not be subject to assessment. The General Assessment will be assessed on all Residential Units at the rate of established by the Board and shall be broken into 12 equal installments, each payable in advance on the 1<sup>st</sup> day of each month. The Board shall have the authority to establish other collection procedures.

Section 16.4 General Assessment. The Assessments levied by the Association must be used exclusively to promote the common good and welfare of the residents, to operate and manage the Association and the Common Properties, if any, and to perform such duties or as otherwise may be required by this Declaration and the Articles and Bylaws. To effectuate the following, the Association may levy an annual general assessment ("General Assessment") to provide and be used for the operation, management and all other general activities and expenses of the Association.

16.4.1 Late Fee and Interest. The Board may impose a reasonable late fee. Additionally, interest will accrue at the highest lawful rate on delinquent payments.

16.4.2. Initial General Assessment. The initial General assessment shall be determined in the Association's initial budget and will remain in effect until a different General Assessment may be determined in Section 11.4 hereof.

Section 16.5 Special Assessment. In addition to the General Assessment, the Board may levy, in any fiscal year, a Special Assessment applicable as follows:

16.5.1 Capital Improvements. Any capital improvement that has been approved in accordance with this Declaration.

16.5.2 Emergency Assessment. By a two-thirds (2/3) vote, the Board may impose a Special Assessment for any unusual or emergency maintenance or repair or other expense that this Declaration requires the Association to pay (including, after depletion of reserves, any unexpected expenditures not provided by the budget, or unanticipated increases in the amounts budgeted).

16.5.3 Exemption. Exempt Residential Units will not be subject to Special Assessments, nor will an Exempt Residential Unit be subject to payment of any Special Assessment or any portion thereof declared or assessed while such Residential Unit was an Exempt Residential Unit even if payments for such Special Assessments are made in installments becoming due subsequent to the time such Residential Unit no longer is considered an Exempt Residential Unit. For example, if a Special Assessment is declared on January 1 while Residential Unit 7 is an Exempt Residential Unit, but the payment of the Special Assessment is not required until March of the same year, then even if Residential Unit 7 is not an Exempt Residential Unit as of February of such year, Residential Unit 7 still will be considered exempt from such Special Assessment.

16.5.4 Individual Residential Unit Assessments. The Association may levy at any time an Individual Residential Unit Assessment against a particular Residential Unit for the purpose of defraying, in whole or in part, the cost of any special services to that Residential Unit or any other charges designated in this Declaration as an Individual Residential Unit Assessment. An Individual Residential Unit Assessment may be levied on account of any legal expenses (at trial or on appeal) and costs incurred by the Association in enforcing this Declaration or in enforcing any other declaration the Association is authorized to enforce.

16.5.5 Commencement of General Assessment. The General Assessment as to each Residence owned by a Homeowner other than Declarant shall be prorated as of the

day of closing for the current installment period, and thereafter the first full payment shall be due and owing on the first day of the next full installment period.

Section 16.6 Effect of Nonpayment of Assessment; Remedies.

16.6.1 Personal Obligation. All Assessments, together with any late fees, interest, and costs of collection when delinquent, including reasonable attorneys' fees (at trial or on appeal) whether or not a lawsuit is brought (collectively, the "Assessment Charge") shall be the personal obligation of the person or entity who was the Owner of the Residential Unit at the time the Assessment Charge was levied, and of each subsequent Owner. No Owner may waive or otherwise escape liability for the Assessment Charge by abandonment of the Residential Unit.

16.6.2 Creation of Lien. The Assessment Charge also shall be a continuing lien on the Residential Unit against which the Assessment Charge is made, which lien is effective upon recording a claim of lien, but relating back to and having a priority as of the date of this Declaration. This lien in favor of the Association will secure the Assessment Charge that is then due and that may accrue subsequent to the recording of the claim of lien and before entry of final judgment of foreclosure. The lien in favor of the Assessment Charge is subject to the subordination provisions of Paragraph 18.1

16.6.3 Lawsuit for Payment; Foreclosure of Lien. The Association may bring an action at law against the Owner personally obligated to pay the Assessment Charge, or may foreclose the lien in a manner similar to foreclosure of a mortgage lien, or both, as provided in §720.3085, Florida Statutes. The Association, acting on behalf of the Owners, shall have the power to bid for an interest in any Residential Unit foreclosed at such foreclosure sale to acquire, hold, lease, mortgage, and convey the Residential Unit.

16.6.4 Subordination of the Lien to Mortgages. The lien of the Assessment Charge will be inferior to the first mortgage lien of any Mortgagee. Sale or transfer of any Residential Unit pursuant to foreclosure of such a mortgage, including a deed in lieu of foreclosure, shall extinguish the lien as to payments that became due before the sale or transfer. The transferees of such Residential Unit shall be liable for any assessments coming due after the sale or transfer.

16.6.5 Other Remedies. Subject to applicable law, the Association may assess fines and suspend the voting rights of an Owner for any period for failure of said Owner to comply with any provision of the governing documents, or during which any Assessment against the Owner's Residential Unit remains unpaid.

Section 16.7 Certificate of Payment. The treasurer of the Association or the manager of the Association, upon request of any Owner, shall furnish a certificate signed by a member of the Board or by the manager, if authorized by the Board, stating whether any Assessments are owed by that Owner. The Board may establish a reasonable fee for such certificate. Such certificate will be conclusive evidence of payment of full Assessment through the date of the certificate.

Section 16.8 Declarant's Assessments; Deficit Funding.

16.8.1 Notwithstanding any provisions of the Governing Documents to the contrary, prior to Transfer of Control, Declarant shall not be obligated to pay any Assessment for any Residence which it may own during any period of time that Declarant shall be responsible for paying the difference between the Association's operating expenses and the sum of the

revenues of the Association from all sources. The term "all sources" used in the previous sentence includes, but is not limited to, interest earned on Association deposits, revenues from the operation of Common Property, and the Assessments levied against the Members other than the Declarant. Such difference, herein called the "deficit funding" shall not include any reserve for replacements, operating reserves (if any), depreciation reserves (if any) or capital expenditures. Declarant shall be obligated for deficit funding for each year of operation until such time that Declarant shall give written notice to the Board terminating its responsibility for deficit funding during the next succeeding fiscal year. Upon giving notice, each Residence owned by the Declarant for which a certificate of occupancy has been issued for the Home constructed thereon shall thereafter be assessed in the same manner as Residences owned by Homeowners other than Declarant.

16.8.2 Notwithstanding any provision herein to the contrary, any deficit funding provided by Declarant pursuant to this Section shall automatically terminate as of Transfer of Control.

16.8.3 Any surplus may either be paid to Declarant after the conclusion of the fiscal year or carried forward to the next year at the sole option of Declarant. There is no limit to the number of years for which a surplus may be accumulated. Any surplus remaining at Transfer of Control shall be paid to Declarant. In conjunction with Transfer of Control, an audit will be conducted to determine the cumulative "due to" or "due from" Declarant for the term of the deficit funding.

16.8.4 Deficit funding by Declarant under this Section 11.8 shall not preclude the levying of Special Assessments against the Homeowners to defray the costs of Association expenses not contemplated under the Association's estimated operating budget for that fiscal year.

16.8.5 Subsequent to Transfer Control, or upon such time as deficit funding is discontinued, Declarant shall be responsible for the payment of Assessments only upon Residences which it owns and which a Home has been constructed for which a certificate of occupancy has been issued.

## ARTICLE XVII ARCHITECTURAL CONTROL

Section 17.1. No building, fence, wall or other structure shall be commenced, erected or maintained upon the properties, nor shall any exterior addition to or change or alteration therein be made until the plans and specification showing the nature, kind, shape, height, materials and location of the same shall have been submitted to and approved in writing by the Developer, so long as Developer owns a Residence and thereafter by the Board of Directors of the Association. Failure to approve or disapprove such design and location within thirty 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.

ARTICLE XVIII  
PARTY WALLS

Section 18.1 General Rules of Law to Apply. Each wall which is built as part of the original construction of the homes upon the properties and placed on the dividing line between the residential unit shall constitute a party wall, and, to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

Section 18.2. Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of the party wall shall be shared by the owners who make use of the wall in proportion to such use.

Section 18.3 Destruction by Fire and Other Casualty. If a party wall is destroyed or damaged by fire or other casualty, any owner who has used the wall may restore it, and if the other owners thereafter make use of the wall, they shall contribute to the cost of restoration thereof in proportion to such use without prejudice, however, to the right of any such owners to call for a larger contribution from the others under any rule of law regarding liability for negligence or willful acts or omissions.

Section 18.4 Weatherproofing. Notwithstanding any other provisions of this Article, any owner which by his negligent or willful act caused the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

Section 18.5. Right to Contribution Runs with Land. The right of any owner to contribution from any other owner under this Article shall be appurtenant to the land and shall pass to such owner's successors in title.

Section 18.6. Arbitration. In the event of any dispute arising concerning a party wall, or under the provisions of this Article, each party shall choose one arbitrator, and such arbitrators shall choose one additional arbitrator, and the decision shall be by a majority of all of the arbitrators.

ARTICLE XIX  
USE RESTRICTIONS

Section 19.1. Use Restrictions. The use of the residential unit shall be in accordance with the rules and regulations attached hereto and incorporated herein as Exhibit "F". The rules and regulations may be amended for The Board. Copies of the regulations and amendments shall be furnished by the Association to all Homeowners. No new or amended regulation may be enforced prior to distribution to the owners.

Section 19.2. Lawful Use. All valid laws, zoning ordinances, and regulations of all governmental bodies having jurisdiction shall be observed. The responsibility of meeting the requirements of governmental bodies that require maintenance, modification, or repair on residential unit shall be the same as the responsibility for the repair and maintenance of the property as expressed in this Declaration.

Section 19.3. Use, Occupancy, and Lease of the Residential Unit. Said use is restricted to one family and their guests per residential unit. Occupancy by guests in the

absence of the residential unit owner is limited to two times per calendar year for maximum periods of 14 days. These use restrictions shall not be construed in such a manner as to prohibit a residential unit owner from maintaining a personal professional library, keeping personal business or professional records or accounts, or handling personal, business, or professional telephone calls or correspondence in and from owner's unit. Such uses are expressly declared customarily incident to the principal residential use. No residential unit shall be leased or occupied for a period of less than six (6) months by anyone but the Owner or the Owner's family.

Section 19.4. Access to Residential Unit. The Association has an irrevocable right of access to the residential unit during reasonable hours when necessary for the purpose of maintenance, repair, and replacement of the common elements or of any portion of a residential unit to be maintained by the Association pursuant to this Declaration or for making emergency repairs that are necessary to prevent damage to the common elements or to another residential unit. The owner of a residential unit has a right of access to any adjoining residential unit if it is reasonably necessary in order to maintain, repair, or replace parts of the owner's residential unit. The right of access to a residential unit shall be exercised after reasonable notice to the Homeowners unless such notice is not possible or practical under the circumstances, with respect for the occupants' rights to privacy and freedom from unreasonable annoyance, and with reasonable precautions to protect the personal property within the residential unit. The Association requires and shall retain a passkey to all residential unit. No residential unit owner shall install or alter any lock that prevents access while the residential unit is unoccupied without providing the Association with a key.

Section 19.5. Pets - Tenants and Guests. Pets shall be as allowed and regulated in the rules and regulations. However, tenants and guests shall not be permitted to have pets.

Section 19.6 Exclusive Use - Common Facilities. The Association may lease to Homeowners for appropriate temporary periods of time those portions of the common elements appropriate and desirable for exclusive use.

Section 19.7. Nuisances Prohibited. No person shall engage in any practice, exhibit any behavior, nor permit any condition to exist that will constitute a nuisance or become a reasonable source of annoyance or disturbance to any occupant of the community.

## ARTICLE XX ASSOCIATION APPROVAL REQUIRED FOR LEASE

Section 20.1. Association Approval Required For Lease. Except for Developer leases, no owner may lease a residential unit or any interest therein in any manner without the prior written approval of the Association. The proposed, fully executed lease shall be submitted to the Association no less than thirty (30) days prior to the date of occupancy.

Section 20.2. Leases. Only an entire residential unit may be leased. All leases must provide, and if they do not, shall be deemed to provide, the agreement of the lessee(s) to abide by the Declaration, Covenants and Conditions, The Rules and Regulations and other Associations' documents and that a violation of the documents is a material breach of the lease

and is grounds for damages, termination, and eviction, and that the lessee and the owner agree that the Association may proceed directly against such lessee(s) and that the lessee(s) shall be responsible for the Association's costs and expenses, including attorneys' fees, at all trial and appellate levels. If such costs and fees are not immediately paid by the lessee(s), the residential unit owner shall pay them and such funds shall be secured as a charge. Each residential unit owner irrevocably appoints the Association as owner's agent authorized to bring actions in owner's name and at owner's expense including injunction, damages, termination, and eviction. The rules and regulations must be provided to the lessee(s) by or on the behalf of the residential unit owner by the Homeowners' agent at or before the commencement of the lease term. The minimum leasing period is 180 days and no residential unit may be leased more than one time per calendar year.

Section 20.3. Notice of Disapproval. If the Association disapproves the proposed lease, notice of disapproval shall promptly be sent in writing to the owner and the lease transaction shall not take place. The Association need not approve any lease until such time as all unpaid assessments, all court costs, and attorneys' fees (if any) incurred by the Association and due and owing to the Association for the residential unit have been paid. Other appropriate grounds for disapproval are as follows:

20.3.1 The residential unit owner has a history of leasing the residential unit without obtaining approval, or leasing to troublesome lessees and/or refusing to control or accept responsibility for the occupancy of the residential unit.

20.3.2 The real estate company or rental agent handling the leasing transaction on behalf of the residential unit owner has a history of inadequately screening lessee applicants, recommending undesirable lessees, or entering into leases without prior Association approval.

20.3.3 The application on its face indicates that the person seeking approval intends to conduct himself or herself in a manner inconsistent with the covenants and restrictions applicable to the residential unit and the Association.

20.3.4 The prospective lessee has been convicted of a felony involving violence to persons or property, a felony involving sale or possession of a controlled substance, or a felony demonstrating dishonesty or moral turpitude.

20.3.5 The prospective lessee has a history of conduct that evidences disregard for the rights and property of others.

20.3.6 The prospective lessee evidences a strong possibility of financial irresponsibility.

20.3.7 The prospective lessee, during previous occupancy in this residential unit or elsewhere, has evidenced an attitude of disregard for the Association rules.

Section 20.4. Unapproved Lease Transactions. Any lease that is not approved under the terms of this Declaration shall be void

ARTICLE XXI  
COMPLIANCE AND DEFAULT

Section 21.1. Compliance and Default. Each residential unit owner, tenant, and other invitee shall be governed by, and shall comply with this Declaration, including its exhibits, The Rules and Regulations, the Association Articles of Incorporation, and the Association Bylaws.

Section 21.2. Remedies. Failure to comply shall be grounds for relief, which relief may include, but shall not be limited to, an action to recover damages, injunctive relief, or both. Actions may be maintained by the Association or by any residential unit owner.

Section 21.3. Costs and Fees. In any such proceeding, including appeals, the prevailing party shall be entitled to recover the costs of the proceeding and reasonable attorneys' fees.

Section 21.4. Owner Inquiries. When a residential unit owner files a written inquiry with the Board of Directors, the Board shall respond in writing to the residential unit owner within 30 days of receipt of the inquiry. The Board's response shall either (a) give a substantive response; (b) notify the inquirer that a legal opinion has been requested. If a legal opinion is requested, the Board shall provide a written substantive response to the inquirer within 60 days of receipt of the inquiry. The failure to provide a substantive response as set forth above precludes the Association from recovering attorneys' fees and costs in any subsequent litigation, administrative proceeding, or arbitration arising out of the complaint. If unresolved, a dispute must be arbitrated in mandatory non-binding arbitration proceedings prior to commencement of litigation. The Board of Directors may adopt reasonable rules and regulations governing the frequency and manner of responding to residential unit owner inquiries, including a limit of one residential unit owner inquiry in any 30-day period.

Section 21.5. No Waiver of Rights. The failure of the Association or any owner to enforce any covenant, restriction, or other shall not constitute a waiver of the right to do so thereafter as to subsequent or other instances.

ARTICLE XXII  
PROVISIONS PERTAINING TO DEVELOPER

Section 22.1. Provisions Pertaining To Developer. As long as the Developer holds any residential unit for sale in the ordinary course of business, none of the following actions may be taken without approval in writing by the Developer:

22.1.1 Assessment of the Developer as a residential unit owner for capital improvements.

22.1.2 Any action by the Association that would be detrimental to the sale of residential units or the completion of the project by the Developer, including such use of unsold residential unit and common elements and Association property as may facilitate completion, sale, maintenance of a sales office, showing of the property, and display of signs.



ARTICLE XXIII  
INSURANCE AND DUTY TO REBUILD OR REPAIR

Section 23.1. Insurance. To adequately protect the Homeowners, the Association shall carry such insurance as necessary to protect the unit owners, the Association, and all parts of the property. Insurance shall be carried and kept in force at all times in accordance with the following provisions:

23.1.1 Duty and Authority to Obtain. The Board of Directors shall review limits of average annually and use its best efforts to obtain and maintain adequate insurance. In all insurance purchased by the Association, the name of the insured shall be the Association and the Homeowners and their mortgagees (without naming them), as their interests shall appear, and the policy shall provide for the insurance of certificates of insurance and mortgagee endorsements to any or all of the holders of institutional first mortgages shall be named it as an additional insured as its interests may appear, residential unit.

Section 23.2. Basic Insurance. The Board of Directors will procure insurance covering the building and improvements as well as all insurable Association property, in an amount determined annually by the Board. The word "building" does not include floor coverings, wall coverings, or ceiling coverings, nor electrical fixtures, appliances, air conditioning or heating equipment, water heaters, or built-in cabinets located within a residential unit. Such insurance shall afford the following protection: residential unit

23.2.1 Property. The policy must include extended coverage (including windstorm) and replacement cost coverage for loss or damage by fire, vandalism and malicious mischief, and other hazards covered by the standard "All Risk" property contract.

23.2.2 Flood. The policy must include up to the replacement cost for each building and insurable improvements, as available.

23.2.3 Liability. The policy must include premises and operations liability endorsements for bodily injury and property damage in such limits of protection and with such coverage as required by the Board of Directors of the Association, with cross-liability endorsements to cover liabilities of the Homeowners as a group to a residential unit owner. Such insurance shall name the Declarant as an additional insured for a period of ten years after the sale of the last residential unit.

23.2.4 Automobile. The policy must include automobile liability for bodily injury and property damage for all owned and non-owned vehicles used in Association business in such limits of protection and with such coverages as may be required by the Board of Directors of the Association.

23.2.5 Workers' Compensation. The Association shall maintain workers' compensation insurance to meet the requirements of law residential unit.

23.2.6 Fidelity Bonding. The Association shall obtain and maintain insurance or fidelity bonding for all persons who control or disburse funds of the Association. The insurance policy or fidelity bond must cover the maximum funds that will be in the custody of the Association or its management agent at any one time. The term "persons who control or disburse funds of the Association" includes, but is not limited to, those individuals authorized to sign checks and the president, secretary, and treasurer of the Association. The Association shall bear the cost of bonding residential unit

23.2.7 Directors and Officers Liability Insurance. The Association shall obtain and maintain adequate directors and officers liability insurance using the broad form of policy coverage for all directors and officers and, if available, for committee members of the Association.

23.2.8 Optional Coverage. The Association may purchase and carry such other insurance coverage as the Board of Directors may determine from time to time to be in the best interests of the Association and Homeowners.

23.2.9. Description of Coverage. A detailed summary of the coverage included in the master policies shall be available for inspection by Homeowners on request.

23.2.10 Waiver of Subrogation. The Board of Directors shall endeavor to obtain, if available and where applicable, insurance policies that provide that the insurer waives its rights to subrogation as to any claim against Homeowners, the Association, or their respective servants, agents, or guests residential unit.

23.2.11 Shares of Insurance Proceeds. All proceeds of insurance policies purchased by the Association shall be payable to the Association. The duty of the Association shall be to receive such proceeds and hold and disburse them for the purposes stated herein in the following shares:

23.2.12 Common Elements. Proceeds on account of damage to common elements shall be held in as many undivided shares as there are units, the shares of each residential unit owner being the same as the owner's share in the common elements.

23.2.13 Residential Units. Proceeds on account of damage to units shall be held in as many undivided shares as there are damaged residential units, the share of each owner being in proportion to the cost of restoring the damage suffered by each such residential unit.

23.2.14 Distribution of Insurance Proceeds. Proceeds of insurance policies received by the Association shall be distributed for the benefit of the Homeowners in the following manner:

23.2.15 Cost of Reconstruction or Repair. If the damage for which the proceeds are paid is to be repaired or reconstructed by the Association, the proceeds shall first be paid to defray the costs thereof. Any proceeds remaining after defraying costs shall be retained by the Association.

23.2.16 Failure to Reconstruct or Repair. If it is determined in the manner elsewhere provided that the damage for which the proceeds are paid shall not be reconstructed or repaired, the proceeds after expenses shall be distributed to the beneficial owners. The remittances to Homeowners and their mortgagees shall be payable jointly to them. This is a covenant for the benefit of mortgagees and may be enforced by them.

23.2.17 Association as Agent. The Association is hereby irrevocably appointed agent for each residential unit owner to adjust all claims arising under insurance policies purchased by the Association.

Section 23.3. RECONSTRUCTION OR REPAIR AFTER CASUALTY. If any part of the Residential Unit property is damaged by casualty, whether and how it shall be reconstructed or repaired shall be determined as follows:

23.3.1 Damage to Residential Units. Where loss or damage is only to those parts of a residential unit for which the responsibility of maintenance and repair is that of the

residential unit owner, any Association insurance proceeds on account of the damage, less the deductible, shall be distributed to such contractors, suppliers, and personnel for work done, materials supplied, or services required for reconstruction or repair. Payments shall be in such amounts and at such times as the Homeowners may direct. The owners of damaged units shall be responsible for reconstruction and repair and shall bear the cost thereof, if any, in excess of the insurance proceeds.

23.3.2 Damage to Common Elements — less than “Very Substantial”. When loss or damage occurs to the common elements, but the loss is less than “very substantial,” as hereinafter defined, it shall be mandatory for the Association to repair, restore, or rebuild the damage caused by the loss, and the following procedures shall apply:

23.3.2.1 Estimates. The Board of Directors of the Association shall promptly obtain reliable and detailed estimates of the cost of reconstruction and repair, and shall negotiate and contract for the work.

23.3.2.2 Insurance Insufficient. If the net proceeds of insurance plus available reserves are insufficient to pay for the cost of reconstruction and repair of the common elements, the Association shall promptly, on determination of the deficiency, levy a special assessment against all Homeowners. Such special assessments need not be approved by the Homeowners. The special assessments shall be added to the proceeds available for reconstruction and repair of the property.

23.3.2.3 “Very Substantial” Damage. As used in this Declaration, the term “very substantial” damage shall mean loss or damage whereby three fourths or more of the total units are rendered uninhabitable. Should such “very substantial” damage occur, then:

23.3.2.4 Owners’ Meeting. A meeting of the Association shall be called by the Board of Directors to be held within a reasonable time after the casualty. A determination by the Board of Directors as to what is a reasonable time shall be conclusive. The purpose of the meeting shall be to determine the wishes of the membership with reference to reconstruction or termination of the Residential Unit, subject to the following:

23.3.2.5 Insurance Sufficient. If the insurance proceeds and reserves available for reconstruction and repair are sufficient to cover the cost thereof, so that no special assessment is required, the property shall be reconstructed or repaired unless the then applicable zoning or other regulatory laws will not allow reconstruction of the same number and general type of units, in which case the Association shall be terminated.

23.3.2.6 Disputes. If any dispute shall arise as to whether “very substantial” damage has occurred, a determination by the Board of Directors shall be binding on all Homeowners.

Section 23.4 Application of Insurance Proceeds. It shall be presumed that the first funds disbursed for reconstruction and repair shall be from the insurance proceeds and they shall first be applied to reconstruction of the common elements and Association property and then to the units; if there is a balance in the funds held by the Association after the payment of all costs of reconstruction and repair, such balance shall be retained by the Association. However, if special assessments were made pursuant to Paragraph 15.5.2. hereof, then all or a part of the remaining money shall be returned to the Homeowners paying those assessments pro rata, according to the amount each paid, up to the full amount each paid, and then to the Association.

Section 23.5 Equitable Relief. In the event of substantial damage to the Residential Unit, and if the property is not reconstructed or repaired within a reasonable period of time, any residential unit owner may petition a court for equitable relief, which may include a termination of the Deceleration of Covenants and Conditions and a partition. For the purposes of this provision, it shall be conclusively presumed that reconstruction or repair has occurred within a reasonable period of time if substantial work is commenced within such time following the damage or destruction as is determined by the Board of Directors to be reasonable and the work proceeds without intentional and unwarranted delay to completion.

Section 23.6 Plans and Specifications. Any reconstruction or repairs must be substantially in accordance with the plans and specifications for the original buildings, or in lieu thereof, according to plans and specifications approved by the Board of Directors and by the owners of 67% of the voting interests of the Association.

#### ARTICLE XXIV CONDEMNATION

Section 24.1. Deposit of Awards with Association. The taking of all or any part of the property by condemnation or eminent domain shall be deemed to be a casualty to the portion taken and the awards for that taking shall be deemed to be proceeds from insurance on account of the casualty. Even though the awards may be payable to Homeowners, the Homeowners shall deposit the awards with the Association, and if any fail to do so, a special charge shall be made against a defaulting residential unit owner in the amount of his or her award, or the amount of that award shall be set off against any sums payable to that owner.

Section 24.2. Determination Whether to Continue Residential Unit. Whether the residential unit will be continued after condemnation will be determined in the manner provided in Section 23.5 above for determining whether damaged property will be reconstructed and repaired after a casualty.

Section 24.3. Disbursement of Funds. If the residential unit is terminated after condemnation, the proceeds of all awards and special assessments will be deemed to be residential unit property and shall be owned and distributed in the manner provided for insurance proceeds when the residential unit is terminated after a casualty. If the residential unit is not terminated after condemnation, the size of the residential unit will be reduced, the owners of condemned residential unit, if any, will be made whole, and any property damaged by the taking will be made usable in the manner provided below. Proceeds of awards and special charges shall be used for these purposes and shall be disbursed in the manner provided for disbursements of funds after a casualty.

Section 24.4. Association as Agent. The Association is hereby irrevocably appointed as each residential unit owner's attorney-in-fact for purposes of negotiating or litigating with the condemning authority for the purpose of realizing just compensation for the taking.

Section 24.5. Residential Unit Reduced but Tenable. If the taking reduces the size of a residential unit and the remaining portion of the residential unit can be made tenable, the awards for the taking of a portion of that residential unit shall be used for the following purposes in the order stated, and the following changes shall be affected in the residential unit:

24.5.1 Restoration of Residential Unit. The residential unit shall be made tenantable. If the cost of the restoration exceeds the amount of the award, the additional funds required shall be paid by the owner of the residential unit;

24.5.2 Distribution of Surplus. The balance of the award, if any, shall be distributed to the owner of the residential unit and to each mortgagee of the residential unit, the remittance being made payable jointly to the owner and mortgagees.

Section 24.6. Residential Unit Made Untenantable. If the taking is of any entire residential unit or so reduces the size of a residential unit that it cannot be made tenantable, the award for the taking of the residential unit shall be used for the following purposes in the order stated, and the following changes shall be affected in the residential unit:

24.6.1 Payment of Award. The fair market value of the residential unit immediately prior to the taking, as determined by agreement between the residential unit owner and the Association or by arbitration in accordance with Paragraph 24.6.4., shall be paid to the owner of the residential unit and to each mortgagee of the residential unit, the remittance being made payable jointly to the owner and the mortgagee(s).

24.6.2 Addition to Common Elements. If possible and practical, the remaining portion of the residential unit shall become a part of the common elements and shall be placed in condition for use by all Homeowners in the manner approved by the Board of Directors.

24.6.3 Adjustment of Shares in Common Elements. The shares in the common elements appurtenant to the residential unit that continue as part of the residential unit shall be adjusted to distribute the ownership of the common elements among the reduced number of Homeowners. This shall be done by restating the shares of continuing Homeowners in the common elements pro-rata.

24.6.4 Arbitration. If the fair market value of a residential unit prior to the taking cannot be determined by agreement between the residential unit owner and the Association within 30 days after notice by either party, the value shall be determined by appraisal in accordance with the following. The residential unit owner, the first mortgagee, if any, and the Association shall each appoint one M.A.I. appraiser who shall appraise the residential unit and shall determine the fair market value by computing the arithmetic average of their appraisals of the residential unit. A judgment of specific performance on the value arrived at by the appraisers may be entered in any court of competent jurisdiction. The cost of appraisals shall be paid by the party selecting the appraiser.

Section 24.7. Taking of Common Elements. Awards for the taking of common elements shall be used to make the remaining portion of the common elements usable in the manner approved by the Board of Directors. The balance of such awards, if any, shall be distributed to the residential unit owners pro-rata after adjustment of these shares on account of the condemnation. If a residential unit is mortgaged, the remittance shall be paid jointly to the owner and mortgagee(s) of the residential unit.

Section 24.8. Amendment of Declaration. Changes in the residential unit, in the common elements, and in the ownership of the common elements that are necessitated by condemnation shall be evidenced by an amendment of the Declaration of Covenants as ordered by a court or approved by a majority of Homeowners (voting interests) of this Residential Unit, without the consent of any mortgagee being required for any such amendment.

Section 24.9. Termination of the Neighborhood. At a meeting called for such purpose and attended by all Homeowners, by affirmative vote of 90% of the total votes eligible to be cast in the Association matters, may elect to terminate the legal status of the Neighborhood (via termination of this Declaration) and sell the Common Property as a whole. Within 10 days after the date of the meeting at which such sale was approved, the Board shall give written notice of such action to all First Mortgages, Insurers and Guarantors entitled to notice under this Declaration, and the termination shall only be effective upon the affirmative vote required hereof. Such action shall be binding upon all Homeowners, and it shall thereupon become the duty of every Homeowner to execute and deliver such instruments and to perform all acts in manner and form as may be necessary to affect such termination and sale. The Association shall represent the Homeowners in any negotiations, settlements and agreements in connection with termination of the Neighborhood and sale of the Common Property, and any proceeds obtained therefrom shall be first used to pay all expenses and outstanding obligations of the Association and the remainder, if any, shall be divided amount all Homeowners on a basis of an equal share for each Residence.

ARTICLE XXV  
SEVERABILITY AND NON-WAIVER

Section 25.1. Severability and Non-Waiver. If any provision of this Declaration or its exhibits as now constituted or as later amended or any section, paragraph, sentence, clause, phrase, or word, or the application thereof in any circumstances, is held invalid, the validity of the remainder and of the application of any such paragraph, section, sentence, clause, phrase, or word in other circumstances shall not be affected thereby. The failure of the Association in any instance to enforce any covenant or provision of this Declaration or documents shall not constitute a waiver of its right to do so thereafter in other instances.

ARTICLE XXVI  
GENERAL PROVISIONS

Section 26.1 Covenants Not Applicable To Federally Held, Guaranteed or Insured Mortgages. These covenants, conditions and restrictions are specifically and in their entirety subordinate, inferior and inapplicable to the lien of any federally held, insured or guaranteed mortgages which now do or may hereafter encumber the property.

Section 26.2. Annexation.

26.2.1 Additional residential property and Common Area may be annexed to the Properties with the consent of two-thirds (2/3) of each class of members.

Section 26.3 Release from Minor Violations. Declarant and the Association or either of them shall have the right by written instrument at any time to release a residential unit from minor violations of this Declaration or the Plat including, without limitation (i) encroachments into easements, (ii) encroachments over building restriction lines, and (iii) construction of less than the required minimum square footage for the dwelling provided that the square footage is at least 95% of the required minimum. Notwithstanding the foregoing, only Escambia County can release a Residence from violations of an ordinance or an encroachment

of an easement in favor of Escambia County.

Section 26.4 Enforcement. The covenants and restrictions contained in this Declaration may be enforced by Declarant, any Owner, and any Mortgagee in any judicial proceeding seeking any remedy recognizable at law or in equity, including an action or lawsuit seeking damages, injunction, specific performance, or any other form of relief, against any person, firm or entity violating or attempting to violate any covenant or restriction contained herein. The failure by any party to enforce any covenant or restriction contained herein shall in no event be deemed a waiver of such covenant or restriction or of the right of such party to thereafter enforce such covenant or restriction. The prevailing party in any such litigation shall be entitled to reasonable attorneys' fees and court costs at all trial and appellate levels. The District and Escambia County, Florida will have the right to enforce; by proceedings at law or in equity, the provisions contained in this Declaration that relate to the maintenance, operation, and repair of the Stormwater Management System. All parties agree that any dispute shall be determined by a judge and not a jury, and waive their right to a jury trial in any litigation out of this Declaration.

Section 26.5 Assignment. Declarant shall have the right, from time to time, to assign any of its rights or obligations pursuant hereto in part or in whole.

Section 26.6 Notices. Notices shall be given as to Owners by posting at the Owner's dwelling or vacant Residence, or mailing first class postage prepaid to the Owner's address maintained by the Association, or by posting a notice applicable to all Owners at the Common Property, and as to Declarant, by sending certified mail to the corporate address of Declarant filed with the Florida Secretary of State.

Section 26.7 Amendment

(a) Declarant specifically reserves the absolute and unconditional right, as long as Declarant owns any of the Residential Units, to amend this Declaration without the consent or joinder of any party to (i) conform to the requirements of Escambia County, Florida, Federal Home Loan Mortgage Corporation, Federal National Mortgage Association, Veterans Administration, Department of Housing and Urban Development, or any other generally recognized institution involved in the purchase and sale of home loan mortgages; (ii) conform to the requirements of mortgage lenders or title insurance companies; or (iii) perfect, clarify, or make Internally consistent the provisions herein.

(b) Declarant reserves the right to amend this Declaration in any other manner without the joinder of any party, as long as said amendment is made in good faith and is not arbitrary or capricious, does not destroy the general plan of the development, does not prejudice the rights of the Members to enjoy the benefits of common property, does not materially shift the economic burdens from the Declarant to the Members and no Owner's right to the use and enjoyment of the Owner's Residence is materially altered.

(c) This Declaration may be amended by consent of Owners of 50% or more of the Residential Units as evidenced by recording an instrument executed by said Owners in the Public Records; provided that no such amendment will be effective without the consent of Declarant, or its assigns, until Declarant and its affiliates own no Residential Units within The Residence at Nature Creek. Within 30 days of the recording of an Amendment in the Escambia County public records, the Association shall provide copies of the Amendment to all of the Members.

Section 26.8 Mortgagee's Consent to Amendments. This Declaration contains provisions concerning various rights, priorities, remedies, and interests of the Mortgagees. Such provisions are to be construed as covenants for the protection of the Mortgagees on which they may rely in making loans secured by mortgages on the Residential Units. Accordingly, no amendment or modification of this Declaration impairing such rights, priorities, remedies, or interests of a Mortgagee shall be adopted without the prior written consent of Mortgagees holding liens on 30% or more of the Residential Units encumbered by mortgages to Mortgagees. Each Mortgagee agrees that it will either consent to a proposed amendment or give notice of refusal to consent by written notice to the party requesting such consent within 30 days after the request is received. If a Mortgagee does not respond within 60 days after the date of mailing of the written notice, the Mortgagee's consent will be deemed given, and an affidavit to such effect recorded in the Public Records by the party requesting the consent will be sufficient evidence to make the requested amendment; provided, that a photocopy of the documentation proving receipt of the request to the Mortgagee is attached to the affidavit. This paragraph shall not apply or be construed as a limitation on those rights of Declarant, the Association, or the Owners to make amendments that do not adversely affect the Mortgagees.

Section 26.9 Severability; Amendments to Laws. If any one of the provisions of this Declaration shall be deemed invalid by a court of competent jurisdiction, that judicial determination shall in no way affect any of the other provisions hereof, which shall remain in full force and effect. Without limitation of the foregoing, the invalidation of any of the covenants, restrictions, terms, or conditions of this Declaration, or a reduction in the term of the same by reason of the legal rule against perpetuities, shall in no way affect any other provision, which shall remain in full force and effect for such period of time as may be permitted by law. Any amendment to applicable law that has the effect of reducing the rights of Declarant or increasing the liabilities of or duties imposed on Declarant will not be incorporated in to this Declaration by reference. All other references to applicable laws and regulations will incorporate amendments to those laws and regulations.

Section 26.10 Duration and Renewal. This Declaration (but excluding the easements herein created, which are perpetual) and the terms, provisions, conditions, covenants, restrictions, reservations, regulations, burdens, and liens contained herein, including, without limitation, the provisions for assessment of Residential Units, shall run with and bind all of the Residential Units and inure to the benefit of Declarant, the Owners, and their respective legal representatives, heirs, successors, and assigns, for a term of 90 years from the date hereof, after which time this Declaration shall be automatically renewed and extended for successive periods of 10 years each unless at least one year before the termination of the 90-year period or before each such 10-year extension, as the case may be, there is recorded in the Public Records an instrument agreeing to terminate this Declaration, which instrument is signed by a majority of all Owners and all Mortgagees, upon which event this Declaration shall be terminated upon the expiration of the 90-year term or the 10-year extension during which such instrument was recorded, as the case may be.

Section 26.11 **DISCLAIMER OF REPRESENTATIONS, OR WARRANTIES EXCEPT AS EXPRESSLY PROVIDED IN THIS DECLARATION, NO REPRESENTATION OR WARRANTY OF ANY KIND, WHETHER EXPRESS OR IMPLIED, HAS BEEN GIVEN OR MADE BY DECLARANT OR ITS AGENTS OR EMPLOYEES IN CONNECTION WITH THE PROPERTY, ITS PHYSICAL CONDITION, ZONING, COMPLIANCE WITH APPLICABLE**



LAWS, MERCHANTABILITY, HABITABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR IN CONNECTION WITH THE SUBDIVISION, SALE, OPERATION, MAINTENANCE, COST OF MAINTENANCE, TAXES OR REGULATION THEREOF IF ANY SUCH WARRANTY CANNOT BE DISCLAIMED, AND AS TO ANY CLAIMS WHICH CAN BE MADE AS TO THE AFORESAID MATTERS, ALL INCIDENTAL AND CONSEQUENTIAL DAMAGES ARISING THEREFROM ARE HEREBY DISCLAIMED

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand and seal this 13<sup>th</sup> day of November, 2018.

The Residence at Nature Creek, LLC

By: [Signature]  
Cliff Mowe, Manager

By: [Signature]  
Rocky W. Jones, Manager

By: [Signature]  
Casey Hyman, Manager

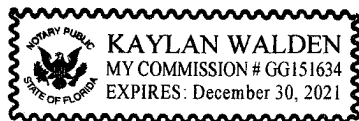
Residences at Nature Creek Homeowners Association, Inc.

By: [Signature]  
Rocky W. Jones, President

STATE OF FLORIDA  
COUNTY OF Escambia

Before the subscriber personally appeared Cliff Mowe, as Manager on behalf of The Residence at Nature Creek, LLC, known to me to be the individuals described by said names, who executed the foregoing instrument, and being duly authorized by it, signed its name and affixed its seal to and executed the said instrument for it and as its act and deed.

Given under my hand and official seal this day of 9 day of November 2018.

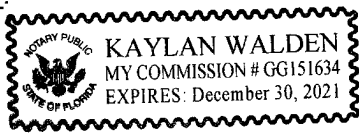


[Signature]  
Notary Public

STATE OF FLORIDA  
COUNTY OF Escambia

Before the subscriber personally appeared Rocky W. Jones, as Manager on behalf of The Residence at Nature Creek, LLC, known to me to be the individuals described by said names, who executed the foregoing instrument, and being duly authorized by it, signed its name and affixed its seal to and executed the said instrument for it and as its act and deed.

Given under my hand and official seal this day of 13 day of November 20 18.

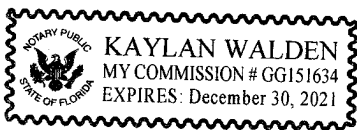


[Signature]  
Notary Public

STATE OF FLORIDA  
COUNTY OF Escambia

Before the subscriber personally appeared Casey Hyman, as Manager on behalf of The Residence at Nature Creek, LLC, known to me to be the individuals described by said names, who executed the foregoing instrument, and being duly authorized by it, signed its name and affixed its seal to and executed the said instrument for it and as its act and deed.

Given under my hand and official seal this day of 9 day of November 20 18.

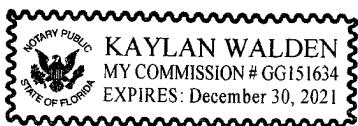


[Signature]  
Notary Public

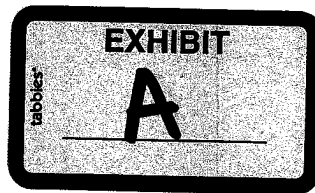
STATE OF FLORIDA  
COUNTY OF Escambia

Before the subscriber personally appeared Rocky W. Jones as President on behalf of Residences at Nature Creek Homeowners Association Inc., known to me to be the individuals described by said names, who executed the foregoing instrument, and being duly authorized by it, signed its name and affixed its seal to and executed the said instrument for it and as its act and deed.

Given under my hand and official seal this day of 13 day of November 20 18.



[Signature]  
Notary Public



BEGIN AT THE NORTHWEST CORNER OF THE SOUTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 3, TOWNSHIP 1 SOUTH, RANGE 31 WEST, ESCAMBIA COUNTY, FLORIDA;

THENCE RUN NORTH 00 DEGREES 15 MINUTES 17 SECONDS EAST ALONG THE WEST LINE OF SAID SECTION 3 A DISTANCE OF 297.02 FEET;

THENCE DEPARTING SAID WEST LINE RUN SOUTH 89 DEGREES 44 MINUTES 43 SECONDS EAST A DISTANCE OF 160.00 FEET;

THENCE RUN SOUTH 00 DEGREES 15 MINUTES 17 SECONDS WEST A DISTANCE OF 133.75 FEET;

THENCE RUN SOUTH 89 DEGREES 56 MINUTES 25 SECONDS EAST A DISTANCE OF 50.00 FEET TO A POINT ON A NON-TANGENT CURVE, SAID CURVE BEING CONCAVE TO THE NORTHEAST AND HAVING A RADIUS OF 25.00 FEET;

THENCE RUN SOUTHEASTERLY ALONG THE ARC OF SAID CURVE A DISTANCE OF 39.10 FEET (DELTA ANGLE= 89°37'05", CHORD BEARING= S44°33'15"E, CHORD DISTANCE= 35.24') TO A POINT OF TANGENCY;

THENCE RUN SOUTH 89 DEGREES 21 MINUTES 48 SECONDS EAST A DISTANCE OF 130.00 FEET TO A POINT OF CURVATURE, SAID CURVE BEING CONCAVE TO THE NORTHWEST AND HAVING A RADIUS OF 25.00 FEET;

THENCE RUN NORTHEASTERLY ALONG THE ARC OF SAID CURVE A DISTANCE OF 39.44 FEET (DELTA ANGLE= 90°22'55", CHORD BEARING= N45°26'45"E, CHORD DISTANCE= 35.47') TO A POINT OF NON-TANGENCY;

THENCE RUN SOUTH 88 DEGREES 58 MINUTES 53 SECONDS EAST A DISTANCE OF 50.00 FEET TO A POINT ON A NON-TANGENT CURVE, SAID CURVE BEING CONCAVE TO THE NORTHEAST AND HAVING A RADIUS OF 25.00 FEET;

THENCE RUN SOUTHEASTERLY ALONG THE ARC OF SAID CURVE A DISTANCE OF 39.10 FEET (DELTA ANGLE= 89°37'05", CHORD BEARING= S44°33'15"E, CHORD DISTANCE= 35.24') TO A POINT OF TANGENCY;

THENCE RUN SOUTH 89 DEGREES 21 MINUTES 48 SECONDS EAST A DISTANCE OF 65.17 FEET;

THENCE RUN NORTH 00 DEGREES 15 MINUTES 17 SECONDS EAST A DISTANCE OF 805.43 FEET TO A POINT ON THE SOUTHWESTERLY RIGHT-OF-WAY LINE OF INTERSTATE 10, STATE ROAD 8 (300' R/W);

THENCE RUN SOUTH 52 DEGREES 31 MINUTES 42 SECONDS EAST ALONG SAID SOUTHWESTERLY RIGHT-OF-WAY LINE A DISTANCE OF 40.94 TO A POINT OF INTERSECTION;

THENCE RUN NORTH 83 DEGREES 55 MINUTES 16 SECONDS EAST ALONG SAID SOUTH RIGHT-OF-WAY LINE A DISTANCE OF 42.88 FEET TO A POINT OF INTERSECTION;

THENCE RUN SOUTH 52 DEGREES 39 MINUTES 25 SECONDS EAST ALONG SAID SOUTHWESTERLY RIGHT-OF-WAY LINE A DISTANCE OF 1698.63 FEET TO A POINT HEREINAFTER TO BE KNOW AS POINT "A";

THENCE CONTINUE SOUTH 52 DEGREES 39 MINUTES 25 SECONDS EAST ALONG SAID SOUTHWESTERLY RIGHT-OF-WAY LINE A DISTANCE OF 27 FEET, MORE OR LESS TO A POINT LYING 200 FEET NORTH OF THE APPROXIMATE CENTERLINE THREAD OF ELEVEN MILE CREEK;

EXHIBIT "A" cont.

THENCE DEPARTING SAID SOUTHWESTERLY RIGHT-OF-WAY LINE MEANDER SOUTHWESTERLY ALONG A LINE BEING 200 FEET NORTH OF, AND PARALLEL WITH THE APPROXIMATE CENTERLINE THREAD OF ELEVEN MILE CREEK A DISTANCE OF 800 FEET, MORE OR LESS TO THE INTERSECTION OF SAID MEANDER LINE AND THE EAST LINE OF THE SOUTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 3;

THENCE RUN NORTH 00 DEGREES 52 MINUTES 48 SECONDS EAST ALONG SAID EAST LINE A DISTANCE OF 40 FEET, MORE OR LESS TO A POINT LYING SOUTH 56 DEGREES 11 MINUTES 52 SECONDS WEST A DISTANCE OF 750.72 FEET FROM SAID POINT "A";

THENCE CONTINUE NORTH 00 DEGREES 52 MINUTES 48 SECONDS EAST ALONG SAID EAST LINE A DISTANCE OF 513.98 FEET TO THE NORTHEAST CORNER OF THE SOUTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 3;

THENCE RUN NORTH 89 DEGREES 21 MINUTES 48 SECONDS WEST ALONG THE NORTH LINE OF THE SOUTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 3 A DISTANCE OF 1343.90 FEET TO THE POINT OF BEGINNING.

TOGETHER WITH PERPETUAL NON-EXCLUSIVE EASEMENT SET FORTH IN ROAD EASEMENT RECORDED IN OFFICIAL RECORDS BOOK 3797, PAGES 782 THRU 788, OF THE PUBLIC RECORDS OF ESCAMBIA COUNTY, FLORIDA AND DESCRIBED AS FOLLOWS: THE EAST 80 FEET (80') OF THE WEST ONE HUNDRED TWENTY FEET (120') OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 3, TOWNSHIP 1 SOUTH, RANGE 31 WEST, ESCAMBIA COUNTY, FLORIDA.

LESS AND EXCEPT THAT SOUTHERLY PORTION THEREOF LYING WITHIN THE ROW LIMITS OF W. NINE MILE ROAD (ALT. US HWY 90)



**ARTICLES OF INCORPORATION  
FOR  
RESIDENCES AT NATURE CREEK HOMEOWNER'S ASSOCIATION, INC.**

The undersigned incorporator, for the purpose of forming a not-for-profit corporation under the laws of the state of Florida, hereby adopts the following Articles of Incorporation.

**ARTICLE 1 - NAME AND ADDRESS**

The name of the corporation shall be Residences At Nature Creek Homeowner's Association, Inc. The principal address of the Association is 3838 N. Palafox Street, Pensacola, Escambia County, Florida 32505. For convenience, the corporation shall be referred to as the "Association," the Declaration of Covenants, Conditions and Restrictions, as the "Declaration," these Articles of Incorporation as the "Articles," and the Bylaws of the Association as the "Bylaws."

**ARTICLE 2 - PURPOSES**

The purposes for which the Association is organized are:

1. To furnish all services reasonably necessary, for the health, comfort, safety, welfare and enjoyment of lot owners of the proposed subdivision to be known as Residences at Nature Creek Subdivision (the "Subdivision"), which is located on all or a portion of that certain real property located in Escambia County, Florida and more particularly described in Exhibit A, attached hereto, together with any additional property that may be annexed into the Subdivision in accordance with the terms and conditions of the Declaration (defined below).
2. To own, manage and control all of the common areas and improvements thereon located within the boundaries of the Subdivision which are intended to be devoted to the common use and enjoyment of the owners of lots in the Subdivision, including, but not by the way of limitation, the maintenance of private easements or roads, any decorative fences, street islands and any retention pond for storm water drainage.
3. To administer, enforce and otherwise act in accordance with that certain Declaration of Covenants, Conditions and Restrictions for Residences at Nature Creek Subdivision which have or will be recorded in the office of the Clerk of the Circuit Court of Escambia County, Florida, as may be amended from time to time (the "Declaration"), to the extent provided in the Declaration.
4. To assess, collect and direct the proper disbursement of the lot owner's pro rata shares of the costs and expenses incurred in the carrying out of said purposes in accordance with these Articles, the Bylaws for the Association and the rules and regulations of the Subdivision and the Declaration.

**ARTICLE 3 - DEFINITIONS**

The terms used in these Articles shall have the same definitions and meanings as those set forth in the Declaration of Covenants, Conditions and Restrictions to be recorded in the Public Records of Escambia County, Florida, unless herein provided to the contrary or unless the context otherwise requires.

**ARTICLE 4 – NONPROFIT CORPORATION**

The Association shall be without capital stock, will not be operated for profit and will not distribute gains, profits or dividends to any of its members. The members of the Association shall not be personally liable for the debts, liabilities or obligations of the Association, but shall be personally liable to the Association for their pro rata share of costs and expenses that are attributable to members of the Association under these Articles, the Bylaws of the Association or the Declaration. The purposes of the Association shall be served without pecuniary profit to any director or member of the Association

**ARTICLE 5 - POWERS**

The powers of the Association shall include and be governed by the following:

5.1 General. The Association shall have all of the common-law and statutory powers of a not-for-profit corporation under the laws of Florida that are not in conflict with the provisions of these Articles, the Declaration, or the Bylaws, or the Florida Statutes.

5.2 Enumeration. The Association shall have the powers and duties set forth in Florida Statutes 720 as they may be amended from time to time except as limited by these Articles, the Bylaws, and the Declaration (to the extent that they are not in conflict with the Florida Statutes) and all of the powers and duties reasonably necessary to carry out the purpose set forth herein the Declaration, and in the Bylaws, as they may be amended from time to time, including, but not limited to, the following:

a. To make and collect assessments and other charges against the members, and to use the proceeds thereof in the exercise of its powers and duties.

b. To buy, own, operate, lease, sell, trade, and mortgage both real and personal property.

c. To maintain, repair, replace, reconstruct, add to, and operate the Property, and other property acquired or leased by the Association.

d. To purchase insurance upon the Property and insurance for the protection of the Association, its Officers, Directors, and Owners.

e. To make and amend reasonable rules and regulations for the maintenance, conservation, and use of the Property and for the health, comfort, safety, and welfare of the Owners.

f. To enforce by legal means the provisions of the Declaration, these Articles, the Bylaws, and the Rules and Regulations for the use of the Property.

g. To contract for the management and maintenance of the Property and to authorize a management agent (which may be an affiliate of the Developer) to assist the Association in carrying out its powers and duties by performing such functions as the submission of proposals, collection of assessments, preparation of records, enforcement of rules, and maintenance, repair and replacement of the Common Elements using funds made available by the Association. The Association and its Officers shall, retain at all times the powers and duties granted under Article 4, including, but not limited to, the levy of assessments, promulgation of rules, and execution of contracts on behalf of the Association.

h. To employ personnel to perform the services required for the proper operation, maintenance, conservation, and use of the Property.

5.3 Property. All funds and the title to all properties acquired by the Association and their proceeds shall be held for the benefit and use of the members in accordance with the provisions of the Declaration, these Articles, and the Bylaws.

5.4 Distribution of Income. The Association shall make no distributions of income to its members, Directors or Officers.

5.5 Limitation. The powers of the Association shall be subject to and shall be exercised in accordance with the provisions hereof and of the Declaration, the Bylaws, provided that in the event of conflict, the provisions of the Florida Statutes shall control over those of the Declaration and Bylaws.

## **ARTICLE 6 – MEMBERSHIP AND VOTING RIGHTS**

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

(a) Class A. Class A members shall be all owners, with the exception of the Declarant, and shall be entitled to one (1) vote for each Lot owned. When more than one (1) person holds an interest in any lot all such persons shall be members. The vote for such lot shall be exercised as they, among themselves, shall determine, but in no event shall more than one (1) vote be cast with respect to any single lot.

(b) Class B. Class B member shall be the Declarant, which shall be entitled to ten (10) votes for each lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of any of the following events, whichever occurs earlier:

- (i) Three (3) months after ninety percent (90%) of the Lots in all phases of the Subdivision that will ultimately be operated by the Association have been conveyed to members;
- (ii) Such other percentage of the Lots has been conveyed to members, or such other date or event has occurred, as is set forth in the governing documents in order to comply with the requirements of any governmentally chartered entity with regard to the mortgage financing of parcels;
- (iii) Upon the Declarant abandoning or deserting its responsibility to maintain and complete the amenities or infrastructure as disclosed in the governing documents. There is a rebuttable presumption that the Declarant has abandoned and deserted the property if the Declarant has unpaid assessments or guaranteed amounts under Section 720.308, Florida Statutes, for a period of more than two (2) years;
- (iv) Upon the Declarant filing a petition seeking protection under Chapter 7 of the Federal Bankruptcy Code;
- (v) Upon the Declarant losing title to the property through a foreclosure action or the transfer of 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;
- (vi) Upon a receiver for the Declarant being appointed by a Circuit Court and not being discharged within thirty (30) days after such appointment, unless the court determines within thirty (30) days after such appointment that transfer of control would be detrimental to the Association or its members; or
- (vii) Declarant records an instrument in the Public Records of Escambia County, Florida terminating Class B membership.

After Declarant relinquishes control of the Association, Declarant is entitled to elect at least one member to the Board as long as the Declarant holds for sale five (5%) percent of the Lots in the Subdivision and may continue to vote any Declarant owned lots in the same manner as any other member.



## **ARTICLE 7 - TERM OF EXISTENCE**

The Association shall have perpetual existence.

## **ARTICLE 8 - INCORPORATOR**

The name and address of the Incorporator of this Corporation is Rocky W. Jones whose address is 3838 N. Palafox St. Pensacola, Florida 32505.

## **ARTICLE 9 - DIRECTORS**

Except as provided herein, the affairs of the Association shall be managed by a Board of Directors. Notwithstanding anything contained in these Articles, the Bylaws of the Association, or the Declaration to the contrary, until Turnover, Residence at Nature Creek, LLC, a Florida limited liability company (the "Declarant") shall have the sole and exclusive right to (1) appoint all of the members of the Board of Directors of the Association (subject to the rights of members other than the Declarant to elect at least one member of the Board of Directors under Section 720.307(2) of the Florida Statutes); (2) appoint all of the officers of the Association; (3) remove and replace any members of the Board of Directors of the Association; (4) amend these Articles and Bylaws; and (5) take all other action on behalf of the Association and vote on all other matters required to be voted on or approved by the members of the Association. "Turnover" has the meaning set forth in the Declaration. Upon Turnover, the then-current members of the Association shall be entitled to vote on all the foregoing matters subject to any restrictions set forth in the Declaration and the Bylaws of the Association.

The initial Board of Directors of the Association shall be composed of three (3) directors; none of which must be a member of the Association.

10.1 First Directors. The names and addresses of the members of the first Board of Directors, who shall hold office until their successors are elected and have taken office, as provided in the Bylaws, are as follows:

<u>NAME</u>	<u>ADDRESS</u>
Rocky Jones	PO Box 9547 Pensacola, FL 32513
Casey Hyman	5650 Dixie Dr, Suite A Pensacola, FL 32503
Cliff Mowe	3838 N. Palafox St. Pensacola, FL 32505

## ARTICLE 10 - OFFICERS

The affairs of the Association shall be administered by the Officers holding the offices designated in the Bylaws. The Officers shall be elected by the Board of Directors of the Association at its first meeting following the annual meeting of the members of the Association and shall serve at the pleasure of the Board of Directors. The Bylaws may provide for the removal from office of Officers, for filling vacancies, and for the duties and qualifications of the Officers. The names and addresses of the Officers who shall serve until their successors are designated by the Board of Directors are as follows:

President: Rocky Jones  
PO Box 9547  
Pensacola, FL 32513

Vice President: Casey Hyman  
5650 Dixie Dr, Suite A  
Pensacola, FL 32503

Secretary-Treasurer: Cliff Mowe  
3838 N. Palafox St.  
Pensacola, FL 32505

## ARTICLE 11 - INDEMNIFICATION

11.1 Indemnity. The Association shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or contemplated action, lawsuit, or proceeding, whether civil, criminal, administrative, or investigative, by reason of the fact that he or she is or was a Director, employee, Officer, or agent of the Association, against expenses (including attorneys' fees and appellate attorneys' fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by that person in connection with such action, lawsuit, or proceeding unless (a) a court of competent jurisdiction determines, after all available appeals have been exhausted or not pursued by the proposed indemnity, that he or she did not act in good faith or in a manner he or she reasonably believed to be not in, or opposed to, the best interest of the Association, and, with respect to any criminal action or proceeding, that he or she had reasonable cause to believe his or her conduct was unlawful, and (b) such court further specifically determines that indemnification should be denied. The termination of any action, lawsuit, or proceeding by judgment, order, settlement, conviction or upon plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith or did act in a manner that he or she reasonably believed to be not in, or opposed to, the best interest of the Association, and, with respect to any criminal action or proceeding, that he or she had reasonable cause to believe that his or her conduct was unlawful.

11.2 Expenses. To the extent that a Director, Officer, employee, or agent of the Association has been successful on the merits or otherwise in defense of any action, lawsuit, or proceeding referred to in Section 10.1 above, or in defense of any claim, issue, or matter therein, he or she shall be indemnified against expenses (including attorneys' fees and appellate attorneys' fees) actually and reasonably incurred by him or her in connection with that defense.

11.3 Advances. Expenses incurred in defending a civil or criminal action, lawsuit, or proceeding shall be paid by the Association in advance of the final disposition of such action, lawsuit, or proceeding upon receipt of an undertaking by or on behalf of the affected Director, Officer, employee, or agent to repay such amount unless it shall ultimately be determined that he or she is entitled to be indemnified by the Association as authorized in this Article 10.

11.4 Miscellaneous. The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any Bylaw, agreement, vote of members, or otherwise, and shall continue as to a person who has ceased to be a Director, Officer, employee, or agent and shall inure to the benefit of the heirs and personal representatives of that person.

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

## ARTICLE 12 – ASSESSMENTS

12.1 To provide the total sum necessary for the insurance, reserve fund for replacements, maintenance and operation of the common areas and improvements within the Subdivision, each member for each lot owned shall pay a portion of the total amount necessary for such purposes to the Association. The portion to be paid by each member for each lot owned shall be equal to a fraction, the numerator of which shall be the number of lots owned by such lot owner and the denominator of which shall be the total number of lots in the Subdivision, and which the quotient of such fraction shall be multiplied by the sum necessary for such purposes. The total number of lots in the Subdivision may be increased from time-to-time by the Declarant in its sole and absolute discretion so long as Declarant continued to have the right to add additional property to the Subdivision in accordance with the terms of the Declaration.

12.2 The amount of assessment against each member as provided under the paragraph immediately above, shall be assessed by the Association as a lien as provided in the Declaration.

12.3 In addition to the annual assessments authorized above, the Association may levy in any assessment year special assessments for the purposes and in the manner set forth in the Declaration, as may be amended from time to time.

12.4 Each assessment shall be assessed and shall be due and payable as provided in the Declaration and the Bylaws, and upon default or payment within such period of time, the assessment shall be a lien against each lot owned by the defaulting member and against that undivided portion of the common area owned by the defaulting member, and the Association shall be entitled to enforce the payment of said lien according to the laws of the State of Florida and to take any other actions for collection from the defaulting party or parties. Any such lien against a lot or against a common area shall be subordinate to a recorded first mortgage covering such lot.

12.5 Both annual and special assessments shall be collected in the time and manner specified in the Declaration or as otherwise directed by the Association's directors.

### ARTICLE 13 – DISSOLUTION

Unless the Board of Directors determines that because of a conflict of interest or other substantial reason it should not make any recommendation, the Board of Directors must adopt a resolution recommending that the Association be dissolved and directing that the question of such dissolution be submitted to a vote at a meeting of the Members entitled to vote thereon, which may be either an annual meeting or special meeting. Written notice stating that the purpose, or one of the purposes, of such meeting is to consider the advisability of dissolving the corporation must be given to each Member (as of thirty (30) days prior to the date of mailing such notice) entitled to vote at such meeting. This notice shall be sent at least ten (10) days and not more than sixty (60) days before the date named for the meeting to each Member by United States mail, or by telegram, charges prepaid, to his address appearing in the books of the Association. A resolution to dissolve the corporation shall be adopted by receiving 80% of the votes which Members present at such meeting or represented by proxy are entitled to cast. At any time after dissolution is authorized, the corporation may dissolve by delivering to the Department of State articles of dissolution for filing.

### ARTICLE 14 – MISCELLANEOUS

14.1 Amendment. Until Turnover, these Articles may be amended at any time and from time to time by Declarant, without consent or approval of any of the other members of the Association. After Turnover, these Articles may be amended, subject to the terms and provision of the Declaration, by the affirmative vote or at least sixty-seven (67%) of the total voting interests of all members of the Association. All amendments to

these Articles become effective only upon being placed of record in the Office of the Clerk of the Circuit Court Escambia County, Florida.

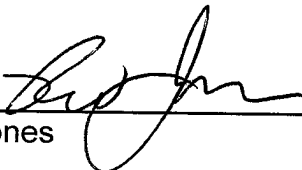
14.2 Termination, Dissolution, or Liquidation. In the event of a termination, dissolution, or final liquidation of the Association, the responsibility for the operation and maintenance of any Stormwater Management System must be transferred to and accepted by an entity which complies with Rules and Regulations, and be approved by the Northwest Florida Management District prior to such termination, dissolution or liquidation.

14.3 Incorporation by Reference. All of the terms, provisions, definitions, covenants and conditions set forth in the Declaration are hereby expressly incorporated herein by reference as if fully set forth herein. In the event of any conflict or ambiguity between the terms, provisions, definitions, covenants and conditions set forth herein in these Articles and the Declaration, then the provisions of the Declaration shall at all times control. In the event of any conflict or ambiguity between the terms, provisions, definitions, covenants and conditions set forth herein in these Articles and the Association Bylaws, then the provisions of these Articles shall at all times control.

**ARTICLE 15 – INITIAL REGISTERED OFFICE,  
ADDRESS AND NAME OF REGISTERED AGENT**

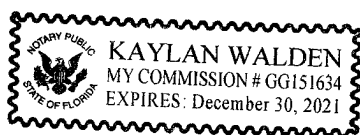
The initial registered office of this Corporation shall be at 212 W. Intendencia St. Pensacola, Florida 32502, with the privilege of having its office and branch offices at other places within or without the State of Florida. The initial registered agent of the Corporation shall be Liberis Law Firm, by Charles S. Liberis who shall also be a resident agent, whose address is 212 W. Intendencia St. Pensacola, Florida 32502.

IN WITNESS WHEREOF, the Incorporator has affixed his signature the day and year set forth below.

  
\_\_\_\_\_  
Rocky Jones

STATE OF FLORIDA  
COUNTY OF ESCAMBIA

The foregoing instrument was acknowledged before me on the 13 day of November, 2018, by Rocky Jones, who is personally known to me and who did not take an oath.



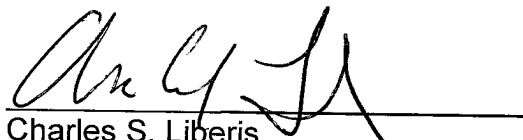
  
\_\_\_\_\_  
Notary Public

**CERTIFICATE DESIGNATING PLACE OF BUSINESS OR DOMICILE FOR  
THE SERVICE OF PROCESS WITHIN THIS STATE, NAMING AGENT  
UPON WHOM PROCESS MAY BE SERVED**

In compliance with the laws of Florida, the following is submitted:

That desiring to organize under the laws of the state of Florida with its principal office, as indicated in the foregoing Articles of Incorporation, in the County of Escambia, State of Florida, the corporation named in the said Articles has named Charles S. Liberis, whose address is 212 W. Intendencia St. Pensacola, Florida 32502, as its statutory registered agent.

Having been named the statutory agent of the corporation at the place designated in this certificate, I hereby accept the same and agree to act in this capacity and agree to comply with the provisions of Florida law relative to keeping the registered office open.

  
\_\_\_\_\_  
Charles S. Liberis

This instrument was prepared by:  
 Charles S. Liberis, Esquire  
 Liberis & Associates, P.A.  
 212 West Intendencia St.  
 Pensacola, FL 32501  
 (850) 438-9647

**BYLAWS OF RESIDENCES AT NATURE CREEK HOMEOWNER'S ASSOCIATION, INC.,  
 A FLORIDA NOT-FOR PROFIT CORPORATION:**

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**BYLAWS OF RESIDENCES AT NATURE CREEK HOMEOWNER'S  
ASSOCIATION, INC., A FLORIDA NOT-FOR PROFIT CORPORATION**

1. Identity. These are the Bylaws of Residences At Nature Creek Homeowner's Association, Inc. (the "Association"), a Florida not-for-profit corporation and organized for the purpose of administering that certain Real Property located in Escambia County, Florida, and known as The Residence At Nature Creek Subdivision (the "Real Property").

1.1 Principal Office. The principal office of the Association shall be at 3838 N. Palafox St. Pensacola, Florida 32505, or at such other place as may be subsequently designated by the Board of Directors. All books and records of the Association shall be kept in Escambia County, Florida, or at such other place within the state of Florida as may be designated by the Board from time to time.

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

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

2. Definitions. For convenience, these Bylaws shall be referred to as the "Bylaws" and the Articles of Incorporation of the Association as the "Articles." The other terms used in these Bylaws shall have the same definitions and meanings as those set forth in the Declaration of Covenants, Conditions and Restrictions recorded in the Public Records of Escambia County unless herein provided to the contrary or the context otherwise requires.

3. Member Meetings

3.1 Annual Meeting. After Turnover (As defined in The Declaration), the annual members' meeting shall be held on the date, at the place, and at the time determined by the Board of Directors from time to time, provided that there shall be an annual meeting every calendar year and, to the extent possible, no later than twelve (12) months after the last preceding annual meeting. The purpose of the meeting shall be, except as provided herein to the contrary, to elect Directors and to transact any other business authorized to be transacted by the members, or as stated in the notice of the meeting sent to Owners in advance thereof. Unless changed by the Board of Directors, the first annual meeting shall be held in the month of December following the year in which the Declaration is filed, at such time, place, and date as the Board shall determine.

3.2 Special Meetings. Special members' meetings shall be held at such places as provided herein for annual meetings and may be called by the President or by a majority of the Board of Directors of the Association and must be called by the President or Secretary upon receipt of a written request from a majority of the members of the Association. The business conducted at a special meeting shall be limited to that stated in the notice of the

meeting. Special meetings may also be called by Owners for any lawful purpose, including, but not limited to, the following: (i) a special meeting of the Members for purposes of recalling a member or members of the Board of Directors and (ii) such special meeting of Members as set forth in Article 9 of these Bylaws.

3.3 Notice of Meeting; Waiver of Notice. Notice of a meeting of members, stating the time and place and the purpose(s) for which the meeting is called, shall be given by the President or Secretary. A copy of the notice shall be posted at a conspicuous place on the Property at least 14 continuous days prior to the annual meeting. The notice of the annual meeting shall also be sent by mail or hand delivered to each Member unless the Member waives in writing the right to receive notice of the annual meeting by mail or hand delivery. The delivery or mailing shall be to the address of the member as it appears on the roster of members. The posting and mailing of the notice shall be effected not less than 14 days nor more than 60 days prior to the date of the meeting. Proof of posting shall be given by affidavit, and proof of mailing of the notice shall be given by affidavit or the retention of a post office certificate of mailing.

Notice of specific meetings may be waived before or after the meeting and the attendance of any member (or person authorized to vote for such member) shall constitute such member's waiver of notice of such meeting except when his or her (or the authorized representative's) attendance is for the express purpose of objecting at the beginning of the meeting to the transaction of business because the meeting is not lawfully called.

An Officer of the Association shall provide an affidavit, to be included in the official records of the Association, affirming that notices of the Association meeting were mailed or hand delivered in accordance with this Section, to each Member at the address last furnished to the Association. No other proof of notice of a meeting shall be required.

3.4 Quorum. A quorum at members' meetings shall be attained by the presence, either in person or by proxy, of persons entitled to cast 30% of the total voting interest.

3.5 Voting.

3.5.1 Number of Votes. At any meeting of Members, the Owners of Lots shall be entitled to cast one vote for each Lot owned. The vote of a Lot shall not be divisible.

3.5.2 Majority Vote. The acts approved by a majority of the votes present in person or by proxy at a meeting at which a quorum shall have been present shall be binding upon all Members for all purposes except where otherwise provided by law, the Declaration, the Articles, or these Bylaws. As used in these Bylaws, the Articles, or the Declaration, the term "majority of the members" shall mean a majority of the members themselves and shall further mean more than 50% of the then total authorized votes present in person or by proxy and voting at any meeting of the Owners at which a quorum shall have been attained. Similarly, if some greater percentage of members is required herein or in the Declaration or Articles, it shall mean such greater percentage of the votes of members and not of the members themselves.

3.5.3 Voting Member. If a Lot is owned by one person, the right to vote shall be established by the roster of members. If a Lot is owned by more than one person, those persons (including husbands and wives) shall decide among themselves who shall cast the vote of the Lot. In the event that those persons cannot so decide, no vote shall be cast. A person casting a vote for a Lot shall be presumed to have the authority to do so unless the President or the Board of Directors is otherwise notified. If a Lot is owned by a corporation, the person entitled to cast the vote for the Lot shall be designated by a certificate signed by an appropriate Officer of the corporation and filed with the Secretary of the Association. Such person need not be an Owner. Those certificates shall be valid until revoked or superseded by a subsequent certificate or until a change occurs in the ownership of the Lot concerned. A certificate designating the person entitled to cast the vote for a Lot may be revoked by any record Owner of an undivided interest in the Lot. If a certificate designating the person entitled to cast the vote for a Lot for which that certificate is required is not on file or has been revoked, the vote attributable to that Lot shall not be considered in determining whether a quorum is present, nor for any other purpose, and the total number of authorized votes in the Association shall be reduced accordingly until such certificate is filed.

3.6 Proxies. Votes may be cast in person or by proxy. A proxy may be made by any person entitled to vote but shall be valid only for the specific meeting for which originally given and any lawful adjourned meetings thereof. All proxies must be filed with the Secretary before the appointed time of each meeting and such proxy shall be valid only for the particular meeting designated in the proxy and any lawfully adjourned meeting thereof. In no event shall any proxy be valid for a period longer than 90 days after the date of the first meeting for which it was given. Every proxy shall be revocable at any time at the pleasure of the person executing it. A proxy must be in writing, be signed by the person authorized to cast the vote for the Lot (as described in Section 3.5), name the person(s) voting by proxy and the person authorized to vote for such person(s), and be filed with the Secretary of the Association before the time to which the meeting is adjourned. Each proxy shall contain the date, time, and place of the meeting for which it is given and, if a limited proxy, shall set forth the matters on which the proxy holder may vote and the manner in which the vote is to be cast. Holders of proxies need not be Lot Owners. Notwithstanding the foregoing, no proxy, limited or general, shall be used in the election of Board members, either in general elections or elections to fill vacancies caused by recall, resignation, or otherwise.

3.7 Adjourned Meetings. If any proposed meeting cannot be organized because a quorum has not been attained, the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present, provided notice of the newly scheduled meeting is given in the manner required for the giving of notice of a meeting. Except as required above, proxies given for the adjourned meeting shall be valid for the newly scheduled meeting unless revoked for reasons other than the new date of the meeting.

3.8 Proviso. Notwithstanding anything contained herein to the contrary, until sixty (60%) percent of the Lots in the Subdivision have been sold to the original purchasers, or until Turnover, whichever shall first occur, there shall be no meeting of the members of the Association unless a meeting is called by the Board of Directors.

3.9 Order of Business. If a quorum has been attained, the order of business at annual members' meetings, and, if applicable, at other members' meetings, shall be:

3.9.1 Call to order by President;

3.9.2 Appointment by the President of a chair of the meeting (who need not be a member or a Director);

3.9.3 Calling of Roll and Certification of Proxies

3.9.4 Proof of notice of the meeting or waiver of notice;

3.9.5 Reading of minutes;

3.9.6 Reports of Officers;

3.9.7 Reports of committees;

3.9.8 Election of Directors;

3.9.9 Unfinished business;

3.9.10 New business;

3.9.11 Adjournment.

Such order may be waived in whole or in part by direction of the chair.

3.10 Minutes of Meeting. The minutes of all meetings of Owners shall be kept in a book available for inspection by Owners or their authorized representatives and Board members at any reasonable time. The Association shall retain these minutes for a period of not less than seven years.

3.11 Action Without a Meeting. Anything to the contrary herein notwithstanding, to the extent lawful, any action required to be taken at any annual or special meeting of members, or any action that may be taken at any annual or special meeting of such members, may be taken without a meeting, without prior notice, and without a vote if a consent in writing, setting forth the action so taken, shall be signed by the members (or persons authorized to cast the vote of any such members as elsewhere herein set forth) having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting of members at which a quorum of members (or authorized persons) entitled to vote thereon were present and voted. Within 10 days after obtaining such authorization by written consent, notice must be given to members who have not consented in writing. The notice shall fairly summarize the material features of the authorized action.

3.12 Owner Participation. Owners shall have the right to participate in meetings of Owners with reference to all designated agenda items. However, the Association may adopt reasonable rules governing the frequency, duration, and manner of Owner participation. Any Owner may tape record or videotape a meeting of the Owners subject to reasonable rules adopted by the Division.

4. Directors.

4.1 Composition. The affairs of the Association shall be governed by a Board of not less than three (3) nor more than five (5) Directors. During Developer control, Directors need not be Lot Owners; provided, however, upon turnover, each Director, other than any Developer appointed or elected Director, shall be a Lot Owner.

4.2 Election of Directors. The election of Directors shall be conducted in the following manner:

4.2.1 Election of Directors shall be held at the annual members' meeting except as provided herein to the contrary.

4.2.2 Not less than 60 days before a scheduled election, the Association shall mail or deliver, whether by separate Association mailing or included in another Association mailing or delivery including regularly published newsletters, to each Owner entitled to a vote, a first notice of the date of the election. Any Owner or other eligible person desiring to be a candidate for the board of administration shall give written notice to the Association not less than 40 days before a scheduled election. The Association shall then mail or deliver a second notice of the meeting at least 14 days prior to the meeting, which notice must include an agenda, to all Owners entitled to vote therein, together with a written ballot that shall list all candidates. Upon request of a candidate, the Association shall include an information sheet, no larger than 8 ½ inches by 11 inches furnished by the candidate, to be included with the mailing of the ballot, with the costs of mailing or delivery and copying to be borne by the Association.

4.2.3 The election shall be by written ballot or voting machine and by a plurality of the votes cast, each person voting being entitled to cast his or her vote for each of as many nominees as there are vacancies to be filled. The entire membership shall vote for all of the Directors. No Owner shall permit another person to cast his or her ballot and any such ballots improperly cast shall be deemed invalid except for a Owner who needs assistance in voting due to blindness, disability, or inability to read or write.

4.2.4 There shall be no quorum requirement or minimum number of votes necessary for election of Board of Directors. However, at least 20% of the eligible voters must cast a ballot in order for the election to be valid.

4.2.5 No nominating committees, no slates of Directors, no nominations from the floor, and no write-in candidates are permitted. Any Owner who indicates an interest in running must be placed on the ballot. Election and balloting are not required unless more

candidates file notices of intent to run or are nominated than there are vacancies on the Board.

#### 4.3 Vacancies and Removal.

4.3.1 Except as to vacancies resulting from removal of Directors by members, vacancies on the Board of Directors occurring between annual meetings of members shall be filled by the affirmative vote of the remaining Board of Directors, even if the remaining Directors constitute less than a quorum, provided that all vacancies in Directorships to which Directors were appointed by the Developer under the provisions of section 4.16 hereof shall be filled by the Developer without the necessity of any meeting.

4.3.2 Any Director elected by the members (other than the Developer) may be removed without cause by concurrence of a majority of the votes of all the voting interests at a special meeting of members called for that purpose, which meeting may be called by 10% of the voting interests, giving notice of the meeting as required for a meeting of Owners, and stating the purpose of the meeting, or by written agreement signed by a majority of the Owners of all Lots.

If the recall is approved by a majority of all voting interests by a vote at a meeting, the recall will be effective as provided herein. The Board shall duly notice and hold a board meeting within five full business days of the adjournment of the Owner meeting to recall one or more board members. At the meeting, the Board shall either certify the recall, in which case such member or members shall be recalled effective immediately and shall turn over to the Board within five full business days any and all records and property of the Association in their possession, or shall proceed as set forth below.

If the proposed recall is by an agreement in writing by a majority of all voting interests, the agreement in writing or a copy thereof shall be served on the Association by certified mail or by personal. The Board shall duly notice and hold a meeting of the Board within five full business days after receipt of the agreement in writing. At the meeting, the Board shall either certify the written agreement to recall a member or members of the Board, in which case such member or members shall be recalled effective immediately, and shall turn over to the Board within five full business days any and all records and property of the Association in their possession, or proceed as described below.

If the Board determines not to certify the written agreement to recall a member or members of the Board, or does not certify the recall by a vote at a meeting, the Board shall, within five full business days after the meeting, file a petition for binding arbitration. For the purposes of this section, the Owners who voted at the meeting or who executed the agreement in writing shall constitute one party under the petition for arbitration. If the arbitrator certifies the recall as to any member or members of the Board, the recall will be effective upon mailing of the final order of arbitration to the Association. If the Association fails to comply with the order of the arbitrator, the Division may take action under F.S. 718.501. Any member or members so recalled shall deliver to the Board any and all records

of the Association in their possession within five full business days of the effective date of the recall.

If the Board fails to duly notice and hold a Board meeting within five full business days of service of an agreement in writing or within five full business days of the adjournment of the Owner recall meeting, the recall shall be deemed effective and the Board members so recalled shall immediately turn over to the Board any and all records and property of the Association.

If a vacancy occurs on the Board as a result of a recall and less than a majority of the Board members are removed, the vacancy may be filled by the affirmative vote of a majority of the remaining Directors, notwithstanding any provision to the contrary contained in Section 4.2 herein. If vacancies occur on the Board as a result of a recall and a majority or more of the Board members are removed, the vacancies shall be filled in accordance with procedural rules to be adopted by the Division.

4.3.3 Anything to the contrary herein notwithstanding, until a majority of the Directors are elected by the members other than the Developer of the Real Property, neither the first Directors of the Association, nor any Directors replacing them, nor any Directors named by the Developer, shall be subject to removal by members other than the Developer. The first Directors and Directors replacing them may be removed and replaced by the Developer without the necessity of any meeting.

4.3.4 If a vacancy on the Board of Directors results in the inability to obtain a quorum of Directors in accordance with these Bylaws, any Owner may apply to the Circuit Court within whose jurisdiction the Real Property lies for the appointment of a receiver to manage the affairs of the Association. At least 30 days prior to applying to the Circuit Court, the Owner shall mail to the Association and post in a conspicuous place on the Real Property a notice describing the intended action and giving the Association an opportunity to fill the vacancy or vacancies in accordance with these Bylaws. If, during such time, the Association fails to fill the vacancy or vacancies, the Owner may proceed with the petition. If a receiver is appointed, the Association shall be responsible for the salary of the receiver, court costs, and attorneys' fees. The receiver shall have all powers and duties of a duly constituted Board of Directors and shall serve until the Association fills the vacancy or vacancies on the Board sufficient to constitute a quorum in accordance with these Bylaws.

4.4 Term. Except as provided herein to the contrary, the term of each Director's service shall extend until the next annual meeting of the members and subsequently until his or her successor is duly elected and has taken office, or until he or she is removed.

## 5. Directors Meeting

5.1 Organizational Meeting. The organizational meeting of newly elected or appointed Directors shall be held within 10 days of their election or appointment at such place and time as shall be fixed by the Directors at the meeting at which they were elected or

appointed. Notice of the organizational meeting shall be as required for regular meetings of the Board of Directors.

5.2 Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the Directors. Notice of regular meetings shall be given to each Director, personally or by mail, telephone, or telegraph, and shall be transmitted at least 48 hours prior to the meeting. Regular meetings of the Board of Directors shall be open to all Lot Owners and notice of such meetings shall be posted conspicuously on the Real Property at least 48 continuous hours in advance for the attention of the members of the Association except in the event of an emergency. Owners shall have the right to attend and the right to speak with reference to all designated agenda items. The Board may adopt reasonable rules governing the frequency, duration, and manner of Owner statements. Owners may tape record or videotape meetings of the Board subject to rules adopted by the Division. Directors may not vote by proxy or by secret ballot at Board meetings. A vote or abstention for each Director present shall be recorded in the minutes.

5.3 Special Meetings. Special meetings of the Directors may be called by the President, and must be called by the President or Secretary at the written request of one third of the Directors. For so long as the Developer is in control of the Association, special meetings of the Directors may be called by the Developer. Notice of the meeting shall be given personally or by mail, telephone, or telegraph, which notice shall state the time, place, and purpose of the meeting and shall be transmitted not less than 48 hours prior to the meeting. Special meetings of the Board of Directors shall be open to all Owners, and notice of such meetings shall be posted conspicuously on the Real Property at least 48 continuous hours in advance for the attention of the members of the Association except in the event of an emergency, and Owners shall have a reasonable right to participate. The Board may adopt reasonable rules governing the frequency, duration, and manner of Owner statements. Owners may tape record or videotape meetings of the Board. Directors may not vote by proxy or secret ballot at Board Meetings. A vote or abstention for each Director present shall be recorded in the Minutes.

Notwithstanding the foregoing, written notice of any meeting at which non-emergency special assessments, or at which an amendment to Rules regarding Lot use, will be considered shall be mailed or delivered to the Lot Owners and posted conspicuously on the Real Property not less than 14 days prior to the meeting.

5.4 Waiver of Notice. Any Director may waive notice of a meeting before or after the meeting and that waiver shall be deemed equivalent to the due receipt by the Director of notice. Attendance by any Director at a meeting except when his or her attendance is for the express purpose of objecting at the beginning of the meeting to the transaction of business because the meeting is not lawfully called, shall be deemed equivalent to the due receipt by that Director of notice.

5.5 Quorum. A quorum at Directors' meetings shall consist of a majority of the entire Board of Directors. The acts approved by a majority of those present at a meeting at which a quorum is present shall constitute the acts of the Board except when approval by a



greater number of Directors is specifically required by the Declaration, the Articles, or these Bylaws.

Meetings of the Board of Directors and any committee thereof at which a quorum of the members of that committee are present shall be open to all Lot Owners. The right to attend such meetings includes the right to speak with reference to all designated agenda items; provided, however, the Association may adopt reasonable rules governing the frequency, duration, and manner of Lot Owner statements.

5.6 Adjourned Meetings. If, at any proposed meeting of the Board of Directors, there is less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present, provided notice of such newly scheduled meeting is given as required hereunder. At any newly scheduled meeting, any business that might have been transacted at the meeting as originally called may be transacted without further notice.

5.7 Joinder in Meeting by Approval of Minutes. The joinder of a Director in the action of a meeting by signing and concurring in the minutes of that meeting shall constitute the approval of that Director of the business conducted at the meeting, but such joinder shall not allow the applicable Director to be counted as being present for purposes of quorum.

A Director who is present at a meeting of the Board at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless that Director votes against such action or abstains from voting in respect thereto because of an asserted conflict of interest. A vote or abstention for each Director present shall be recorded in the minutes. Directors may not vote by proxy.

5.8 Presiding Officer. The presiding Officer at the Directors' meetings shall be the President (who may, however, designate any other person to preside).

5.9 Order of Business. If a quorum has been attained, the order of business at Directors' meetings shall be:

- 5.9.1 Roll call;
- 5.9.2 Proof of due notice of meeting;
- 5.9.3 Reading and disposal of any unapproved minutes;
- 5.9.4 Reports of Officers and committees;
- 5.9.5 Election of Officers;
- 5.9.6 Unfinished business;
- 5.9.7 New Business;

### 5.9.8 Adjournment.

Such order may be waived in whole or in part by direction of the presiding Officer.

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

5.11 Executive Committee; Other Committees. The Board of Directors may, by resolution duly adopted, appoint an Executive Committee to consist of three or more members of the Board. This Executive Committee shall have and may exercise all of the powers of the Board in management of the business and affairs of the Real Property during the period between the meetings of the Board insofar as may be permitted by law except that the Executive Committee shall not have power (a) to determine the Common Expenses required for the affairs of the Real Property, (b) to determine the assessments payable by the Lot Owners to meet the Common Expenses of the Real Property, (c) to adopt or amend any rules and regulations covering the details of the operation and use of the Real Property, or (d) to exercise any of the powers set forth in paragraphs (f) and (o) of Article 5 below.

The Board may by resolution also create other committees and appoint persons to such committees and vest in such committees such powers and responsibilities as the Board shall deem advisable.

Meetings of any committee of the Board at which a quorum of the members of that committee are present shall be open to all Owners. Written notice, which notice shall specifically incorporate an identification of agenda items, of all committee meetings shall be posted conspicuously on the Real Property at least 48 continuous hours preceding the meeting except in an emergency.

## 6. Transition of Control.

At the time of Turnover, as provided in the Declarations, the Developer shall relinquish control of the Association and shall deliver to the Association all property of the Lot Owners and of the Association held or controlled by the Developer, including, but not limited to, the following items, if applicable:

- 6.1. All deeds to the common property owned by the Association.
- 6.2. The original or a photocopy of the recorded Declaration and all amendments thereto.
- 6.3. A certified copy of the Articles of Incorporation of the Association.
- 6.4. A copy of the Bylaws of the Association.

6.5 The minute books, including all minutes, and other books and records of the Association, if any.

6.6 Any rules and regulations that have been adopted.

6.7 The financial records, including financial statements of the Association, and source documents from the incorporation of the Association through the date of turnover. The records shall be audited by an independent certified public accountant for the period from the incorporation of the Association or from the period covered by the last audit, if an audit has been performed for each fiscal year since incorporation. All financial statements shall be prepared in accordance with generally accepted accounting principles and shall be audited in accordance with generally accepted auditing standards, as prescribed by the Board of Accountancy, pursuant to chapter 473. The certified public accountant performing the audit shall examine to the extent necessary supporting documents and records, including the cash disbursements and related paid invoices to determine if expenditures were for association purposes and the billings, cash receipts, and related records of the Association to determine that the Developer was charged and paid the proper amounts of assessments.

6.8 The financial records, including financial statements of the Association, since the incorporation of the Association through the date of the turnover. All financial statements shall be prepared in accordance with generally accepted accounting standards.

6.9 Association funds or the control thereof.

6.10 All tangible personal property that is the property of the Association or is or was represented by the Developer to be part of the Common Elements or is ostensibly part of the Common Elements, and an inventory of such property.

6.11 A copy of the plans and specifications utilized in the construction the Improvements and the Real Property.

6.12 Insurance policies.

6.13 Any other permits issued by governmental bodies applicable to the Real Property in force or issued within one year prior to the date the Lot Owners take control of the Association.

6.14 All written warranties of contractors, subcontractors, suppliers and manufacturers, if any, that are still effective.

6.15 A roster of Lot Owners and their addresses and telephone numbers, if known, as shown on the Developer's records.

6.16 Leases of the Common Elements and other Leases to which the Association is a party, if applicable.

6.17. A list of current employment contracts or service contracts including addresses and telephone numbers in which the Association is one of the contracting parties, or service contracts in which the Association or Lot Owners have an obligation or responsibility, directly or indirectly, to pay some or all of the fee or charge of the person or persons performing the service.

6.18. All other contracts to which the Association is a party.

7. Powers and Duties. The Board of Directors shall have the powers and duties granted to it by law, the Declaration, the Articles, and these Bylaws necessary for the administration of the affairs of the Lot Owners and may take all acts, through the proper Officers of the Association, in executing such powers, except such acts which by law, the Declaration, the Articles, or these Bylaws may not be delegated to the Board of Directors by the Lot Owners. Such powers and duties of the Board of Directors shall include, without limitation (except as limited elsewhere herein), the following:

7.1 Operating and maintaining the Common Elements.

7.2 Determining the expenses required for the operation of the Association.

7.3 Employing and dismissing the personnel necessary for the maintenance and operation of the Common Elements.

7.4 Adopting and amending rules and regulations concerning the details of the operation and use of the Property.

7.5 Maintaining bank accounts on behalf of the Association and designating the signatory or signatories required therefor.

7.6 Purchasing, leasing, or otherwise acquiring Lots or other property in the name of the Association or its designee.

7.7 Purchasing Lots at foreclosure or other judicial sales, in the name of the Association or its designee.

7.8 Selling, leasing, mortgaging, or otherwise dealing with Lots acquired, and subleasing Lots leased, by the Association or its designee.

7.9 Obtaining and reviewing insurance for the Property.

7.10 Enforcing obligations of the Lot Owners, allocating profits and expenses, and taking such other actions as shall be deemed necessary and proper for the sound management of the Association.

7.11 Imposing fines against appropriate Lot Owners for failure to comply with the provisions of the Board policies and resolutions, the Declaration Documents including the

Rules and Regulations established by the Association, and applicable laws by the Lot Owners, their occupants, licensees, or invitees.

The Directors may, impose fines against a Lot not to exceed the maximum permissible by law, for failure to comply with the provisions of the Board policies and resolutions, the Declaration Documents, including the Rules and Regulations, and applicable laws by Owners, occupants, licensees, tenants, and invitees.

A fine may be imposed for each day of continuing violation at the highest rate allowed by law per violation with a single notice and opportunity for hearing, provided that no fine shall in the aggregate exceed the maximum amount permissible by law.

The party against whom the fine is sought to be levied shall be afforded an opportunity for hearing by being given notice of not less than 14 days. Notice shall be deemed effective when deposited in the United States Mail, certified, return receipt requested, to the address of the Lot Owner listed in the official records of the Association, and as to tenants, to the mailing address for the Lot. The notice shall include:

7.12.1 A statement of the date, time, and place of the hearing.

7.12.2 A statement of the provisions of the Declaration, Articles of Incorporation, Bylaws, Rules and Regulations, Board policies and resolutions or laws that have allegedly been violated.

7.12.3 A short and plain statement of the matters asserted by the Association.

The party against whom the fine may be levied shall have an opportunity to respond, to present evidence, and to provide written and oral argument on all issues involved and shall have an opportunity at the hearing to review, challenge, and respond to any material considered by the Association. The hearing shall be held before a Committee of other Lot Owners. If the Committee does not agree with the fine, the fine may not be levied. Should the Association be required to initiate legal proceedings to collect a duly levied fine, the prevailing party in an action to collect the fine shall be entitled to an award of costs, and a reasonable attorney's fee incurred before trial (including in connection with the preparation for and conduct of fining hearings), at trial, and on appeal. Lot Owners shall be jointly and severally liable for the payment of fines levied against tenants, guests, invitees, or other occupants of a Lot.

7.13 Borrowing money on behalf of the Association when required in connection with the operation, care, upkeep and maintenance of the Common Elements or the acquisition of property, and granting mortgages on and/or security interests in Association-owned property, provided, however, that the consent of the Owners of at least a majority of the Lots represented at a meeting at which a quorum has been attained in accordance with the provisions of these Bylaws shall be required. If any sum borrowed by the Board of Directors on behalf of the Association under the authority contained in this paragraph (o) is not repaid by the Association, a Lot Owner who pays to the creditor such portion thereof as the Owner's interest in his or her Common Elements bears to the interest of all of the Lot Owners in the

Common Elements shall be entitled to obtain from the creditor a release of any judgment or other lien that the creditor shall have filed or shall have the right to file against, or which will affect, such Lot Owner's Lot. However, the Association shall take no action authorized in this paragraph without the prior written consent of the Developer as long as the Developer owns any Lot.

7.14 Contracting for the management and maintenance of the Common Property and authorizing a management agent (who may be an affiliate of the Developer) to assist the Association in carrying out its powers and duties by performing such functions as the submission of proposals, collection of assessments, preparation of records, enforcement of rules and maintenance, repair, and replacement of the Common Elements with such funds as shall be made available by the Association for such purposes. The Association and its Officers shall, however, retain at all times the powers and duties granted by the documents, including, but not limited to, the making of assessments, promulgation of rules, and execution of contracts on behalf of the Association. Notwithstanding the foregoing, in the event that a lawsuit is to be brought against the Developer for any reason whatsoever, at least 75% of all Lot Owners, other than the Developer, must agree, at a meeting duly called for such purpose, prior to institution of any such action.

7.15 Adopting budgets and making and collecting special and periodic assessments against Owners to defray the costs of the Association.

7.16 Acquiring and conveying Common Elements for the purposes of providing utility easements, right-of-way expansion, or other public purpose whether negotiated or as part of the eminent domain procedure, which authority can be exercised by the Board of Directors without approval of the Lot Owners.

7.17 At its discretion, authorizing Lot Owners or other persons to use portions of the Common Elements for private parties and gatherings and imposing reasonable charges for such private use.

7.18 Exercising (i) all powers specifically set forth in the Declaration of Covenants Conditions and Restrictions, the Articles, and these Bylaws, (ii) all powers incidental thereto, and (iii) all other powers of a Florida not-for-profit corporation.

7.19 Imposing a lawful fee in connection with the approval of the transfer, lease, sale, or sublease of Lots, not to exceed the maximum amount permitted by law from time to time in any one case.

7.20 Contracting with and creating or joining in the creation of special taxing districts, joint councils, and the like.

## 8. Officers.

8.1 Executive Officers. The initial executive Officers of the Association shall be a President, a Vice President, a Treasurer, and a Secretary (none of whom need be Directors or Lot Owners), all of whom shall be elected by the Board of Directors (which may create and

fill other offices as provided herein) and who may be peremptorily removed at any meeting by concurrence of a majority of all of the Directors. A person may hold more than one office except that the President may not also be the Secretary. No person shall sign an instrument or perform an act in the capacity of more than one office. The Board of Directors from time to time shall elect such other Officers and designate their powers and duties as the Board shall deem necessary or appropriate to manage the affairs of the Association.

8.2 President. The President shall be the chief executive Officer of the Association. He or she shall have all of the powers and duties that are usually vested in the office of president of an association.

8.3 Vice President. The Vice President shall exercise the powers and perform the duties of the President in the absence or disability of the President. He or she also shall assist the President and exercise such other powers and perform such other duties as are incident to the office of the Vice President of an association and as may be required by the Directors or the President.

8.4 Secretary. The Secretary shall keep the minutes of all proceedings of the Directors and the members. The Secretary shall attend to the giving of all notices to the members and Directors and other notices required by law. He or she shall have custody of the seal of the Association and shall affix it to instruments requiring the seal when duly signed. He or she shall keep the records of the Association, except those of the Treasurer, and shall perform all other duties incident to the office of the secretary of an association and as may be required by the Directors or the President.

8.5 Treasurer. The Treasurer shall have custody of all property of the Association, including funds, securities, and evidences of indebtedness. He or she shall keep books of account for the Association in accordance with good accounting practices, which, together with substantiating papers, shall be made available to the Board of Directors for examination at reasonable times. He or she shall submit a Treasurer's report to the Board of Directors at reasonable intervals and shall perform all other duties incident to the office of Treasurer and as may be required by the Directors or the President. All money and other valuable effects shall be kept for the benefit of the Association in such depositories as may be designated by a majority of the Board of Directors.

8.6 Other. The Board of Directors may create additional offices from time to time and appoint persons to fill such offices, subject to removal at the discretion of the Board.

8.7 Developer Appointees. No Officer appointed by the Directors designated by the Developer may be removed except as provided in Section 4.16 hereof and by law.

9. Compensation. Neither Directors nor Officers shall receive compensation for their services as such, but this provision shall not preclude the Board of Directors from employing a Director or Officer as an employee of the Association, nor preclude contracting with a Director or Officer for the management of the Real Property or for any other service to be supplied by such Director or Officer. Directors and Officers shall be compensated for all

actual and proper out of pocket expenses relating to the proper discharge of their respective duties.

10. Resignations. Any Director or Officer may resign his or 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 Lots owned by any Director or Officer (other than appointees of the Developer or Officers who were not Lot Owners) shall constitute a written resignation of such Director or Officer.

11. Fiscal Management. The provisions for fiscal management of the Association set forth in the Declaration and Articles shall be supplemented by the following provisions:

11.1 Budget.

11.1.1 Adoption by Board; Items. The Board of Directors shall from time to time, and at least annually, prepare a budget for the Association (which shall detail all accounts and items of expense, determine the amount of assessments payable by the Lot Owners to meet the expenses of The Association, and allocate and assess such expenses among the Lot Owners in accordance with the provisions of the Declaration. In addition to annual operating expenses, the budget shall include reserve accounts for capital expenditures and deferred maintenance. These accounts shall include, but not be limited to, pavement resurfacing. The amount of reserves shall be computed by means of a formula based on estimated remaining useful life and estimated replacement cost or deferred maintenance expense of each reserve item. The Association may adjust replacement reserve assessments annually to take into account any changes in estimates or extension of the useful life of a reserve item caused by deferred maintenance. Reserves shall not be required if the members of the Association have, by a majority vote at a duly called meeting of the Association, determined for a specific fiscal year to provide no reserves or reserves less adequate than required hereby. If a meeting of Lot Owners has been called to determine to provide no reserves or reserves less adequate than required, and such result is not attained or a quorum is not attained, the reserves, as included in the budget, shall go into effect. Reserve funds and any interest accruing thereon shall remain in the reserve account or accounts and shall be used only for authorized reserve expenditures unless their use for other purposes is approved in advance by a majority vote at a duly called meeting of the Association.

The adoption of a budget for the Association shall comply with the requirements hereinafter set forth:

(a) Notice of Meeting. A copy of the proposed budget of Common Expenses shall be mailed to each Lot Owner not less than 14 days prior to the meeting of the Board of Directors at which the budget will be considered, together with a notice of that meeting indicating the time and place of such meeting. The meeting shall be open to the Lot Owners, and the Lot Owners shall have a reasonable right to participate. The Board may



adopt reasonable rules governing the frequency, duration, and manner of Lot Owner statements.

(b) Special Membership Meeting. If a budget is adopted by the Board of Directors that requires assessments against the Lot Owners in any year exceeding 115% of the assessments for the preceding year, as hereinafter defined, upon written application of 10% of the Lot Owners, a special meeting of the Lot Owners shall be held within 30 days of delivery of such application to the Board of Directors. Each Lot Owner shall be given at least 10 days' notice of the special meeting. At the meeting, Lot Owners shall consider and adopt a budget. The adoption of the budget shall require a vote of Owners of not less than a majority of all the Lots (including Lots owned by the Developer). If a meeting of the Lot Owners has been called as aforesaid and a quorum is not obtained or a substitute budget has not been adopted by the Lot Owners, the budget adopted by the Board of Directors shall go into effect as scheduled.

(c) Determination of Budget Amount. In determining whether a budget requires assessments against Lot Owners in any year exceeding 115% of assessments for the preceding year, there shall be excluded in the computations any authorized provisions for reasonable reserves made by the Board of Directors in respect of repair or replacement of the Common Property or in respect of anticipated expenses of the Association that are not anticipated to be incurred on a regular or annual basis, and there shall be excluded further from such computation assessments for improvements to the Real Property.

(d) Proviso. As long as the Developer is in control of the Board of Directors of the Association, the Board shall not impose assessments for a year greater than 25% of the prior year's assessments, as herein defined, without the approval of a majority of Lot Owners other than the Developer.

11.1.2 Adoption by Membership. In the event that the Board of Directors shall be unable to adopt a budget for a fiscal year in accordance with the requirements of Subsection 9.1(a) above, the Board of Directors may call a special meeting of Lot Owners for the purpose of considering and adopting such budget, which meeting shall be called and held in the manner provided for special meetings in that subsection, or propose a budget in writing to the members, and if such budget is adopted by the members, upon ratification by a majority of the Board of Directors, it shall become the budget for such year.

11.2 Assessments. Assessments against Lot Owners for their share of the items of the budget shall be made for the applicable fiscal year annually at least 20 days preceding the year for which the Assessments are made. Such assessments shall be due in equal installments, payable in advance on the first day of each month (or each quarter at the election of the Board) of the year for which the assessments are made. If annual assessments are not made as required, assessments shall be presumed to have been made in the amount of the last prior assessments, and monthly (or quarterly) installments on the assessments shall be due upon each installment payment date until changed by amended

assessments. In the event the annual assessments prove to be insufficient, the budget and assessments may be amended at any time by the Board of Directors, subject to the provisions of Section 9.1 hereof, if applicable. Unpaid assessments for the remaining portion of the fiscal year for which amended assessments are made shall be payable in as many equal installments as there are full months (or quarters) of the fiscal year left as of the date of such amended assessments, each such monthly (or quarterly) installment to be paid on the first day of the month (or quarter), commencing the first day of the next ensuing month (or quarter). If only a partial month (or quarter) remains, the amended assessments shall be paid with the next regular installment in the following year unless otherwise directed by the Board in its resolution.

11.3 Assessments for Emergencies. Assessments for Common Expenses for emergencies that cannot be paid from the annual assessments for Common Expenses shall be due only after 14 days' notice is given to the Lot Owners concerned, and shall be paid in such manner as the Board of Directors of the Association may require in the notice of the assessments.

11.4 Late Assessments. Assessments not paid within 10 days from the date due may bear interest from the date when due until paid at the then highest rate allowed by law. Additionally, the failure to pay any assessment within 10 days from the date due shall entitle the Association to levy a late charge against the defaulting Lot Owner, in such amount as the Board may determine from time to time. However, such late charge shall not exceed the maximum amount allowed under the Act.

11.5 Depository. The depository of the Association shall be such bank or banks or financial institution(s) in the state of Florida federally regulated and insured as shall be designated from time to time by the Directors and in which the funds of the Association shall be deposited. Withdrawal of money from those accounts shall be made only by checks signed by such person or persons as are authorized by the Directors. All sums collected by the Association from assessments or contributions to working capital or otherwise shall be maintained separately for each Real Property, in the Association's name. Reserve and operating funds of the Association shall not be commingled. The Association shall maintain separate accounting records for the Association and for each Real Property operated by the Association. No manager or business entity required to be licensed or registered under F.S. 468.432, and no agent, employee, Officer, or Director of the Association shall commingle Association funds with his, her, its, or another association's or entity's funds.

11.6 Acceleration of Installments Upon Default. As an additional right and remedy of the Association, if a Lot Owner shall be in default in the payment of an installment of the Owner's assessments after 30 days' prior written notice to the applicable Lot Owner, the Board of Directors or its agent may accelerate the assessments due for the remainder of the quarter (if the assessments are made by monthly installments) and thereafter, if a claim of lien has been filed, the assessments shall be accelerated for the balance of the budget year. The unpaid balance of the assessments for the balance of the accelerated period shall be due upon the date stated in the notice, but not less than five days after delivery of the notice

to the Lot Owner, or not less than 10 days after the mailing of such notice to the Lot Owner by certified mail, whichever shall first occur.

11.7 Enforcement of Assessments. In the event an assessment is not paid within 10 days of the date it shall be due and payable, the Association, through the Board of Directors, may proceed to enforce and collect that assessment from the delinquent Lot Owner in any manner provided for by the Declaration, and these Bylaws. Each Lot Owner shall be individually responsible for the payment of assessments against his or her Lot and for the payment of reasonable attorneys' fees and costs incurred by the Association in the collection of sums due and enforcement of any lien held by the Association.

11.8 Fidelity Bonds. Fidelity bonds shall be required by the Board of Directors for all persons handling or responsible for Association funds in such amount as shall be determined by the formula set forth in the Act, or such greater amount as may be determined by a majority of the Board. The premiums on such bonds shall be paid by the Association as a Common Expense.

11.9 Accounting Records and Reports. The Association shall maintain accounting records in the State of Florida, according to accounting practices normally used by similar associations. The records shall be open to inspection by Lot Owners or their authorized representatives at reasonable times, and written summaries of them shall be supplied at least annually. The records shall include, but not be limited to, (a) a record of all receipts and expenditures, and (b) an account for each Lot designating the name and current mailing address of the Lot Owner, the amount of assessments, the dates and amounts in which the assessments come due, the amount paid upon the account and the dates so paid, and the balance due. Written summaries of the records described in clause (a) above, in the form and manner specified below, shall be supplied to each Lot Owner annually.

No later than April 1 of the year following the end of a fiscal year, the Board shall mail, or furnish by personal delivery, to each Lot Owner a complete financial report of actual receipts and expenditures for the previous 12 months (i.e., the last completed fiscal year), or a complete set of financial statements for the preceding fiscal year prepared in accordance with generally accepted accounting principles. The report shall show the amount of receipts by accounts and receipt classifications and shall show the amounts of expenses by accounts and expense classifications, including, if applicable, but not limited to, the following:

- 11.9.1 Cost for security;
- 11.9.2 Professional and management fees and expenses;
- 11.9.3 Taxes;
- 11.9.4 Cost for recreation facilities;
- 11.9.5 Expenses for refuse collection and utility services;

- 11.9.6 Expenses for landscaping;
- 11.9.7 Cost for building maintenance and repair;
- 11.9.8 Insurance costs;
- 11.9.9 Administrative and salary expenses; and

11.9.10 Reserves for capital expenditures, deferred maintenance, and any other category for which the Association maintains a reserve account or accounts.

11.10 Application of Payment. All payments made by a Lot Owner shall be applied as provided in these Bylaws and in the Declaration, or as otherwise determined by the Board.

11.11 Notice of Meetings. Notice of any meeting at which assessments against Lot Owners are to be considered for any reason shall specifically contain a statement that assessments will be considered and the nature of any such assessments.

12. Roster of Lot Owners. Each Lot Owner shall file with the Association a copy of the recorded deed or other document showing his or her ownership. The Association shall maintain such information. The Association may rely upon the accuracy of such information for all purposes until notified in writing of changes therein as provided above. Only Lot Owners of record on the date notice of any meeting requiring their vote is given shall be entitled to notice of and to vote at the meeting unless prior to the meeting other Owners shall produce adequate evidence, as provided above, of their interest and shall waive in writing notice of the meeting.

13. Parliamentary Rules. ROBERT'S RULES OF ORDER (latest edition) shall govern the conduct of the Association meetings when not in conflict with the Declaration, the Articles, or these Bylaws.

14. Amendments. Except as provided otherwise in the Declaration, these Bylaws may be amended in the following manner:

14.1 Notice. Notice of the subject matter of a proposed amendment shall be included in the notice of a meeting of the membership at which a proposed amendment is to be considered.

14.2 Adoption. A resolution for the adoption of a proposed amendment may be proposed either by a majority of the Board of Directors or by not less than one third of the members of the Association. Any proposed amendment to these Bylaws must be made by ballot or by limited proxy, delivered to the Secretary of the Association at or prior to the meeting. The approval must be:

14.2.1 Prior to the turnover of control of the Association to Lot Owners other than the Developer, by not less than a majority of the votes of those members of the Association who are present or represented at a meeting at which a quorum has been attained and by not less than 51% of the entire Board of Directors; or

14.2.2 After control of the Association has been turned over to Lot Owners other than the Developer, by not less than 67% of the votes of the members of the Association represented at a meeting at which a quorum has been attained.

14.3 Proviso. No amendment may be adopted that would eliminate, modify, prejudice, abridge, or otherwise adversely affect any rights, benefits, privileges, or priorities granted or reserved to the Developer or mortgagees of Lots without the consent of the Developer and mortgagees in each instance. No amendment shall be made that is in conflict with the Articles or Declaration. No amendment to this Section shall be valid.

14.4 Execution and Recording. A copy of each amendment shall be attached to a certificate stating that the amendment was duly adopted as an amendment of the Declaration and Bylaws, which certificate shall be executed by the President or Vice President and attested by the Secretary or Assistant Secretary of the Association with the formalities of a deed, or by the Developer alone if the amendment has been adopted consistent with the provisions of the Declaration allowing such action by the Developer. The amendment shall be effective when the certificate and a copy of the amendment are recorded in the Public Records of the County with an identification on the first page of the amendment of the Official Records Book and Page of the Public Records where the Declaration is recorded.

15. Rules and Regulations. The Board of Directors may from time to time adopt, amend, modify, or add to Rules and Regulations concerning the use of the Real Property except that subsequent to the date control of the Association is turned over by the Developer to Lot Owners other than the Developer, Owners of a majority of the Lots may overrule the Board with respect to any such adoption, amendments, modifications, or addition. Any such Rule adoption, modification, amendment, or addition need not be recorded in the public records of Escambia County to be effective; however, copies of such adopted, modified, amended, or additional Rules and Regulations shall be furnished by the Board of Directors to each affected Lot Owner not less than 10 days prior to the effective date thereof. At no time may any Rule or Regulation be adopted that would prejudice the rights reserved to the Developer.

16. Construction. Wherever the context so permits, the singular shall include the plural, the plural shall include the singular, and the use of any gender shall be deemed to include all genders.

17. Captions. The captions herein are inserted only as a matter of convenience and for reference, and in no way define or limit the scope of these Bylaws or the intent of any provision hereof.

18. Official Records. From the inception of the Association, the Association shall maintain a copy of each of the following, where applicable, which shall constitute the official records of the Association:

18.1 The plans, permits, warranties, and other items provided by the Developer under F.S. 718.301(4).

18.2 A photocopy of the recorded Declaration of Covenants Conditions and Restrictions and all amendments thereto.

18.3 A photocopy of the recorded Bylaws of the Association and all amendments thereto.

18.4 A certified copy of the Articles of Incorporation of the Association or other documents creating the Association and all amendments thereto.

18.5 A copy of the current Rules and Regulations of the Association.

18.6 A book or books containing the minutes of all meetings of the Association, of the Board of Directors, and of Lot Owners, which minutes shall be retained for a period of not less than seven years.

18.7 A current roster of all Lot Owners, their mailing addresses, Lot identifications, voting certifications, and, if known, telephone numbers.

18.8 All current insurance policies of the Association and the Real Property.

18.9 A current copy of any management agreement, lease, or other contract to which the Association is a party or under which the Association or the Lot Owners have an obligation or responsibility.

18.10 Bills of sale or transfer for all property owned by the Association.

18.11 Accounting records for the Association and the accounting records for the Real Property, according to good accounting practices. All accounting records shall be maintained for a period of not less than seven years. The accounting records shall include, but not be limited to:

18.11.1 Accurate, itemized, and detailed records for all receipts and expenditures.

18.11.2 A current account and a monthly, bimonthly, or quarterly statement of the account for each Lot designating the name of the Lot Owner, the due date and amount of each assessment, the amount paid upon the account, and the balance due.

18.11.3 All audits, reviews, accounting statements, and financial reports of the Association or Real Property.

18.11.4 All contracts for work to be performed. Bids for work to be performed shall also be considered official records and shall be maintained for a period of one year.

18.12 Ballots, sign-in sheets, voting proxies, and all other papers relating to elections, which shall be maintained for a period of one year from the date of the meeting to which the document relates.

The official records of the Association shall be open to inspection by any Association member or the authorized representative of a member at all reasonable times in accordance with reasonable rules regarding the frequency, time, location, notice, and manner of record inspections and copying adopted by the Association. Inspections may take place only at the building in which the records are located and the records shall not be removed from that location. Failure to permit inspection of the Association records as provided herein entitles any person prevailing in an enforcement action to recover reasonable attorneys' fees from the person in control of the records who, directly or indirectly, knowingly denies access to the records for inspection. The right to inspect the records includes the right to make or obtain copies, at the reasonable expense, if any, of the Association member.

19. Mandatory Non-binding Arbitration of Disputes.

19.1 Prior to the institution of court litigation, the parties to a dispute, as defined in the Act, shall petition the Division for non-binding arbitration. Arbitration shall be conducted according to Rules promulgated by the Division. The filing of a petition for arbitration shall toll the applicable statute of limitations.

19.2 At the request of any party to the arbitration, the arbitrator shall issue subpoenas for the attendance of witnesses and the production of books, records, documents, and other evidence, and any party on whose behalf a subpoena is issued may apply to the court for orders compelling such attendance and production. Subpoenas shall be served and shall be enforceable in the manner provided by law.

19.3 The arbitration decision shall be presented to the parties in writing. An arbitration decision shall be final if a complaint for a trial de novo is not filed in a court of competent jurisdiction in which the Real Property is located within 30 days. The right to file for a trial de novo entitles the parties to file a complaint in the appropriate trial court for a judicial resolution of the dispute. The prevailing party may be awarded reasonable attorneys' fees, the costs of the arbitration, or both, in an amount determined in the discretion of the arbitrator.

19.4 The party who files a complaint for a trial de novo shall be assessed the other party's arbitration costs, court costs, and other reasonable costs, including attorneys' fees, investigation expenses, and expenses for expert or other testimony or evidence incurred after the arbitration hearing if the judgment upon the trial de novo is not more favorable than the

arbitration decision. If the judgment is more favorable, the party who filed a complaint for trial de novo shall be awarded reasonable court costs and attorneys' fees.

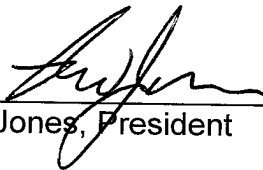
19.5 The decision of an arbitrator shall be final; however, such a decision shall not be deemed final agency action. Nothing in this provision shall be construed to foreclose parties from proceeding in a trial de novo. If such judicial proceedings are initiated, the final decision of the arbitrator shall be admissible in evidence.

19.6 Any party to an arbitration proceeding may enforce an arbitration award by filing a petition in a court of competent jurisdiction in which the Real Property is located. A petition may not be granted unless the time for appeal by filing of a complaint for trial de novo has expired. If a complaint for a trial de novo has been filed, a petition may not be granted with respect to an arbitration award that has been stayed. If the petition is granted, the petitioner may recover reasonable attorneys' fees and costs incurred in enforcing the arbitration award.

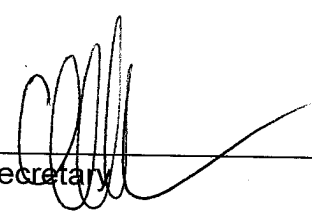
The foregoing was adopted as the Bylaws of Residences At Nature Creek Homeowner's Association, Inc., a Florida not-for-profit corporation, on this the 13 day of November, 2018.

RESIDENCES AT NATURE CREEK  
HOMEOWNER'S ASSOCIATION, INC.

By:

  
\_\_\_\_\_  
Rocky Jones, President

ATTEST:

  
\_\_\_\_\_  
Cliff Mowe, Secretary



## RULES AND REGULATIONS OF RESIDENCES AT NATURE CREEK

The following rules are in addition to any rules stated in the Declaration of Covenants, Conditions and Restrictions. These rules may be amended by appropriate action of the Association. These rules shall apply to all Residential Units

### Use and Maintenance of Units

1. **Door Entry and Passkeys.** Unit Owners shall maintain entry devices in good order. The Association shall have the right to establish fees for the replacement of entry devices. The Association shall retain a passkey to the units, and the unit owners shall provide the association with a new or extra key whenever locks are changed or added for the use of the association pursuant to its statutory right to access the units. Duplication of unit owners' keys to common element facilities is restricted in the interest of security. Such keys will be duplicated only with the assistance of the Association manager. The term "key" and "pass key" shall refer to plastic entry cards as well as metal stamped keys.
2. **Interior Changes.** A Unit Owner may not make any architectural changes to the interior of a Unit without prior written approval by the Association. All such changes shall become the maintenance responsibility of the Unit Owner. No Unit Owner shall decorate any part of his Unit or the building so as to change the appearance of the Unit from the outside. Without limitation, this means that a Unit Owner may not paint any balcony, illuminate the balcony or the exterior of the building, display any plants or other objects upon balconies or railings or exterior windowsills or ledges. Under no circumstances will containers be allowed that will permit water and/or plant fertilizers to soak through to the building floors and/or lower walls and railings. No one may mount any object upon the exterior or roof of the building without the approval of the Board of Directors in writing.
3. **Exterior Screen Porch.** Any screen porch installed or repaired by an owner shall meet exact as built specifications, and must receive prior approval of plans and contractor prior to commencement.
4. **Fences.** All fence designs and materials shall meet original specifications and must be approved by the Architectural Review Committee.
5. **Exterior Maintenance of Units.** No Unit Owner shall change the exterior design or color of the Unit, including the roof thereof. If a Unit Owner shall not comply with this section, the Board of Directors of the Association shall bring same into compliance and in such event shall have a lien against same to recover its costs.
6. **Porch or Balcony Floor Covering.** In the event that a Unit Owner desires to place a floor covering of any type on the porch or balcony abutting the Unit, the Unit

Owner must receive prior Board approval for the type of floor covering and the method of application.

7. **Non-Disturbance**. Unit Owners shall use their unit in a way that does not unreasonably disturb any other resident. The playing of stereos, radios, televisions, musical instruments and the like must not exceed a reasonable volume at anytime. This applies to public areas and inside units. Between the hours of 10:00 p.m. and 10:00 a.m. the volume shall be kept at a level that cannot be heard outside the Unit in which located.
8. **Animals**. No animals, livestock, or poultry of any kind shall be raised, bred, or kept in any Unit, except that cats and/or dogs (not to exceed 2 animals total), may be kept provided they are kept within the Unit and are not kept, bred, or maintained for any commercial purposes or become a nuisance to the other residents. No person owning or in custody of an animal shall allow it to stray or go upon another's Unit without the consent of the Owner of such other Unit. All animals shall be on a leash when outside the Owner's Unit. No animals shall be allowed on the Common Areas. No dogs of the breed of Akita, Chow, Doberman, Pit Bull, Rottweiler, or other aggressive, vicious breeds listed by insurance carriers as uninsurable or high risk shall be permitted on the property. No barking or vicious dogs which may be declared a nuisance may be kept on the Property. No Dogs or cats, shall in any way be detrimental or injurious to the health of the adjacent neighbors. Messes made by pets must be removed by owners or handlers immediately. The directors will designate the portions of the property ("Dog Park") that will be used to accommodate the reasonable requirements of unit owners who keep pets.
9. **Antennas**. There shall be no rooftop or exterior antennas, or "earth stations," or similar signal receiving devices installed on any Unit.
10. **Storage; Clothes Hanging Devices**. No Unit shall be used for the storage of rubbish or permit outside clothes hanging devices. With the exception of an American flag, the hanging of any items (including bathing suits, clothing, tugs, and towels) upon balconies or railings or from windows is prohibited.
11. **Nuisances**. No obnoxious or offensive activity shall be carried in the Unit, nor shall anything be done thereon which may be or become an annoyance or nuisance to the Community.
12. **Signs**. No signs shall be displayed on Units with the exception of a maximum of one (1) "For Sale" or "For Rent" sign not exceeding 36" x 24" in size. The Association may develop uniform sign standards and specifications to which all Owners must adhere. Notwithstanding anything to the contrary herein, Developer and its assigns, shall have the exclusive right to maintain signs of any type and size on Units which they own and on the Common Area in connection with the development and sale of Units.
13. **Vehicles**. No vehicle shall be parked within the Community except on a paved

parking surface, driveway, or within a garage. No trucks or vehicles which are primarily used for commercial purposes, other than those temporarily present on business, nor any trailers, may be parked within the Community. No boats, boat trailers, campers, travel trailers, mobile homes, recreational vehicles, and the like, and any vehicles not in operable condition and validly licensed, shall be permitted to be kept within the Community. For the purpose of the foregoing sentence, the term "kept" shall mean present for a period of twelve (12) hours or longer. The developer is exempt from this regulation for vehicles engaged in any activity relating to construction, maintenance, or marketing of units, as are commercial vehicles used by vendors of the Association while engaged in work at the Community.

14. **Vehicle Repair.** No automobile or other vehicle repairs or like activity shall be conducted on the Community Property.

14. **Trash Receptacle.** Garbage and trash shall be kept in a suitable tightly closed Trash-container. For garbage and trash pick up, transfer all garbage and trash into the dumpster located on the property which is designated for garbage and trash pick up. Trash placed in trash chutes must be securely bagged and may not contain breakable glass objects. Breakable glass objects must be left in the trash chute rooms for pickup by the housekeeper. Food and vegetable scraps are to be disposed of in the individual unit garbage disposals.

15. **Visitors and Guests.** Visitors and guests may use the facilities of the Community as guests of the Unit Owners, and the Unit Owners shall remain responsible for their acts. Unit Owners and their guests, tenants and invitees shall be responsible for any damage to the Common Elements or the Limited Common Elements caused by moving or carrying articles therein. The Association shall restore such damages and the total costs shall be charged to the Unit Owners. All non-owners occupying units will be registered with the manager of the Association at or before the time of their occupancy of the unit. This includes renters and house guests.

16. **Children.** Adults are expected to monitor children under their care and shall be held responsible for the actions of children in their care. Children under 12 may not use the pool or waterfront areas unaccompanied by an adult. Children also will not be permitted to run, play tag, or act boisterously on the Community property. Skateboarding, "Big Wheels," or loud or obnoxious toys are prohibited. Children may be removed from the common areas for misbehavior by or on the instructions of the directors.

17. **Hazardous Substances.** No Unit Owner shall store any material or use any portion of the Community in a manner that will constitute a fire hazard. Nothing will be done or kept in any unit or in the common elements that will increase the rate of insurance on the building or contents of the building without the prior written consent of the directors. No owner will permit anything to be done or kept in the owner's unit or in the common elements that will result in the cancellation of insurance on the building or the contents of the building, or that would be in violation of any law or building code,

18. **Window Treatment.** Only such awnings, shades, window tinting, and sun screens shall be used in balconies or windows as are approved by the Association. All curtains, shades, drapes and blinds will be white or off-white in color or lined with material of these colors
19. **Unit Identification.** A resident may identify his unit by a name plate of a type and size approved by the Association and mounted in the place and manner approved by the Association. No other signs may be displayed in any manner.
20. **Association Access.** The Association, to facilitate its right of access to all Units, shall retain a pass key to the Units, and the Owners shall provide the Association with a new or extra key whenever locks are changed or added for the use of the Association pursuant to its statutory right to access to the Units. Duplication of the Owners' keys to Common Element facilities is restricted in the interest of security. Such keys will be duplicated only with the assistance of the Board or the Board's designated agent.
21. **Moving.** Persons moving furniture and other property into and out of units must use the designated access door into the Community and the elevators designated by the directors as service elevators. All such moving must take place Mondays through Saturdays between the hours of 8:00 a.m. and 5:00 p.m. only. Moving vans and trucks used for this purpose will remain on Community property only when actually in use.
22. **Decorating and Remodeling.** Repair, construction, decorating, or remodeling work will be done on Mondays through Saturdays, between the hours of 8:00 a.m. and 5:00 p.m. only, and the rules for decorators and subcontractors must be complied with.
23. **Meeting Notices/Inquiries.** Official notices will be mailed in compliance with the Florida Statutes. In accordance with Section 718.112(2)(a)2, the Association is only obligated to respond to one written inquiry per Unit in any given 30-day period.
24. **Non-Developer Amendments.** These Rules and Regulations may not be amended in a way that would be detrimental to the sales of the Units by the Developer as long as the Developer holds Units for sale in the ordinary course of business.
25. **Risk Management.** Nothing will be done or kept in any Unit or in the Common Elements that will increase the rate of insurance on the building or contents of the building without the prior written consent of the Board. No Owner will permit anything to be done or kept in the Owner's Unit or in the Common Elements that would result in the cancellation of insurance on the building or the contents of the building, or that would be in violation of any law or building code.
26. **Right to Amend.** The Association reserves the right to change, amend, delete, and/or waive any of the rules set forth herein.

27. **Reference to Other Documents.** These Rules and Regulations do not purport to constitute all of the restrictions affecting the Community and Common Elements. Reference should be made to the Community documents.

### **Common Areas Restrictions**

1. **Non-Obstruction.** The greens, walkways or entrances to the Community Property shall not be obstructed or used for any purposes other than as entrances and exits.
2. **Use of Recreational Facilities.** Recreational facilities will be used in such a manner as to respect the rights of others, and the directors may regulate duration of use, set hours of opening and closing, and schedule use of the facilities.
3. **Bicycles and Toys.** Unit Owners shall not allow bicycles, scooters, skateboards, baby carriages or similar vehicles or toys and other personal articles to remain unattended upon any of the Common Elements. No permanently installed toys or playthings, such as jungle gyms or hammocks, shall be installed upon the Common Elements or the Limited Common Elements without the prior written consent of the Association.
4. **No Solicitation.** No solicitation shall be permitted in or around the Common Elements or any part thereof.
5. **Use of Equipment.** Equipment shall be used only for the purposes intended. Failure of any equipment shall be reported immediately to the management regardless of the responsibility for maintenance in order that proper precautions may be taken. Each Unit Owner shall be responsible for damage caused by misuse of equipment by its guests, tenants and invitees.
6. **Apparel and Accessories Out of View.** Laundry, bathing apparel, and beach and porch accessories will not be maintained outside of the units or limited common elements (balconies, terraces, and cabanas), and such apparel and accessories will not be exposed to view.

### **Pool and Spa Rules**

**THERE IS NO LIFEGUARD ON DUTY.**

**All persons using the pool and facilities do so at their own risk. The Association will not be responsible for any loss of personal property. There are no facilities for checking valuables.**

1. **Rules.** All persons must conform to the rules and regulations of the pool. The Association may close or limit the swimming facilities or establish additional rules and regulations whenever such action is deemed necessary for the protection or health and safety of residents and guests. Changes to the rules and regulations will be posted in the pool area.
2. **Pool Hours.** The Association reserves the right to limit the times and days for which the pool will be available. The pool hours will be posted at the pool site. No one is permitted in the pool area at any time the pool is closed. The Association may close the pool at any time if judged necessary. Initial hours shall be: Pool - 7:00 a.m. until 8:00 p.m.
3. **Guest Use.** Use of the pool is restricted to residents and guests. A maximum of four (4) non-resident guests per "resident household" will be allowed on a limited basis. All guests must be accompanied by a resident at all times while at the pool facility.
4. **Tenant Use.** Non-resident owners must complete the tenant pool registration which is available through the Association if they wish to allow their tenants use of the pool facilities. In the event there is a change in family status or if there are any additions or deletions, contact the Association immediately.
5. **Children Use.** A resident eighteen (18) years of age or older must be present and responsible for guest or resident children under the age of eighteen (18). Parents or guardians who accompany children must remain with the children during the time the children are in the pool area, and are responsible for the children's safety and actions, and for any damage which may occur.
6. **Diapers.** Children in diapers are permitted in the pool area provided diapers are covered with rubber/plastic pants. Diapers may not be disposed of at the pool site. They must be taken with the resident when leaving the pool.
7. **Rules.** Posted rules are to be observed at all times.
8. **Diving.** No diving.
9. **Attire.** Proper swimming attire is required at all times. No cutoffs are permitted in pool.
10. **Hazardous Weather.** During inclement weather, such as lightening or thunder, or other conditions hazardous to swimmers, everyone is required to leave the pool area. The Association may close the pool under such circumstances.
11. **No Rough Play.** Screaming, boisterous conduct, unnecessary splashing and throwing a ball or other objects in the pool or pool area is not permitted. No running,

pushing, wrestling, jumping or rough play is permitted in or about the pool.

**Flotation Devices.** Life preservers, when worn for safety, are permitted in the pool.

12. **No Food.** Food is not permitted on the deck area, at the pool's edge or in the water.

13. **No Glass.** No glass containers are permitted in the pool area.

14. **Drugs and Alcohol.** Persons suspected of being under the influence of drugs or alcohol shall be prohibited from entering the pool area.

15. **Trash.** All residents and guests are required to dispose of trash in the receptacles provided, and recyclable items should be placed in the proper containers.

16. **No Smoking.** Smoking is permitted only in designated areas and an ashtray must be used and discarded of properly.

17. **Radios.** Radios and music players may be used in the pool area only with individual headphones.

18. **No Open Wounds or Bandages.** Persons with infections or contagious health conditions must not use the pool. Swimmers with skin lesions, inflamed eyes, or, discharge from the nose or ears, open blister or cuts will not be permitted to enter the water. No bandages are allowed in the water.

19. **No Animals.** Animals, with the exception of seeing eye dogs, are not permitted in the pool area.

20. **Furniture.** Pool furniture must remain within the pool area. Additional furniture may be brought to be used at the pool, but must be taken out of the pool area before closing each night.

21. **Damages.** Replacement or repair costs for any damaged pool property will be charged to the person or persons responsible. Parents are responsible for any damage caused by their children and residents are responsible for any damage caused by their guests.

22. **Injuries.** All injuries must be reported to the Management Office immediately.

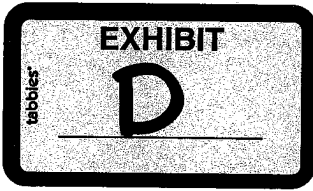
23. **Showers.** All persons must shower before entering the pool.

THE ASSOCIATION AND ITS AGENTS ASSUME NO RESPONSIBILITY FOR ANY ACCIDENTS OR INJURIES IN CONNECTION WITH THE USE OF THE POOL.

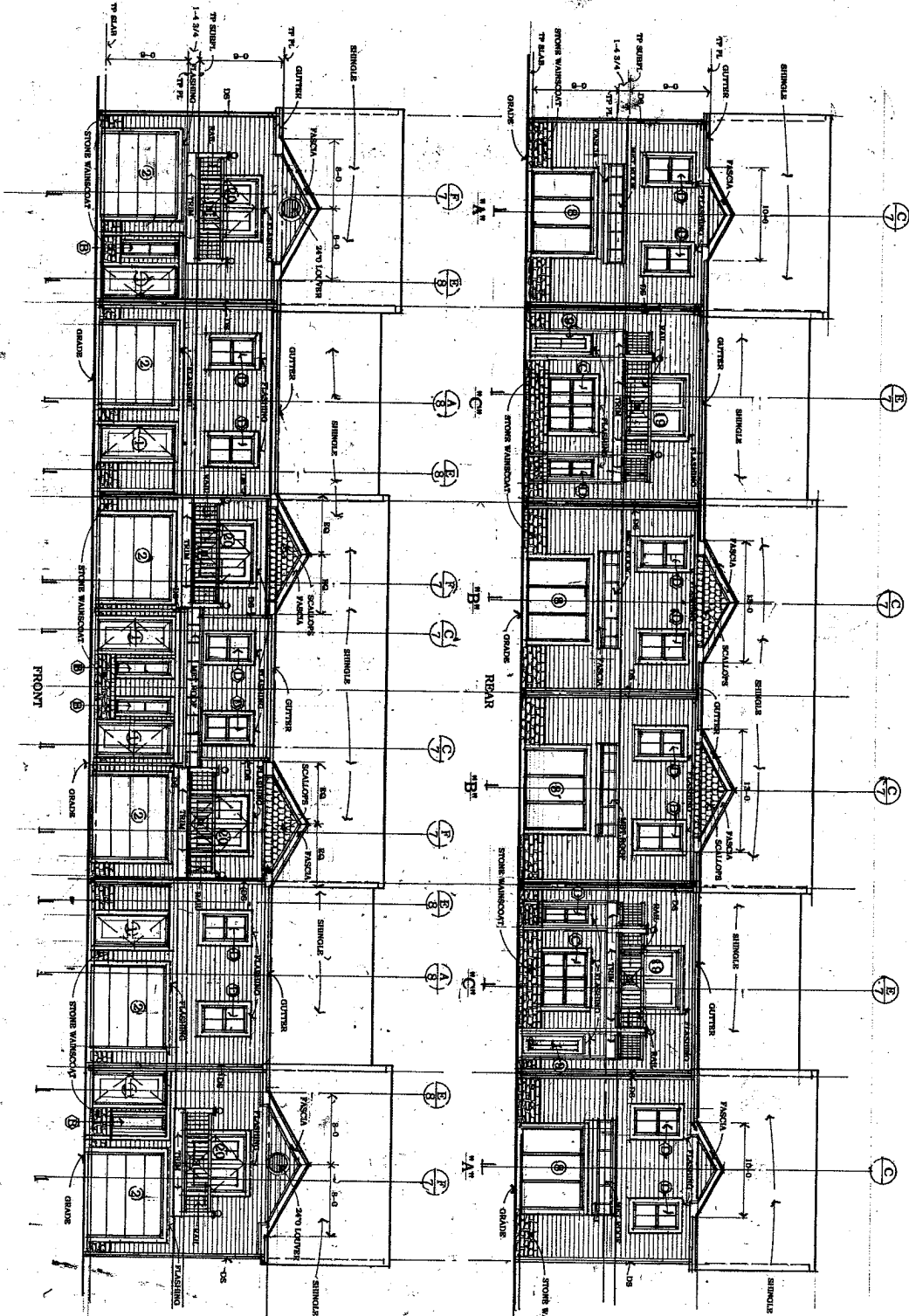
PERSONS USING THE POOL RELEASE AND INDEMNIFY THE DEVELOPER AND THE ASSOCIATION AND ITS MEMBERS AND AGENTS FROM ANY CLAIMS IN CONNECTION WITH ANY LOSS OF LIFE OR PERSONAL INJURY OR DAMAGE TO OR LOSS OF PERSONAL PROPERTY.







ELEVATIONS  
3/16-11-0



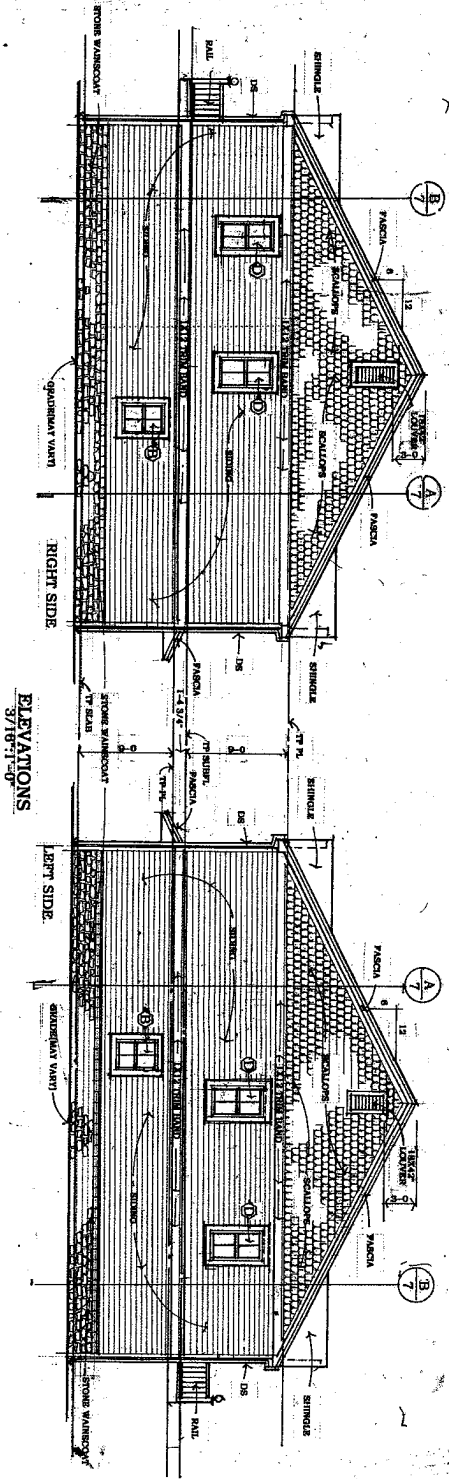
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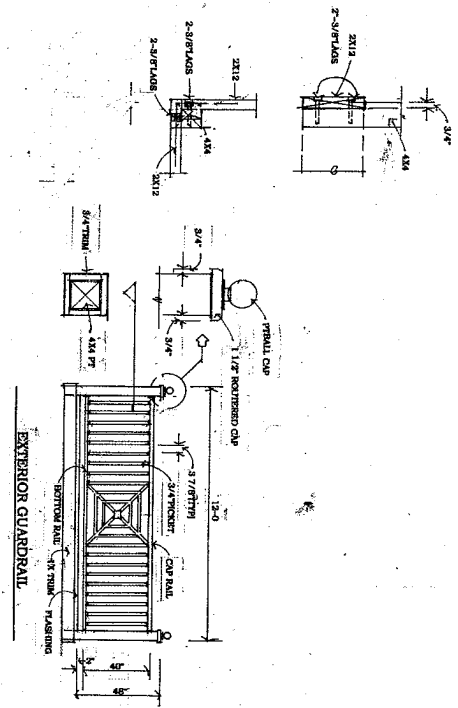
THE RESIDENCE  
NATURE CREEK  
GREGORY R. UZDEVENIS ARCHITECT, P.A.

GREGORY R. UZDEVENIS, ARCHITECT, P.A.  
918 E. CERVANTES ST. PENSACOLA, FLA.  
850-432-9304 FAX 850-438-4946

FLA RES 6889

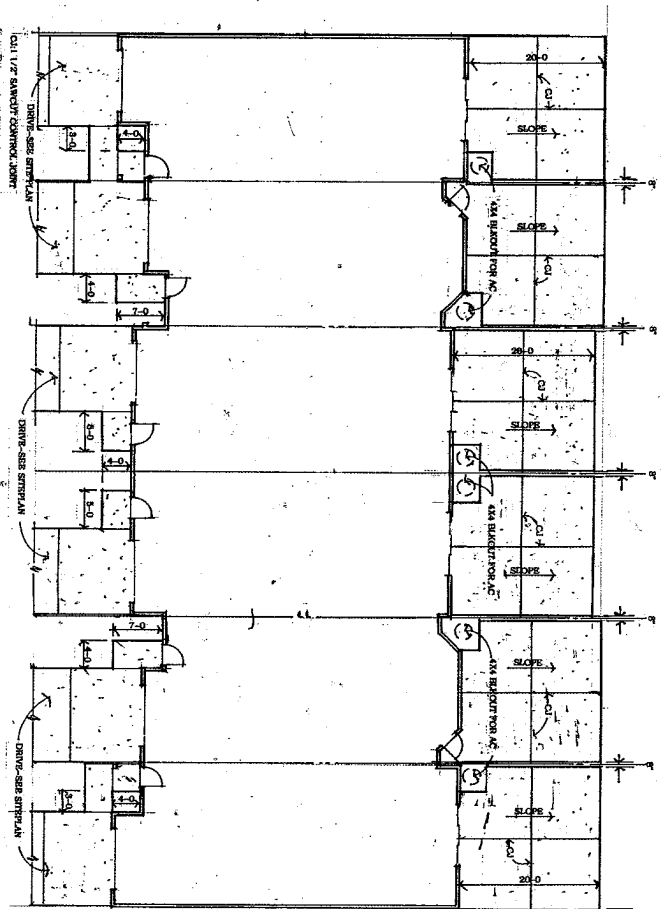


ELEVATIONS  
3/16-17-0



EXTERIOR GUARDRAIL

PATIO/WALK PLAN  
1/8-11-0



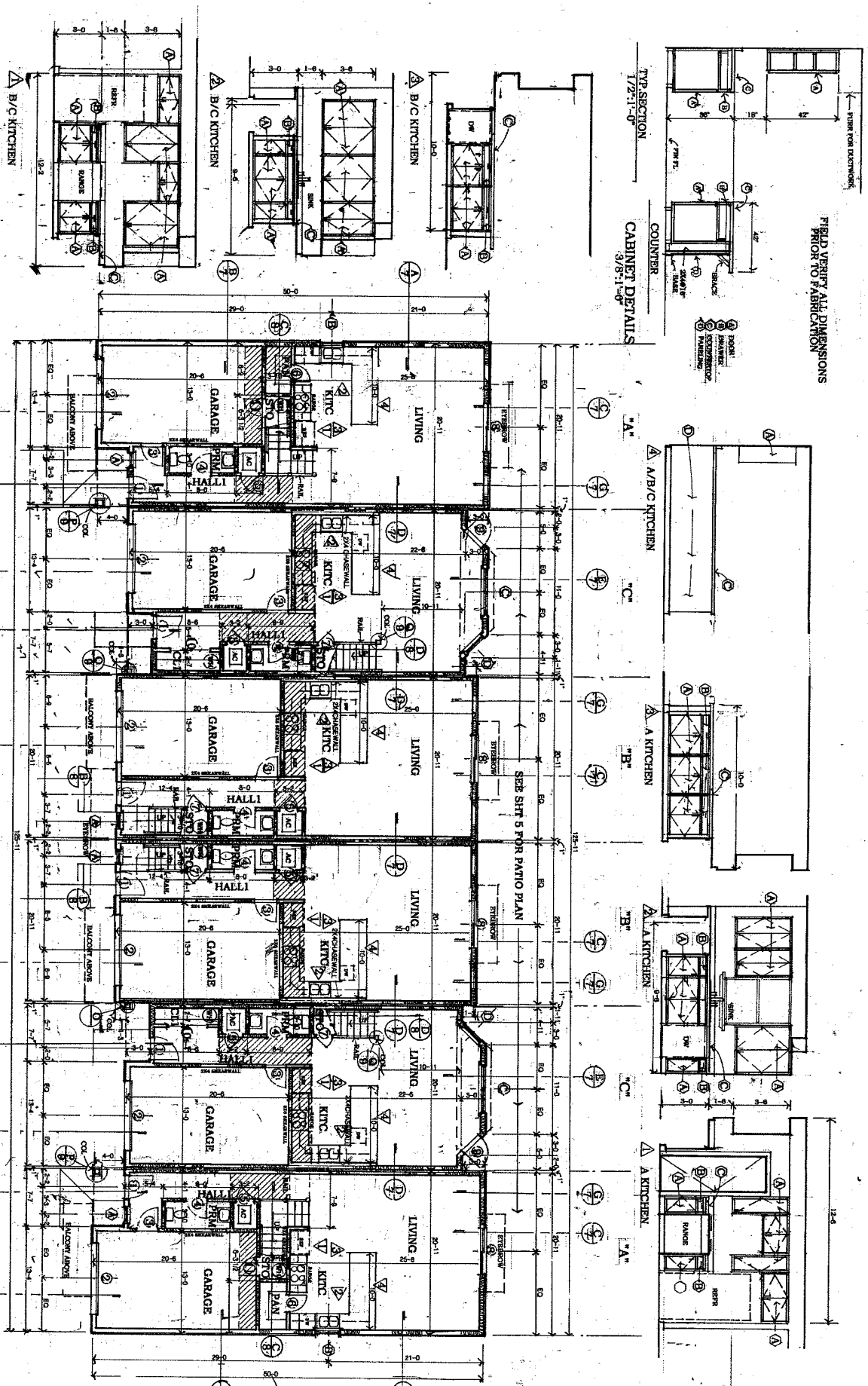
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DATE 1SEP16  
JOB NO. 1016  
REVISED

THE RESIDENCE  
NATURE CREEK  
GREGORY R. UZDEVENIS, ARCHITECT, P.A.

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916 E. CERVANTES ST. PENSACOLA, FLA.  
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FLA REG. 8893



**1ST FLOOR PLAN**  
3/7/83

- STAIRS
- WALLS
- DOORS
- GLASS
- WOOD
- CONCRETE
- FOUNDATION
- FINISH DOWN FOR SLOPWORK

AREA	FINISH	THICKNESS
CONCRETE	4" CONC.	4"
WOOD	1/2" OSB	1/2"
GLASS	1/2" GLASS	1/2"
DOORS	1 1/2" DOOR	1 1/2"
WALLS	5/8" CMU	5/8"
STAIRS	1 1/2" CONC.	1 1/2"
FOUNDATION	12" CONC.	12"

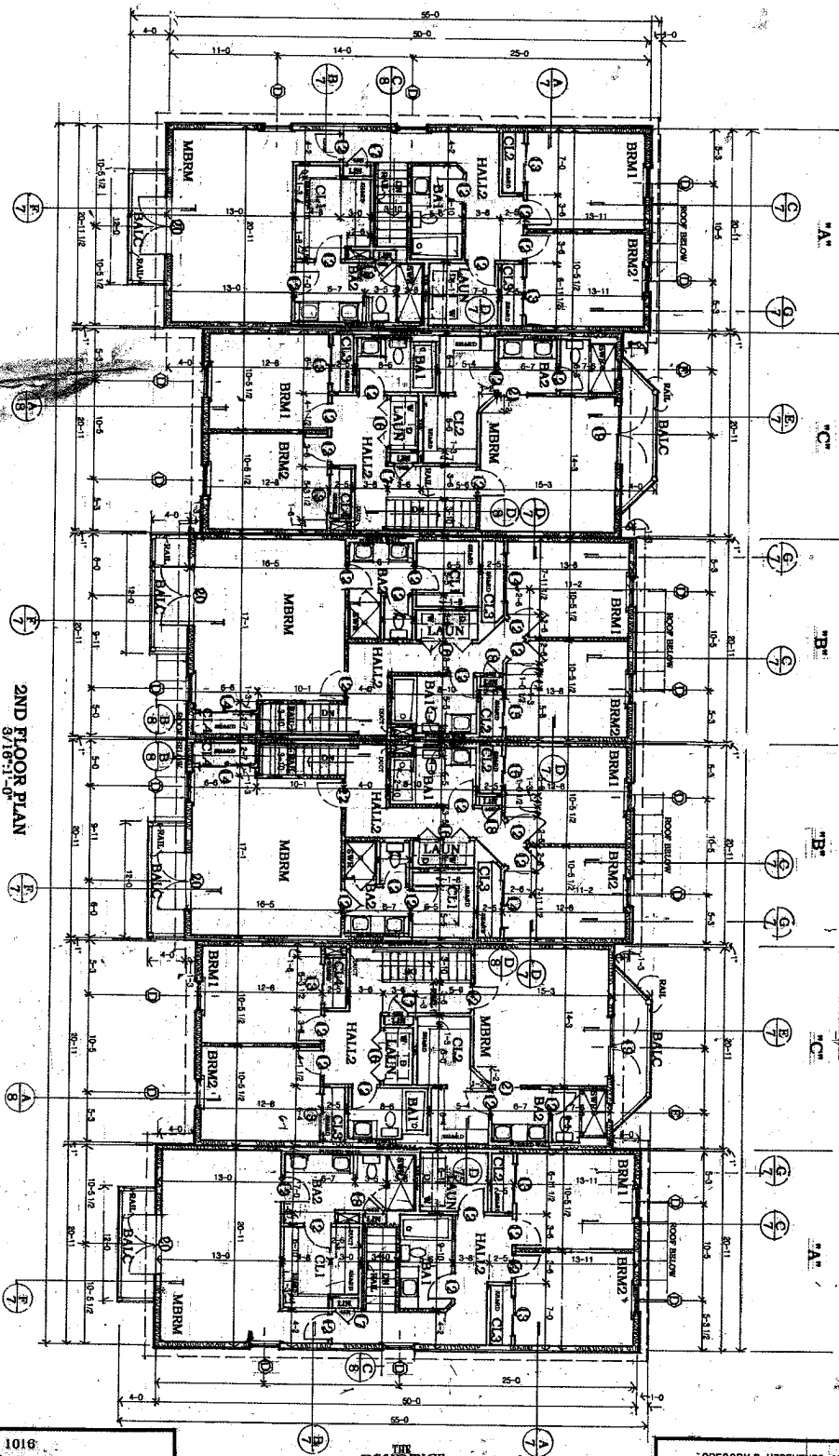
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JOB NO. 1016  
REVISED

THE RESIDENCE  
NATURE'S CREEK  
GREGORY R. OZZI ARCHITECT, P.A.

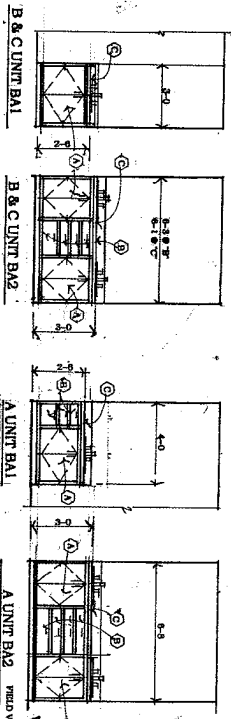
GREGORY R. OZZI ARCHITECT, P.A.  
916 E. CERVANTES ST. PENSACOLA, FLA.  
850-432-9304 FAX 850-438-4946

FLA REG. 0899



**2ND FLOOR PLAN**  
5/18-1-07

2008 IFC - 18/1/2008  
2008 IFC - 11/1/2008  
2008 IFC - 07/2008  
A B C  
CROSS LIVING AREA 1'04" 5' 32" 5' 31" 5'



**VANITY ELEVATIONS**  
FIELD VERIFY DIMENSIONS PRIOR TO FABRICATION

- (A) DOOR
- (B) DRAWER
- (C) COUNTER

SHEET NO. 3

DATE 1016  
JOB NO. 1SBP16  
REVISED

THE RESIDENCE  
NATURE CREEK  
GREGORY R. UZDEVENES ARCHITECT, P.A.

GREGORY R. UZDEVENES ARCHITECT, P.A.  
918 E. CERVANTES ST. PENSACOLA, FLA.  
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FLA REG 6889