

DECLARATION OF EASEMENTS, COVENANTS, CONDITIONS, AND RESTRICTIONS FOR  
HIDDEN HAMMOCK SUBDIVISION

THIS DECLARATION OF COVENANTS, EASEMENTS CONDITIONS, AND RESTRICTIONS FOR HIDDEN HAMMOCK (the "Declaration") is made this 5th day of June, 2012, by JOHN R. KIRBY, (the "Developer"), which declares hereby that the Property described in Exhibit "A" attached hereto and by reference incorporated in this Declaration, is and shall be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions, easements, charges, and liens set forth below. The address of the Developer is 71 East Church Street, Orlando, Florida 32801.

WITNESSETH:

WHEREAS, the Developer is the owner of certain real property in Flagler County, Florida, more particularly described in Exhibit "A" attached hereto and by this reference made a part hereof (the "Property"); and

WHEREAS, the Developer has established a land use plan for the Property and the Developer plans to develop the Property and cause or allow the construction on the developed lots of single-family detached residential dwelling units; and

WHEREAS, in order to preserve and protect the value and desirability of the Property, the Developer deems it prudent to place this Declaration of record and to subject the Property to the matters set forth below.

NOW, THEREFORE, the Developer hereby declares that all of the Property shall be held, sold, transferred, and conveyed subject to the following easements, restrictions, covenants, and conditions. These easements, restrictions, covenants, and conditions are for the purpose of protecting the value and desirability of the Property as a residential community of high standards, quality, and beauty, and shall run with the Property and be binding on all of the parties having any rights, title, or interest in the Property or any part thereof, their heirs, successors, and assigns, and shall inure to the benefit of each owner of the Property or any portion thereof.

ARTICLE I  
DEFINITIONS

The terms used in this Declaration shall be defined as set forth herein unless the context otherwise requires:

1.1 "Association" shall mean and refer to the HIDDEN HAMMOCK LANDING HOMEOWNER'S ASSOCIATION, INC., a Florida corporation not-for-profit, its successors and assigns.

1.2. "Board of Directors" or "Board" shall mean the directors serving as such from time to time under the Articles of Incorporation and the Bylaws of the Association, copies of both of which are attached hereto as Exhibit "B" and Exhibit "C," respectively, and by this reference specifically incorporated herein.

1.3 "Common Areas" shall mean those portions of the Property that are not included in any Lot and that are owned by the Association for the common use and enjoyment of the Owners, property designated as Common Areas in any recorded plat or future recorded supplemental declaration, property

the Association does not own but is required to maintain, and property otherwise designated by the Developer as Common Areas, together with the landscaping and any improvements thereon, including, without limitation, any and all structures, including the outside portion of any walls built by the Developer bordering public rights-of-way contiguous to the Property, open space, conservation or preservation areas, drainage easements, mitigation buffer areas, littoral zones along retention/detention areas, walkways, swales and spreader swale areas, grass areas and upland buffer areas, signage areas and landscape buffer areas, landscape and wall buffer easement areas, parking areas, median strips in public streets, private streets, sidewalks, sprinkler systems, street lights and entrance features including the lighting, signage and landscaping of the entrance features, but excluding any public utility installations thereon. Common Areas also include easements in favor of the Association or that the Association must maintain.

1.4 "Developer" shall mean and refer to John R. Kirby, its successors and assigns (subject to the terms, conditions, and restrictions as may be imposed on an assignment of Developer's rights). The Developer may assign all or any portion of its rights hereunder; and Developer may assign all or any portion of its rights with respect only to specified portions of the Property. In the event of a partial assignment, the assignee shall not be deemed the Developer, but may exercise those rights of the Developer specifically assigned to it, if any. Any such assignment may be made on a non-exclusive basis.

1.5 "Development" shall mean HIDDEN HAMMOCK, a single-family residential subdivision, and shall refer to the Property as it is developed pursuant to the Declaration, or any property annexed thereto in accordance with this Declaration.

1.6 "Institutional Lender" shall mean a bank, savings and loan association, insurance company, real estate or mortgage investment trust, pension fund, agency of the United States Government, mortgage banker or company, Federal National Mortgage Association, the Developer, or any affiliate of the Developer or other lender generally recognized as an institution type lender, which holds a mortgage on one or more of the Lots.

1.7 "Lot" shall mean and refer to any portion of the Property, described by lot or fractional lot, or by metes and bounds, with the exception of the Common Areas, and intended to be conveyed by the Developer to builders or individual purchasers for the site of a single-family residence.

1.8 "Member" shall mean and refer to all those Owners who are members of the Association in accordance with this Declaration, the Bylaws, or the Articles of Incorporation.

1.9 "Owner" shall mean and refer to the record owner, whether one or more person or entities, of the fee simple title to any Lot.

1.10 "Property" shall mean and refer to that certain real property heretofore described on Exhibit "A," and such additions thereto as may hereafter be properly brought within the jurisdiction of the Association. The Property includes all that real property upon which the Surface Water Management System (as hereinafter defined) is located.

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

ARTICLE II  
MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

2.1 Membership. Every Owner of a Lot which is subject to assessment shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment. Any person or entity who holds an interest in a Lot merely as a security for the performance of an obligation is not a Member.

2.2 Voting Rights. The Association shall have two (2) classes of voting membership:

Class A. Class A Members shall be all Owners except the Developer (as long as the Class B membership shall exist, and thereafter, the Developer shall be a Class A Member to the extent it would otherwise qualify). Except as provided below, Class A Members shall be entitled to one (1) vote for each Lot in which they hold the interests required for membership. When more than one person holds such interest or interests in any Lot, all such persons shall be Members, they may exercise a total of only one vote for that Lot, and the vote for such Lot shall be exercised as set forth in the Bylaws.

Class B. The Class B Member shall be the Developer. The Class B Member shall be entitled to one (1) vote for each Lot owned by the Developer, plus two (2) votes for each vote that the Class A Members are entitled to cast at any time and from time to time. The Class B membership shall cease and terminate and be converted to Class "A" membership on the happening of the earliest of the following events:

(a) The date on which the Members other than the Developer are entitled pursuant to Florida Statutes to elect a majority of the Board of Directors of the Association; or

(b) Such other percentage of the Lots has been conveyed to Members, or such other date or event has occurred, as is set forth in this Declaration or other governing documents for the Development in order to comply with the requirements of any governmentally chartered entity with regard to the mortgage financing of the Lots, or

(c) The Developer notifies the Association that Developer has elected to relinquish Class B membership.

Provided, however, that the Developer shall be entitled to elect at least one member of the Board of Directors of the Association so long as the Developer owns at least five (5%) percent of the Lots in the Development.

2.3 General Matters. When reference is made herein, or in the Articles, Bylaws, Rules and Regulations, management contracts or otherwise, to a majority or specific percentage of Members, such reference shall be deemed to be reference to a majority or specific percentage of the permitted votes of the Members and not of the Members themselves.

ARTICLE III  
PROPERTY RIGHTS IN THE COMMON AREAS; OTHER EASEMENTS

3.1 Members Easements. Each Member, and each tenant, agent and invitee of such Member, shall have a non-exclusive, permanent and perpetual right and easement of enjoyment in, over, and upon the Common Areas for the intended use and enjoyment thereof in common with all other such Members, their tenants, agents and invitees, in such manner as may be regulated by the Association. No person

entitled to use and enjoy the Common Areas may do so in any manner inconsistent with intended use or purpose of the Common Areas.

Without limiting the generality of the foregoing, such rights of use and enjoyment are hereby made subject to the following:

(a) The right and duty of the Association to levy Assessments against each Lot for the purpose of maintaining the Common Areas in compliance with the provisions of this Declaration and with the restrictions on the plats of portions of the Property from time to time recorded.

(b) The right of the Association to adopt at any time and from time to time and enforce Rules and Regulations governing, among other things, the use of the Common Areas and all facilities at any time situated thereon, including the right to fine Members as hereinafter provided. Any rule and/or regulation so adopted shall apply until rescinded or modified as if originally set forth at length in this Declaration.

(c) The right to the use and enjoyment of the Common Areas and facilities thereon shall extend to the users' immediate family who reside with a permitted user, subject to regulation from time to time by the Association in its lawfully adopted and published Rules and Regulations.

(d) The right of the Developer to permit such persons as the Developer shall designate to use the Common Areas and all recreational facilities thereon (if any).

(e) The right of the Association, by a two-thirds (⅔) affirmative vote of the entire membership, to dedicate, sell, or transfer all or portions of the Common Areas to a public agency under such terms as the Association deems appropriate and to create or contract with special taxing districts for lighting, roads, recreational or other services, security or communications and other similar purposes deemed appropriate by the Developer (to which such creation or contract all Owners hereby consent).

(f) The right of the Association to suspend for a reasonable time the rights of a Member and the Member's tenants, guests, and invitees to use Common Areas as a result of the violation by the Member (or by the Member's tenant, guest, or invitee) of any covenant, condition, or restriction contained in this Declaration.

3.2 Easement Appurtenant. The rights and easements provided in Section 3.1 shall be appurtenant to and shall pass with the title to each Lot.

3.3 Maintenance. The Association shall maintain in good repair and shall manage, operate and insure, and shall replace as often as necessary, the Common Areas and the paving, drainage structures, street lighting fixtures and appurtenances, landscaping, improvements and other structures (except utilities) situated or built on the Common Areas, if any (the "Improvements"), with all such work to be done as ordered by the Board of Directors of the Association. Maintenance of the aforesaid street lighting fixtures shall include and extend to payment for all electricity consumed in their illumination. Without limiting the generality of the foregoing, the Association shall assume all of the Developer's and its affiliates' responsibility to any governmental agencies of any kind with respect to the Improvements and the Common Areas and shall indemnify and hold the Developer and its affiliates harmless with respect thereto.

All work pursuant to this Section and all expenses incurred hereunder shall be paid for by the Association through Assessments (either general or special) imposed in accordance with this

Declaration. No Owner may waive or otherwise escape liability for Assessments by non-use of the Common Areas or abandonment of the right to use the Common Areas.

The Association shall maintain the outside portion of the walls (the side thereof not facing the Property), if any, constructed by the Developer along the perimeter of the Property; whereas each Owner shall maintain the inside surface of that portion of any such wall that lies on or adjoins the Owner's Lot, as well as any other wall or fence that is on the Owner's Lot. The Owner shall not make any changes in the wall, including, but not limited to, change of paint color on the outside of the wall, without the express written approval of the Association.

The Association shall be responsible for the maintenance, operation and repair of the surface water or stormwater management system. Maintenance of the surface water or stormwater management system(s) shall mean the exercise of practice which allow the systems to provide drainage, water storage, conveyance or other surface water or stormwater management capabilities as permitted by the St. Johns River Water Management District. Any repair or reconstruction of the surface water or stormwater management system shall be as permitted or, if modified, as approved by the St. Johns River Water Management District.

The builder, has constructed or will construct a Drainage Swale upon each Lot for the purpose of managing and containing the flow of excess surface water, if any, found upon such lot from time to time. Each lot owner, including builder, shall be responsible for the maintenance, operation and repair of the swales on the lot. Maintenance, operation and repair shall mean the exercise of practices, such as mowing and erosion repair, which allow the swales to provide drainage, water storage, conveyance or other stormwater management capabilities as permitted by the St. Johns Water Management District. Filling, excavation, construction of fences or otherwise obstructing the surface water flow in the swales is prohibited. No alteration of the Drainage Swales shall be authorized and any damage to any Drainage Swale, whether caused by natural or human-induced phenomena, shall be repaired and the Drainage Swale returned to its former condition as soon as possible by the Owner(s) of the Lot(s) upon which the Drainage Swale is located.

3.4 Rights of the Flagler County. Flagler County (the "County") shall have the right but no obligation, to access, maintain, repair, replace, and/or otherwise care for or cause to be cared for any and all private easements, Common Areas and/or rights-of-way, including, but not limited to, those Common Areas and private easements depicted on the plat as recorded in Plat Book \_\_\_\_, Pages \_\_\_\_\_, Public Records of Flagler County, Florida. In the event said private easements, Common Areas, improvements, and/or rights of way are not maintained or such become a nuisance, or in the event the County exercises the aforementioned right, the Association and each Lot Owner are hereby ultimately responsible for payment of the cost of maintenance, repair, replacement, and care provided by the County, or its agents, plus administrative costs and attorneys' fees incurred by or for the County. Said costs shall be a lien or assessment on all Lots in the Development and on all Association property, and may be enforced by foreclosure proceedings and other remedies. This right and the County's exercise of said right shall not impose any obligation on the County to maintain said private easements, common areas, improvements or rights-of way.

3.5 Utility Easements. Use of the Common Areas for utilities as well as use of the other utility easements as shown on relevant plats, shall be in accordance with the applicable provisions of this Declaration. The Developer and its affiliates, and its and their designees, shall have a perpetual easement over, upon, and under the Common Areas for the installation and maintenance of community and/or cable TV and security and other underground television, radio and security cables for service to the Lots and other portions of the Development.

3.6 Public Easements. Fire, police, health and sanitation, park maintenance, and other public service personnel and vehicles shall have a permanent and perpetual easement for ingress and egress over and across the Common Areas.

3.7 Ownership and Use.

(a) The Common Areas shall be for the nonexclusive joint and several use, in common, of the Developer and the Owners of all Lots that may from time to time constitute part of the Property and the Developer's and such Owners' tenants, guests and invitees.

(b) The Common Areas (or appropriate portions thereof) shall, upon the later of completion of any improvements thereon or the date when the first Lot with a residence built thereon within the Property has been conveyed to a purchaser (or at any time and from time to time sooner at the sole election of the Developer), be conveyed to the Association, which shall accept such conveyance.

(c) Beginning from the date on which this Declaration is recorded, the Association shall be responsible for the maintenance of the Common Areas (whether or not then conveyed or to be conveyed to the Association or the County as the case may be), such maintenance to be performed in a continuous and satisfactory manner.

(d) As long as there is a Class B membership, as that term is defined above, the Federal Housing Administration and the Veterans Administration must approve any dedication of the Common Areas.

(e) The Common Areas cannot be mortgaged or conveyed without the consent of two-thirds vote of the Class A Members of the Association.

(f) All real estate taxes assessed directly against property in the Development owned or to be owned by the Association shall be paid by the Association and assessed to the Owners as part of the regular Annual Assessment for each Lot.

(g) The Developer and its affiliates shall have the right from time to time to enter upon the Common Areas and other portions of the Property for the purpose of construction, reconstruction, repair, replacement, and/or alteration of the any Improvements or facilities on the Common Areas or elsewhere on the Property, that the Developer and its affiliates elect to effect, and to use the Common Areas and other portions of the Property for sales, displays, and signs of any portion of the Development.

(h) Without limiting the generality of the foregoing, the Developer and its affiliates shall have the specific right to maintain upon any portion of the Property sales, administrative, construction, and other offices without charge, and appropriate easements of access and use are expressly reserved unto the Developer and its affiliates, and its and their successors, assigns, employees, and contractors, for this purpose.

(i) Any obligation to complete portions of the Common Areas shall, at all times, be subject and subordinate to these rights and easements and to the above-referenced activities. Accordingly, the Developer shall not be liable for delays in such completion to the extent resulting from the above-referenced activities.

3.8 Other Easements.

(a) The Owner of each Lot shall have an easement of access over and upon adjoining Lots and the Common Areas for the purpose of allowing such Owner to maintain and repair air-conditioning compressors, air-conditioning equipment, meters, and other equipment serving such Owner's Lot which may be located on or extending onto such adjoining Lots or Common Areas. Easements are reserved over each Lot and the Common Areas in favor of each other Lot and the Common Areas in order to permit drainage and run-off from one Lot (and its improvements) to another or to the Common Areas or from the Common Areas to any Lot or Lots.

In the event any portion of any Lot (or of the improvements thereon) encroaches upon the Common Areas as a result of the construction, reconstruction, repairs, shifting, settlement, or moving of any portion of the Property, a valid easement for the encroachment is hereby created and granted. Notwithstanding the foregoing, no easement for an encroachment shall exist for any encroachment occurring due to the willful conduct of an Owner. The Association is granted an easement over the Lot of each Owner for the purpose of enforcing the provisions of this Declaration, and may go upon any Lot as necessary to remove or repair any cause or condition that constitutes a violation of any provision of this Declaration. If the Association, after notice to the Owner and failure to cure by the Owner, does in fact exercise its right to cure such a cause or condition, then all costs incident to the Association's actions shall become the personal obligation of the Owner and be imposed as a lien against the Lot in the same fashion as if those sums represented monies due for unpaid assessments.

(b) The Association shall have the right to grant permits, licenses, and easements over the Common Areas for utilities, roads, and other purposes reasonably necessary or useful for the proper maintenance and operation of the Development. The Association shall be required to grant all easements or agreements as required by jurisdictional agencies as a result of the development of the Property into a subdivision.

(c) Each Owner shall have an easement extending over the Owner's common boundaries with all adjoining Lots for purposes of construction/removal of improvements such as, but not limited to, pools, structural additions, fences, and trees. Any disturbance of an adjoining Lot resulting from the use of the aforementioned easement will require that the user return the Lot to its state before the disturbance.

(d) The Association shall have a perpetual non-exclusive easement over all areas of the surface water or stormwater management system for access to operate, maintain or repair the system. By this easement, the Association shall have the right to enter upon any portion of any lot which is a part of the surface water or stormwater management system, at a reasonable time and in a reasonable manner, to operate, maintain or repair the surface water or stormwater management system as required by the St. Johns River Water Management District permit. Additionally, the Association shall have a perpetual non-exclusive easement for drainage over the entire surface water or stormwater of management system. No person shall alter the drainage flow of the surface water or stormwater management system, including buffer areas or swales, without the prior written approval of the St. Johns River Water Management District.

3.9 Future Development Easements. In conjunction with the development of other surrounding lands (not necessarily abutting lands), the Association shall be required to grant the Developer and its affiliates, and their respective successors and assigns, upon request, necessary easements as required by jurisdictional agencies for the installation and maintenance of underground facilities and equipment such as water or line, sanitary sewers, storm drains, and electric, telephone and security lines, cables, and conduits, under and through the common area tracts and other lands owned by the Association as shown on the plats of the Property. In conjunction with the development of

interconnected road networks of other surrounding lands (not necessarily abutting lands), the Association shall be required to grant the Developer and its affiliates, and their respective successors and assigns, upon request, necessary easements for ingress and egress as may be required by jurisdictional agencies through the common area tracts and other lands owned by the Association as shown on the plats of the Property. The Association shall not deed common area lands or lands owned by the Association without prior written consent of the Developer.

ARTICLE IV  
COVENANT FOR MAINTENANCE ASSESSMENTS

4.1 Creation of the Lien and Personal Obligation of the Assessments.

(a) *Annual Assessments.* Except as provided elsewhere herein, each Owner of a Lot by acceptance of a deed or conveyance thereof, whether or not it shall be so expressed in such deed or other conveyance, shall be deemed to covenant and agree to pay to the Association annual assessments of \$ 1,200.00, for charges for the maintenance, management, operation, and insurance of the Common Areas, administration of the Association, and for funding other permitted or required activities of the Association, including capital improvement assessments, assessments for maintenance, and all other charges and assessments hereinafter referred to, all such assessments to be fixed, established, and collected from time to time as herein provided and in accord with all other provisions herein.

(b) *Special Assessments and Other Charges.* In addition, special assessments may be levied against particular Lots or Owners (to the exclusion of others). The Association may also levy other charges against specific Lots or Owners as contemplated in this Declaration, provided, however, that prior to the date on which Members other than the Developer elect a majority of the Board of Directors, a Special Assessment applicable to all Lots in the Development must be approved by a majority vote of the Lot Owners other than the Developer taken at a duly called special meeting of the Members at which a quorum is present.

(c) *Personal Obligation.* The annual, special, and other assessments, together with such interest thereon and costs of collection thereof as hereinafter provided, shall also be the personal obligation of the person who is the owner of the Lot against which the assessment is levied at the time when the assessment fell due and the obligation of all subsequent Owners until paid.

(d) *Uniformity.* Except as provided herein with respect to special assessments which may be imposed on one or more Lots and Owners to the exclusion of others, all assessments imposed by the Association shall be imposed against all Lots equally.

(e) *Initiation Assessment.* Each time a Lot is conveyed or title is otherwise transferred by an Owner to his successor, an initiation assessment of One Thousand Two Hundred and NO/100 Dollars (\$1,200) shall be due to the Association from either the new Owner or the conveying Owner. Each initiation assessment shall be paid to the Association concurrent with the conveyance or other transfer of title, and shall constitute a lien against the applicable Lot until paid in full. The Board of Directors may from time to time increase the initiation assessment. The initiation assessment shall not increase by more than one-hundred dollars (\$100.00) during any calendar year unless the Owners approve by majority vote a greater increase. The initiation assessments may be used in the discretion of the Board of Directors for any purpose for which the annual assessment may be used. The initiation assessment may sometimes be referred to below as the "initiation fee."

All references in the Declaration to "Assessments" shall be deemed to include reference to any and all of the aforesaid charges whether or not specifically mentioned.



4.2 Purpose of Assessments. The annual Assessments levied by the Association shall be used exclusively for maintenance of the Common Areas (including walls), for certain Lot maintenance, for capital improvements, insurance, cash reserves (if any), and for promoting the health, safety, welfare, and recreational opportunities of the Members of the Association and their families residing with them, their guests and tenants, all as provided for herein. Payment of taxes on the Common Areas shall be a purpose of the Association and shall be paid by the Association. The Association's costs for the maintenance and repair of the surface water or stormwater management systems including, but not limited to, work within retention areas, drainage structures and drainage easements shall also be included in the annual Assessment.

4.3 Specific Damage. Owners (on their behalf and on behalf of their children and guests) causing damage to any portion of the Common Areas as a result of misuse, negligence, failure to maintain, or otherwise shall be directly liable to the Association for the cost of repairing damages or otherwise remedying the effects of their actions, and a special Assessment may be levied therefor against such Owner or Owners. Such special Assessments shall be subject to all of the provisions hereof relating to other Assessments, including, but not limited to, the lien and foreclosure procedures.

4.4 Exterior Maintenance. Each Owner, except as contemplated specifically herein, shall maintain the structures and grounds on his Lot at all times in a clean and attractive condition as provided elsewhere herein. Upon an Owner's failure to do so, the Association may at its option, after giving the Owner five (5) days written notice sent to his last known address, or to the affected Lot, have cut that portion of the grass, weeds, shrubs, and vegetation which the Owner is to maintain when and as often as the Association deems necessary in its judgment, and dead trees, shrubs, and plants removed from such Lot, and other areas resodded or landscaped, or the Association may otherwise do that which the Association deems necessary to place that Lot and the improvements thereon in full compliance with this Declaration; and all expenses of the Association for work performed or actions taken under this provision shall be a lien and special Assessment charged against the Lot on which the work was done and shall be the personal obligation of all Owners of such Lot. No bids need to be obtained by the Association for any such work and the Association shall designate the contractor or other service provider in its sole discretion.

4.5 Date of Commencement of Annual Assessments; Initial Assessment; Due Dates.

(a) The first annual Assessment provided for in this Article shall commence as to all Lots on the first day of the month next following the recording of this Declaration. Each subsequent annual Assessment shall be imposed for the calendar (January 1 through December 31).

(b) The annual Assessments shall be payable in advance in monthly installments, or in annual, semi-annual, or quarter-annual installments if so determined by the Board of Directors.

(c) The initial annual Assessment for the calendar year ending on December 31, shall be One Thousand two hundred and NO/100 (\$1200.00) Dollars. The Assessment amount (and applicable installments) may be changed at any time by the Board from that originally stipulated or from any other Assessment that is in the future adopted. The original Assessment for any year shall be levied for the calendar year, but the amount of any revised Assessment to be levied during any period shorter than a full calendar year shall be in proportion to the number of months (or other appropriate installments) remaining in such calendar year.

(d) The due date of any special Assessment shall be fixed in the Board resolution establishing such Assessment.

4.6 Duties of the Board of Directors.

(a) The Board of Directors shall fix the commencement date and the amount of the Assessment against each Lot subject to the Association's jurisdiction for each assessment period to the extent practicable at least thirty (30) days in advance of such date or period, and shall, at that time, prepare a roster of the Lots and Assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Owner.

(b) Written notice of the Assessment shall be sent to every Owner subject thereto thirty (30) days prior to the due date for payment of the first installment thereof, except as to emergency Assessments. In the event no such notice of a change in the Assessments for a new assessment period is given, the amount payable shall continue to be the same as the amount payable for the previous period, until changed in the manner provided for herein.

(c) The Association shall, upon demand and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the Assessments on a specified Lot have been paid. A properly executed certificate of the Association reporting on the status of Assessments on a Lot is binding upon the Association as of the date of its issuance. The Association may delegate to a management company, financial institution, or mortgage company responsibility for collection of Assessments.

(d) The Association, through the action of its Board of Directors, shall have the power, but not the obligation, to enter into an agreement or agreements from time to time with one or more persons, firms, or corporations (including affiliates of the Developer) for management services. The Association shall have all other powers provided in its Articles of Incorporation and Bylaws.

4.7 Effect of Non-Payment; the Personal Obligation; the Lien; Remedies of the Association.

(a) If the Assessments (or installments) are not paid on the date(s) when due (being the date(s) specified herein), then such Assessments (or installments) shall become delinquent and shall thereupon, together with late charges, interest, and the cost of collection thereof as hereinafter provided, become a continuing lien on the Lot which shall bind that Lot in the hands of the then Owner, his heirs, personal representatives, successors, and assigns. The personal obligation of the then Owner to pay such Assessment shall pass to his successors in title and recourse may be had against either or both.

(b) If any installment of an Assessment is not paid within fifteen (15) days after the due date, a late charge equal to \$25 or the Five (5%) percent of the unpaid installment, whichever amount is greater shall be added to the amount of the unpaid Assessment. In addition, the Association may elect to accelerate the next 12 months worth of installments of the annual Assessment and declare the same immediately due and payable in full. All unpaid sums shall bear interest from the dates when due until paid at the highest lawful rate.

(c) The Association may bring an action at law against the Owner(s) personally obligated to pay the Assessment or may record a claim of lien (as evidence of its lien rights as hereinabove provided for) against the Lot on which the Assessments and late charges are unpaid and may foreclose the lien (in the manner to foreclose a mortgage) against the Lot on which the Assessments and late charges are unpaid. The Association may pursue one or more of such remedies at the same time or successively, and reasonable attorneys' fees and costs of preparing and filing the claim of lien and the complaint, if any, in such action shall be added to the amount of such Assessments, late charges, and interest. In the event a judgment is obtained, such judgment shall include all such sums as above

provided and reasonable attorneys' fee to be fixed by the court together with the costs of the action, and the Association shall be entitled to reasonable attorneys' fees in connection with any appeal of any such action. No Owner may waive or otherwise escape liability for the Assessments provided for herein by non-use of the Common Areas or abandonment of his/her Lot.

(d) In the case of an acceleration of the next twelve (12) months worth of installments, each installment so accelerated shall be deemed, initially, equal to the amount of the then most current delinquent installment, provided that if any such installment so accelerated would have been greater in amount by reason of a subsequent increase in the applicable Assessment or budget, the Owner of the Lot whose installments were so accelerated shall continue to be liable for the balance due by reason of such increase and special Assessments against such Lot shall be levied by the Association for such purpose.

(e) No Owner acquiring title to a Lot against which an Assessment is delinquent shall be entitled to enjoy or use the Common Areas until such time as all unpaid and delinquent Assessments due and owing from the selling Owner have been paid; provided, however, that the provisions of this sentence shall not be applicable to the mortgages and purchasers contemplated by the Section below in this Article entitled "Subordination of the Lien." The Board shall also have the right to suspend any or all voting rights of any Owner who has failed to pay annual Assessments due from him within ninety (90) days after such Assessments become due.

(f) It shall be the legal duty and responsibility of the Association (as hereinafter contemplated) to enforce payment of the Assessments hereunder. Failure of the Association to send or deliver bills shall not, however, relieve Owners from their obligations hereunder. Notwithstanding the foregoing obligations, the Association may compromise or settle any claim(s) for delinquent Assessments upon terms which the Board, in its sole discretion, deems reasonable and in the best interest of the Association.

(g) All Assessments, late charges, interest, penalties, fines, reasonable attorneys' fees, and other sums provided for herein shall accrue to the benefit of the Association.

(h) Owners shall be obligated to deliver the documents originally received from the Developer, containing this and other declarations and documents, to any grantee of such Owner.

4.8 Subordination of the Lien. The lien of the Assessments provided for in this Article shall be a lien superior to all other liens except real estate tax liens and the lien of any mortgage to any Institutional Lender now or hereafter encumbering a Lot. Notwithstanding the foregoing, an Institutional Lender mortgagee, when in possession, or any receiver, and in the event of a foreclosure, any purchaser at a foreclosure sale, and any such mortgagee acquiring a deed in lieu of foreclosure, and all persons claiming by, through, or under such purchaser or mortgagee, shall hold title subject to the liability and lien of any Assessment coming due after such foreclosure (or conveyance in lieu of foreclosure). Any unpaid Assessment which cannot be collected as a lien against any Lot by reason of the provisions of this Section shall be deemed to be an Assessment divided equally among, payable by, and a lien against all Lots subject to assessment. No purchaser at a foreclosure sale, and no persons claiming by, through, or under an Institutional Lender acquiring title to a Lot through foreclosure or a deed in lieu thereof, shall be personally obligated to pay Assessments that accrue prior to the Institutional Lender's or the foreclosure purchaser's acquiring title.

4.9 Access at Reasonable Hours. The Association, through its duly authorized agents or employees or independent contractors, shall have the right, after reasonable notice to the Owner, to enter upon any Lot at reasonable hours on any day for the purpose solely of performing exterior maintenance

on the Lot, and shall also have a reasonable right of entry upon any Lot to make emergency repairs or to do other work reasonably necessary for the proper maintenance or operation of the Development.

4.10 The Developer's Assessment. The Developer, as a Lot Owner shall be relieved from the obligation of paying Assessments levied against the Lots owned by the Developer, but instead shall be obligated to pay any operating expenses incurred by the Association that exceed the Assessments receivable from other Members and other income of the Association. The Developer may at any time elect in lieu of paying operating deficits as provided above, to pay the same Assessments as are paid by other Owners, in which event Developer shall no longer be obligated to pay the operating deficits.

4.11 Deposit of Funds. The Association may deposit that portion of any annual Assessment designated as a reserve for future expenses and the entire amount of any special Assessment in interest-bearing accounts or in certificates of deposit or other like instruments or accounts available at banks or savings and loan institutions, the deposits of which are insured by an agency of the United States.

4.12 Homeowner's Documents, Books and Papers. The Association shall have current copies of the Declaration, the Bylaws of the Association, the Articles of Incorporation, the Rules and Regulations for the Property, and the books, records, and financial statements of the Association available for inspection, upon request, during normal business hours, to Members and Institutional Lenders, and to holders, insurers, or guarantors of any first mortgage on any Lot. The Association may adopt reasonable rules governing the frequency, time, location, notice, and manner of such inspections, and may impose fees to cover the Association's costs of providing copies of such records. Provided, however, said records shall be made available for inspection by Members or their authorized agents at reasonable times and places within ten (10) business days after receipt of a written request for access.

4.13 Reserves for Replacement. The Association may establish and maintain, out of regular Assessments for common expenses, an adequate reserve fund for the periodic maintenance, repair, and replacement of improvements to the Common Areas.

4.14 Exempt Property. All properties dedicated to and accepted by a local public authority shall be exempt from the Assessments created herein.

## ARTICLE V CERTAIN RULES AND REGULATIONS

5.1 Applicability. The provisions of this Article V shall be applicable to all of the Property (and the Owners thereof) but shall not be applicable to the Developer or property owned by the Developer.

5.2 Land Use and Building Type. No Lot shall be used except for residential purposes. No building constructed on a Lot shall be used except for residential purposes. No building shall be erected, altered, placed, or permitted to remain on any Lot other than one single-family house not to exceed thirty five (35') feet in height. The minimum square footage of any residence shall be two thousand five hundred (2,500) square feet of air conditioned space under roof. Temporary uses by Developer and its affiliates for model homes, sales displays, parking lots, sales offices, and other offices, or any one or combination of such uses, shall be permitted. No changes may be made in buildings erected by the Developer or its affiliates (unless such changes are made by the Developer) without the consent of the Architectural Control Board as provided below. No screening of porches or screen doors shall be allowed on the front facade of homes.

5.3 Easements. Easements for installations and maintenance of utilities and drainage facilities are reserved as shown on the recorded plats covering the Property, as shown on the final surveys, and as provided herein. Within these easements, no structure, planting, or other material may be placed or permitted to remain that will interfere with, damage, or prevent the maintenance of utilities or obstruct or retard the flow of water through drainage channels in the easements, or otherwise prevent or impede the intended use of the easement, except with the consent of the Board of Directors and the appropriate governmental agency. The area of each Lot covered by an easement and all improvements in the area shall be maintained continuously by the Owner of the Lot, except as provided herein to the contrary and except for installation for which a public authority or utility company is responsible. The appropriate water and sewer authority, electric utility company, telephone company, the Association, and the Developer and its affiliates, and their respective successors and assigns, shall have a perpetual easement for the installation and maintenance of underground facilities and equipment such as water line, sanitary sewers, storm drains, and electric, telephone and security lines, cables, and conduits, under and through the utility easements as shown on the plats of the Property. The Developer and its affiliates, and its and their designees, successors, and assigns, shall have a perpetual easement for the installation and maintenance of cable and community antenna, radio, television, and security lines within platted utility easement areas. All utilities and lines within the Development, whether in street rights-of-way or utility easements, shall be installed and maintained underground.

5.4 Obnoxious or Offensive Activity. No activity or use shall be allowed upon the Property which is a source of annoyance, embarrassment or discomfort to Owners or their tenants or invitees, or which interferes with the peaceful possession and proper use and enjoyment of the Property, nor shall any improper, unsightly, offensive or unlawful use be made of any Lot, Dwelling or the Common Property, and all laws and regulations of applicable governmental bodies shall be observed. The Property shall be used, enjoyed and occupied in such manner as not to cause or produce any of the following effects discernible outside any Dwelling: noise or sound that is objectionable because of its volume, duration, beat, frequency or shrillness; smoke; noxious, toxic or corrosive fumes or gases; obnoxious odors; dust, dirt or fly ash; unusual fire or explosive hazards; vibration; or interference with normal television, radio or other telecommunication reception by other Owners.

5.5 Temporary Structures. No structure of a temporary character, or trailer, tent, mobile home, or recreational vehicle, shall be permitted on the Property at any time or used at any time as a residence, either temporarily or permanently, except by the Developer and its affiliates or other builders during construction.

5.6 Signs. Except as otherwise permitted in this Declaration or by applicable law, no sign of any kind shall be displayed on any Lot, except only one sign of not more than five (5) square feet advertising the Lot for sale or for rent (in locations and in accordance with design standards approved by the Architectural Control Board), or any sign used by a builder to advertise the company during the construction and sales period. No sign of any kind shall be permitted to be placed on the outside walls of a residence or on any fences on the Property, nor on the Common Areas, nor on dedicated areas, if any, nor on entry ways within the Property, except such as are placed by the Developer or its affiliates.

5.7 Oil and Mining Operation. No oil drilling, oil development operations, oil refining, quarrying, or mining operations of any kind shall be permitted upon or in the Property, nor on dedicated areas, nor shall oil wells, tunnels, mineral excavations, or shafts be permitted upon or in the Property. No derrick or other structure designed for use boring for oil or natural gas shall be erected, maintained, or permitted upon any Lot or any portion of the Property.

5.8 Pets, Livestock and Poultry. No animals, livestock, or poultry of any kind shall be raised, bred, or kept on any Lot, except household pets (in such numbers as the Board may permit) that are not kept, bred, or maintained for any commercial purpose, and provided that they do not become a nuisance or annoyance to any neighbor. No dogs or other pets shall be permitted to defecate on any Common Areas, except any areas designated by the Association, and Owners shall be responsible to clean up any improper defecations. In no event shall dogs be permitted upon the Common Areas unless leashed. For purposes hereof, "household pets" shall mean dogs, cats, caged domestic birds, and fish. Any Owner who keeps a pet thereby agrees to indemnify the Association and hold it harmless against any and all fines, penalties, claims, demands, expenses, costs, obligations, and liabilities of any kind or character arising from or relating to the pet. Pets shall also be subject to applicable rules and regulations. Notwithstanding anything provided in this subparagraph to the contrary, no pit bull dogs or rottweillers dogs shall be raised, bred, or kept on any Lot. The term "pit bull" and "rottweiler" as used herein shall be based upon standards established by either the American Kennel Club or the United Kennel Club.

5.9 Visibility at Intersection. No obstruction to visibility at street intersections or Common Area intersections shall be permitted, and visibility clearances shall be maintained as required by local law.

5.10 Architectural Control.

(a) No building, wall, fence, swimming pool, or other structure or improvement of any nature (including landscaping or exterior paint or exterior finish) shall be created, placed, applied, altered, or maintained on any Lot until the construction plans, specifications, and a plan showing the location of the structure, landscaping, and intended exterior materials as may be required by the Architectural Control Board have been approved in writing by the Architectural Control Board named below, and all necessary governmental permits are obtained. Without limiting the authority of the Architectural Control Board to adopt more specific standards, all structures constructed on Lots shall have exterior walls of stucco over block or frame or Hardy Board or equivalent siding, with exposed chimneys clad in stucco, stone or Hardy Board with a protective metal cap. Roofs shall be of concrete tile, architectural metal or architectural stone. Roof or siding shingles of any style shall not be permitted without express approval by the Architectural Control Board. All driveways shall consist of a minimum of fifty (50%) percent or more brick pavers and entry columns with lamps shall be permitted provided they do not exceed 36" in height. All residences shall have gutters and downspouts on the front elevation and around any pool enclosure. Boat houses or accessory structures on a Lot shall have a roof matching the roof style of the principal structure and architecturally compatible siding to the principal structure. All windows and glass doors shall be of impact resistant glass, except for rear elevations where mitred or butt joint glass may be permitted at the discretion of the Architectural Control Board.

(b) Each building, wall, fence, or other structure or improvement of any nature, together with the landscaping, shall be erected, placed or altered upon a Lot only in accordance with the plans and specifications and plot plan so approved by the Architectural Control Board and with applicable governmental permits and requirements.

(c) Refusal by the Architectural Control Board (ACB) of approval of plans, specifications and plot plans, or any of them, may be based on any ground, including purely aesthetic grounds.

(d) Any change in the exterior appearance of any building (including any change in the exterior color of the building), wall, fence, or other structure or improvements, and any change in the appearance of the landscaping, shall be deemed an alteration requiring approval under this provision.

(e) The Architectural Control Board shall have the power to promulgate such rules and regulations as it deems necessary to carry out the provisions and intent of this paragraph.

(f) The Architectural Control Board shall be appointed by the Board of Directors of the Association. A majority of the Architectural Control Board may take any action the Architectural Control Board is empowered to take, may designate a representative to act for the Architectural Control Board, and may employ personnel and consultants to act for it. In the event of death, disability, or resignation of any member of the Architectural Control Board, the remaining members shall have full authority to designate a successor. The members of the Architectural Control Board shall not be entitled to any compensation for services performed pursuant to this covenant. The Architectural Control Board shall act on submissions to it within forty-five (45) days after receipt of the same (and all further documentation required).

(g) Without limiting the generality of Section 5.1 hereof, the foregoing provisions shall not be applicable to the Developer or its affiliates or to construction activities conducted by the Developer or such affiliates.

5.11 Exterior Appearance and Landscaping. The paint, coating, stain, and other exterior finishing colors and materials on all residential buildings may be maintained as that originally installed without prior approval of the Architectural Control Board. However, prior approval by the Architectural Control Board shall be necessary before any such exterior finishing color or material is changed. The Lot landscaping (except for that portion to be maintained by the Association, if any), including, without limitation, the trees, shrubs, lawns, flower beds, walkways, and ground elevations, shall be maintained by the Owner or by the Association, as provided elsewhere herein, as originally installed, unless the prior approval for any change, deletion, or addition is obtained from the Architectural Control Board. Lot Owners shall mow grass; edge driveways, sidewalks and curb lines; weed planting areas; remove dirt, clippings, and leaves from walks, drives and roads; and trim hedges as needed to maintain the appearance of weekly yard maintenance during peak growing seasons (i.e. weekly mowing in winter months may not be required, but leaf raking or weeding may be required).

5.12 Vehicles. No vehicle may be parked on the Property except on paved streets and paved driveways. No inoperative vehicles shall be allowed to remain on the Property in excess of forty-eight (48) hours unless kept in a garage and not visible from the street or any other Lot. No commercial truck, van, or trailer, or other commercial vehicle or equipment, and no motor home, house trailer, camper, boat, trailer for boat or other water craft, horse trailer, other recreational vehicle, or any other equipment (whether motorized or towed), (collectively the "Prohibited Vehicles") shall be permitted to be parked or stored at any place on any portion of the Property for a period longer than four (4) consecutive hours unless parked within an enclosed garage or within an area of the Property expressly designated by the Developer for the placement of such vehicles. This prohibition on parking shall not apply to any vehicles of the Developer or its affiliates. For purposes of this Section, a commercial vehicle shall include: (a) any vehicle used by a business for the transportation of goods, equipment, materials and the like, or for the transportation of personnel; (b) any vehicle bearing the name of a business or other signage, commercial markings, or advertising (other than the name and logo of the vehicle's manufacturer); (c) any vehicle to which racks, railings, or other devices have been attached for the transportation of materials or equipment (other than the bed of an ordinary pickup truck); (d) any other vehicle not customarily used for personal or family transportation; or (e) any vehicle including permanent attachments to the vehicle which exceeds 6 feet 8 inches in height. No vehicles or automobiles shall be permitted to be parked or to be stored on easement areas, buffer areas, or any drainage easement within the Property. No vehicles or automobiles shall be permitted to be parked or to be stored on road right-of-way within the Property for a period of twelve (12) consecutive hours or for a period of forty-eight (48) nonconsecutive hours in any seven (7) day period, and said time frames shall be cumulative for all vehicles associated with a Lot Owner (i.e. different vehicles can not be rotated in and out of the street). Any vehicle parked in violation of this paragraph (or the rules and regulations from time to time adopted by the Association to implement this

paragraph) may be towed by the Association at the sole expense and risk of the vehicle's owner if such vehicle remains in violation from the time a notice of violation is placed upon it. The Association shall not be liable to the owner of the vehicle for trespass, conversion, damages, or otherwise, by reason of such towing, and neither removal of the vehicle nor failure to provide notice of the violation to the vehicle's owner shall be grounds for relief of any kind. Once the notice is posted, neither its removal, nor failure of the owner to receive it for any other reason, shall be grounds for relief of any kind. An affidavit of the person posting such notice stating that it was properly posted shall be conclusive evidence of proper posting.

5.13 Garbage and Trash Disposal. No garbage, refuse, trash, or rubbish shall be deposited, dumped, or disposed of within the Property, except as permitted by the Association. The requirements from time to time of the applicable governmental authority for disposal or collection of waste shall be complied with. All equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition. Containers must be county required containers or rigid plastic, no less than twenty (20) gallons, or more than thirty-two (32) gallons in capacity, and well sealed. Such containers may not be placed out for collection sooner than twenty-four (24) hours prior to scheduled collection and must be removed within twelve (12) hours of collection. No trash container when stored shall be visible from street (i.e. located in garage, back yard, or side yard screened with hedge or fence). In the event that governmental disposal or collection of waste is not provided to individual Lots, garbage, refuse, trash, or rubbish shall be deposited by each Owner in a dumpster designated by the Association and shall be collected by a private entity hired by the Association.

5.14 Fence. No fences on any Lot shall extend toward the front of any Lot beyond a setback of 15 feet towards the rear of a home from the front corner of the home on the Lot that is nearest the front lot line (15' back from the front of the house). The ACB may adjust the setback at their discretion for the fence due to an abutting house location. No fence or wall shall exceed a height of six (6) feet. The composition, location, and height not specified herein of any other fence or wall to be constructed on any Lot shall be subject to the approval of the Architectural Control Board. Fences in the rear yards of Lots abutting retention areas shall be no higher than five (5) feet in height and shall be constructed on Black or Brown metal fencing with a wrought iron appearance. Privacy around the perimeter of the metal fence shall be accomplished through landscape materials planted inside the fence perimeter (such as viburnum). No stockade or chain link fences shall be permitted on a Lot. All fences shall be metal wrought iron in appearance or vinyl (PVC). No fence connecting to a perimeter wall shall at the intersection with the perimeter wall exceed the height of the perimeter wall. To the extent tapering is necessary to ensure no fence so exceeds the height of a perimeter wall, such tapering shall commence at a standard rate at least eight feet (8') before the intersection of the fence and wall. The Owner of any Lot containing a fence facing a right-of-way shall plant shrubs (such as viburnum) along the fence, between the fence and the right-of-way except where a gate opening is required including but not limited to fence viewed from the front of the home and fencing along side yards of corner lots. On odd shaped and corner lots, no fence shall be located closer to the right-of-way line than the home, unless approved by the ACB.

5.15 No Drying. Except as may be required to comply with applicable law, no clothing, laundry, or wash shall be aired or dried out of doors on any portion of the Property.

5.16 Unit Air Conditioning, Reflective Materials & Window Treatments. No air conditioning units may be mounted through windows or walls. No building shall have any aluminum foil placed in any window or glass door, or any reflective substance or other materials (except standard window treatments) placed on any glass, except such as may be approved by the Architectural Control Board for energy conservation purposes. No stickers, decals, flags, signs, or lights of any kind shall be placed on inside or outside of windows or doors. No temporary or permanent interior or exterior window treatments shall be allowed such as sheets, cardboard, or newspaper.



5.17 Accessory Buildings. Accessory buildings such as boat houses, guest suites or gazebos in addition to the main residential structure on a Lot may be permitted provided that such structures comply with this Declaration and any guidelines established by the Architectural Control Board. All such structures shall be for the exclusive use of the lawful occupants of the main residential structure on a Lot and no such accessory structure shall be rented for occupancy by anyone other than the lawful occupants of the main residential structure. No metal out-buildings or sheds of any kind shall be constructed or placed on any Lot.

5.18 Garages. All residences must have two car garages. No carports are permitted. All garage doors must be maintained in operating condition. No garage may be converted to living space without the prior approval of the Architectural Control Board. No garage door shall remain open for more than one hour per day.

5.19 Landscaping. An original landscaping plan for each Lot shall be submitted to the Architectural Control Board for approval at the same time as the submittal for construction of the main residential structure for the Lot. Seventy five (75%) percent of the landscape budget for a Lot shall be allocated to the front elevation of the main residential structure erected on a Lot. Without limiting the authority of the Architectural Control Board to adopt more specific standards, all sodded areas of the landscaping plan shall use Zoysia sod. All landscaped areas shall include appropriate automatic irrigation (sprinkler) systems. Deep irrigation wells shall be permitted upon compliance with all applicable governmental regulations. Landscaped areas (meaning all portions of a Lot which are not paved or covered by a structure and the land between the Lot line and the back of curb of the abutting roadway right of way) shall either be sodded or landscaped. Meandering sidewalks and street trees shall be placed according to the approved subdivision construction plans. Each residential structure must have shrubs 30" on center on front, 10' back on side yards, and in front of all fencing. At least two street trees with a minimum caliper of 4" at breast height (such as oak, palm, maple, holy, etc.) must be planted in each yard, 5' behind sidewalk, evenly spaced along road. Corner lots shall be required to have two additional street trees (meeting the same requirements as street trees for the front of the Lot) located along side yard behind sidewalk. The requirement for street trees may be waived by the ACB in the event existing trees of equal or greater size to required street trees have been saved as part of the original home construction. All corner and odd shape lots will require a hedge (such as viburnum) from the rear corner of house to the rear lot line, which hedge, upon maturing, shall create a visual screen to rear yard. Low wattage lightscaping shall be permitted if authorized by the Architectural Control Board. All planting beds for landscaping shall be mulched with approved materials such as shredded cypress mulch of gravel of an approved color and size. Pine bark mulch shall not be permitted.

5.20 Swimming Pools. Any swimming pool constructed on any Lot shall be subject to the following restrictions, reservations, and conditions:

(a) On interior Lots, the outside edge of any pool shall be setback from the side and rear Lot lines distances at least equal to the setbacks required for the residence on that Lot either by this Declaration or by applicable zoning restrictions, whichever setback distance is greater. Corner Lots will be reviewed by the Architectural Control Board on an individual basis.

(b) Pool screening may not be higher than sixteen (16) feet or the higher edge of the roof, whichever is lower.

(c) No overhead electrical wires shall cross the pool. All pool lights other than underwater lights must be four (4) feet from the edge of the pool.

(d) The pool itself must be enclosed with a fence not less than five (5) feet in height. Entrance gate to the backyard, or the pool itself, as the case may be, is to be constructed with a self-closing latch placed at least forty (40) inches above the ground. The fence of a neighbor, where sufficient to meet above standards, may be utilized to secure a pool.

5.21 Antennas and Dishes. No exterior antennas, aerials, satellite dishes, or other apparatus greater than one (1) meter in diameter for the transmission of television, radio, satellite, or other signals shall be placed, allowed or maintained upon any portion of a Lot. Any permitted antenna or satellite dish shall, to the extent practical, be installed in the least obtrusive location (as determined by the Architectural Control Board) on a Lot that still permits reception of an adequate signal for the transmission associated with that type of antenna. All permitted antennas and satellite dishes shall be subject to other reasonable restrictions of the Architectural Control Board. No short wave operations of any kind shall operate from any Lot.

5.22 Water Supply/Wastewater System. No individual potable water supply wells shall be permitted on any Lot. Water wells restricted to swimming pool and/or irrigation purposes shall be permitted with the approval of the Architectural Control Board. Wastewater (sewage) systems for each Lot shall be septic tanks meeting all governmental regulations for such systems. The Association shall have the right, upon approval by a majority vote of all Lot Owners (and the Developer so long as the Developer still owns any Lot within the Development) to require all Lot Owners in the Development to connect to the central sewer system presently located in the public right of way of State Road A1A and charge the Lot Owners for the cost of such connection including, without limitation, the cost to extend the necessary service lines to each Lot as a special Assessment.

5.23 Air Conditioning Units, Gas Storage Tanks & Other Exterior Equipment. No gas storage tank or air conditioning units, either central or wall type, shall be placed on the front of any dwelling, side yard of a corner lot or otherwise placed or located so as to be visible from any public street. All oil tanks, soft water tanks, wood piles, water softeners, well pumps, sprinkler pumps, pool and spa equipment and heaters, and other or similar mechanical fixtures and equipment, shall be placed on the front of any dwelling, side yard of a corner lot or otherwise placed or located so as to be visible from any public street. All above mentioned equipment shall be screened by mature shrubbery at least 40" in height or privacy walls that are architecturally compatible with the exterior walls of the main residential structure.

5.24 Waterfront Lots. Owners of Lots abutting retention swales or ponds included in the stormwater management system shall not be permitted to construct docks, floating or otherwise, boat davits, piers, or other structures in such retention ponds. Owners of Lots abutting the Intracoastal Waterway may have dock structures and boathouses meeting the requirements of this Declaration and approved by Architectural Control Board.

5.25 Conservation Areas Within Lots. Owners of Lots that abut or include any conservation areas as depicted on the Plat or defined by any conservation easement or development agreement with any governmental entity are prohibited from dumping trash, debris, or landscape material of any kind whatsoever in said area or otherwise disturbing the natural state of said areas. Owners are prohibited from constructing any improvements or structures in said areas (e.g., walkway, fencing, or the like); clearing existing vegetation; or otherwise altering the conservation areas without the prior approval of the governmental entity having jurisdiction over the area.

5.26 Increase in Insurance Rates. No Owner may take any action which will result in an increase in the rate of any insurance policy or policies covering any portion of the Common Areas.

5.27 Casualties. In the event that improvements on a Lot, in whole or in part, are destroyed by casualty or otherwise, or in the event any improvements upon the Common Areas are damaged or destroyed by casualty or otherwise, the Owner thereof or the Association, as the case may be, shall promptly clear all debris resulting therefrom and (subject to the duties and obligations of the Association) commence either to rebuild or repair the damaged improvements in accordance with the terms and provisions of this Declaration.

5.28 Yard Accessories and Play Structures. All yard accessories and play structures, including basketball backboards, treehouses, and any other fixed games, shall be located in the rear yard of the main residential structure on the Lot. In the case of corner Lots, such accessories and structures shall be restricted to the side yard furthest from the side street and to that portion of the rear yard which is no closer to the side street than a fence would be permitted. All yard accessories and play structures on all Lots, including side yard views on corner Lots, shall be obstructed from view at the street by either the home, a 6' fence, or a planted hedge that is capable of growing to 6' in height within 2 years of installation (such as a viburnum). Basketball structures, whether permanently mounted on a structure or mounted on a permanent pole, will no be allowed in front of the rear wall of the main residential structure on the Lot. No portable basketball poles and backboards will be allowed in front of the rear wall of the main residential structure on the Lot.

5.29 Tree Removal and Landscaping. Except by the Developer, trees measuring six inches (6") or more in diameter at three feet (3') or more above ground level shall not be cut or removed without the prior written consent of the ACB; provided, however, trees located within six feet (6') of the location of the Dwelling as approved by the ACB may be removed without prior approval. More restrictive arbor ordinances or environmental laws shall control in the event of conflict herewith. There shall be no removal of trees or Lot clearing, other than clearing of underbrush, until the ACB has approved in writing a general, conceptual landscape plan that designates those existing trees to be retained and preserved on the Lot.

5.30 Conservation Tracts. If any conservation tract is specifically designated as such on any plat of the Property, then, except for those alterations made by Developer and those additional alterations which may be permitted by applicable governmental authorities and the ACB, there shall be no further clearing, construction, grading or alteration of those tracts.

5.31 Developer Reservation. Any provision of this Declaration to the contrary notwithstanding, until Developer has completed all of the contemplated improvements and closed the sales of all of the Lots, neither the Owners nor the Association shall interfere with the completion of Developer's planned improvements and the sale of the Lots. Developer may make such lawful use of the unsold Lots and the Common Property, without charge, as may facilitate such completion and sale, including, but not limited to, maintenance of sales and construction trailers and offices, the showing of the Lots and the display of signs and the use of Lots for vehicular parking. Without limiting the generality of the foregoing, except only when the express provisions of this Declaration prohibit the Developer from taking a particular action, nothing in this Declaration shall be understood or construed to prevent or prohibit Developer from any of the following:

(a) Doing on any property owned by it whatever it determines to be necessary or advisable in connection with the completion of the development of the Property, including without limitation, the alteration of its construction plans and designs as Developer deems advisable in the course of development (all models or sketches showing plans for future development of the Property, as same may be expanded, may be modified by the Developer at any time and from time to time, without notice);  
or

(b) Erecting, constructing and maintaining on any property owned or controlled by Developer such structures as may be reasonably necessary for the conduct of its business of completing said development and establishing the Property as a community and disposing of the same by sale, lease or otherwise; or

(c) Conducting on any property owned or controlled by Developer, its business of developing, subdividing, grading and constructing improvements in the Property and of disposing of Lots therein by sale, lease or otherwise; or

(d) Determining in its sole discretion the nature of any type of improvements to be initially constructed as part of the Property; or

(e) Maintaining such sign or signs on any property owned or controlled by Developer as may be necessary or desired in connection with the operation of any Lots owned by Developer or the sale, lease, marketing or operation of Lots; or

(f) Filing Supplemental Declarations which modify or amend this Declaration, which add or withdraw Additional Property as provided in this Declaration, or otherwise limit or impair the Developer from effecting any action which may be required of Developer by the City, County, or any other federal, state or local governmental or quasi-governmental agency in connection with the development and continuing operation of the Property; or

(g) Modifying, changing, re-configuring, removing or otherwise altering any improvements located on the Common Property or utilizing all or portions of the Common Property for construction access or staging (provided that same does not impair existing access or utility services to the Lots); or

(h) Causing utilities to be available to all portions of the Property, including, but not limited, to the granting of easements and rights of way as may be necessary to locate, install and maintain facilities and connections.

5.32 Ramps. No skateboard or bicycle ramp or similar structure shall be permanently installed or maintained overnight on any portion of any Lot located forward of the rear wall of the main residential structure or adjacent to any side street.

5.33 Mailboxes. Community mailboxes may be provided by the U.S. Post Office and individual mailboxes on each Lot shall be prohibited while community mailboxes are utilized by the U.S. Post Office, unless approved by the ACB due to the physical condition of a home owner. If community mailboxes are not provided, each Owner shall install a U.S. Postal Service-approved mailbox meeting the requirements of this section. A gloss black aluminum ribbed mailbox shall be center mounted on a gloss-black 3" diameter aluminum post with grooving (not a smooth post) and base plate with no angle brackets to the post. Except for identifying numbers and letters the mailbox and post shall be solid gloss black with no other decorative features. The intent is for all mailboxes, posts, and letters to be very similar throughout the property.

5.34 Yard and House Ornaments. No yard or lawn ornaments of any kind that can be seen from any street or other Lot shall be installed or allowed to remain on a Lot unless approved by Architectural Control Board. Yard or lawn ornaments include, without limitation, pink flamingoes or similar displays; landscape boulders; white rocks; driveway lighting; stepping stones; bird baths; water fountains; wall decorations such as family names; or wall planters. Provided however that a single flag pole for display of the American flag and any other flag expressly permitted by applicable law may be placed on a Lot in a

location approved by the Architectural Control Board. Holiday or religious decorations may be displayed in such a manner and for a duration as not to be a nuisance as determined by the Architectural Control Board. In no event shall holiday or religious decorations be displayed for more than 90 days in any given year.

5.35 Solar Collectors. Solar collectors shall not be permitted without the prior written consent of the Architectural Control Board. Any approval of the Architectural Control Board, to the extent permitted by applicable law, shall require that the solar collectors be located on the Lot so that they are not visible from any street and that their visibility from surrounding Lots is restricted to the maximum extent practicable.

5.36 Reconstruction. Any repair, rebuilding, or reconstruction on account of casualty or other damage to any Common Areas or any part or parts thereof shall be substantially in accordance with the plans and specifications for such property and areas as originally constructed or with new plans and specifications approved by the Architectural Control Board. Any repair, rebuilding, or reconstruction on account of casualty or other damage to any improvements or any part or parts thereof shall be substantially in accordance with the plans and specifications for such property and areas as originally constructed or the new plans and specifications approved by the Architectural Control Board, including but not limited to house design, construction materials, paint color schemes, shingle style and colors.

## ARTICLE VI ENFORCEMENT

6.1 Compliance by Owners. Every Owner shall comply with the easements, restrictions, and covenants set forth herein and any and all rules and regulations which from time to time may be adopted by the Board of Directors.

6.2 Enforcement. Failure of an Owner to comply with such easements, restrictions, covenants, or rules and regulations shall be grounds for immediate action which may include, without limitation, an action to recover sums due for damages, injunctive relief, or any combination thereof. The Association shall have the right to suspend voting rights of defaulting Owners in accordance with this Declaration and with applicable law. The offending Owner shall be responsible for all costs of enforcement, including reasonable attorneys' fees actually incurred and court costs. The St. Johns Water Management District shall have the right to enforce, by a proceeding at law or in equity, the provisions contained in the Covenants and Restrictions which relate to the maintenance, operation and repair of the surface water or stormwater management system.

6.3 Fines. In addition to all other remedies, in the sole discretion of the Board of Directors and to the extent permitted by applicable law, a fine or fines may be imposed upon an Owner for failure of an Owner, his family, guests, invitees, or employees, to comply with any covenant, restriction, rule or regulation, provided the following procedures are adhered to:

(a) Notice. The Association shall notify the Owner of the alleged infraction or infractions. Included in the notice shall be the date and time of a special meeting of a committee of the Board at which time the Owner shall present reasons why penalties should not be imposed. At least fourteen (14) days' advance notice of such meeting shall be given.

(b) Hearing. The alleged violation shall be presented to the committee of the Board, after which that committee shall hear reasons why penalties should not be imposed. A written decision of the committee shall be submitted to the Owner by not later than twenty-one (21) days after the meeting. The Owner shall have a right to be represented by counsel and to cross-examine witnesses.

(c) Penalties. The committee of the Board may impose special assessments against the Lot owned by the Owner as follows:

The committee may levy fines not to exceed \$100.00 for each violation. The fine may be levied for each day a continuing violation continues (and no additional notice or hearing shall be required); provided, however, the aggregate total fine for a violation shall not exceed \$5,000.00.

(d) Payment of Penalties. Fines shall be paid not later than five (5) days after notice of the imposition or assessment of the penalties.

(e) Collection of Fines. Fines shall be treated as an Assessment subject to the provisions for the collection of Assessments as set forth herein.

(f) Application of Penalties. All monies received from fines shall be allocated as directed by the Board of Directors, subject always to the provisions of this Declaration.

(g) Non-Exclusive Remedy. These fines shall not be construed to be exclusive, and shall exist in addition to all other rights and remedies to which the Association may be otherwise legally entitled; provided, however, any penalty paid by the offending Owner shall be deducted from or offset against any damages which the Association may otherwise be entitled to recover by law from such Owner.

(h) Applicable Law. To the extent applicable law regulates the imposition of fines by the Association, notwithstanding the procedures, restrictions, and other details prescribed above, the Association's right to impose fines shall conform to, and this provision shall be deemed amended to conform to, applicable law; and the Association's right to impose fines shall be coextensive with the maximum right permitted by the law.

## ARTICLE VII INSURANCE

7.1 Coverage. The Association shall maintain insurance covering the following:

(a) Casualty. All improvements located on the Common Areas, together with all fixtures, building service equipment, personal property, and supplies constituting the Common Areas or owned by the Association (collectively the "Insured Property"), which shall be insured in an amount not less than one hundred percent (100%) of the full insurable replacement value thereof, excluding foundation and excavation costs. Such policies may contain reasonable deductible provisions as determined by the Board of Directors of the Association. Such coverage shall afford protection against (I) loss or damage by fire and other hazards covered by a standard extended coverage endorsement; and (ii) such other risks as from time to time are customarily covered with respect to buildings and improvements similar to the Insured Property in construction, location and use, including, but not limited to, vandalism, malicious mischief, and those covered by the standard "all risk" endorsement.

(b) Liability. Comprehensive general public liability and automobile liability insurance covering injury, loss, or damage resulting from accidents or occurrences on or about or in connection with the Insured Property or adjoining driveways and walkways, or any work, matters or

things related to the Insured Property (including, but not limited to, liability arising from law suits related to employment contracts to which the Association is a party), with such additional coverage as shall be required by the Board of Directors of the Association, but with combined single limit liability of not less than \$1,000,000.00 for each accident or occurrence, \$100,000.00 per person and \$50,000.00 property damage, and with a cross liability endorsement to cover liabilities of the Owners as a group to any Owner, and vice versa.

(c) Flood Insurance. Flood insurance covering the Insured Property shall be maintained by the Association if the Development is in a special flood hazard area or if the Association so elects. The amount of flood insurance shall be the lesser of: (I) 100% of the current replacement cost of the Insured Property; or (ii) the maximum coverage available for the Insured Property under the National Flood Insurance Program.

(d) Fidelity Insurance or Bonds. Naming the Association as obligee and covering all directors, officers, and employees of the Association shall be maintained by the Association in amount which is the greater of \$10,000.00 or the maximum amount of funds that will be in custody of the Association at any time while the bond is in force; notwithstanding the foregoing sentence, however, such fidelity insurance or bond shall not be for an amount less than the sum of three (3) months assessments on all Units and Lots, plus the Association's reserve funds for each person so insured or bonded.

(e) Other Insurance. The Association may also maintain worker's compensation or such other insurance as the Board may determine from time to time including officers' and directors' liability insurance.

Every casualty policy obtained by the Association shall have the following endorsements: (I) agreed amount and inflation guard, (ii) steam boiler coverage (providing at least \$50,000.00 coverage for each accident at each location), if applicable, and (iii) an appropriate endorsement covering the costs of changes to undamaged portions of the improvements (even when only a portion thereof is damaged by an insured hazard) if any applicable construction code requires such changes.

7.2 Additional Provisions. All policies of insurance and fidelity bonds shall provide that such policies and bonds may not be canceled or substantially modified without at least thirty (30) days prior written notice to all of the named insureds, including all mortgages of Lots, including each servicer that services a Federal National Mortgage Association owned mortgage encumbering a Lot located in the Development.

7.3 Premiums. Premiums upon insurance policies purchased by the Association shall be paid by the Association as a common expense, except that the amount of increase in the premium occasioned by misuse, occupancy, or abandonment of any one or any other action or omission of, particular Owners shall be assessed against and paid by such Owners. Premiums may be financed in such manner as the Board of Directors deems appropriate.

## ARTICLE VIII NOTICES

8.1 Notices to Member or Owner. In addition to such other manners for providing notice as are permitted or prescribed in this Declaration, the Bylaws, or the Articles of Incorporation, any notice required to be sent to any Member or Owner under the provisions of this Declaration shall be deemed to have been sent when personally delivered or mailed, postage-paid, to the last known address of the person who appears as Member or Owner on the records of the Association at the time of such mailing.

ARTICLE IX  
STANDARD DEVELOPMENT AND ANNEXATION

9.1 Annexation of Additional Property. Land may be annexed to the Property with the consent of two-thirds of the Members and with the approval of the Federal Housing Administration and the Veterans Administration and, as long as there is a Class B membership, the Class B member. Such annexation shall become effective upon the recording of an amendment to this Declaration evidencing the annexation in the Public Records of the County.

9.2 Platting. As long as there is a Class B membership, the Developer shall be entitled at any time and from time to time, to plat and/or replat all or any part of the Property and to file subdivision restrictions and/or amendments thereto with respect to any undeveloped portion or portions of the Property or Development then owned by the Developer without the consent or approval of an Owner.

9.3 Amendment. The provisions of this Article IX cannot be amended without the written consent of the Developer, and any amendment of this Article IX without the written consent of the Developer shall be deemed null and void.

ARTICLE X  
ADDITIONAL PROVISIONS

10.1 The developer or its assigns reserves the right to build and operate a furnished model on one of the lots within the Hidden Hammock Subdivision. The model will be closed upon the sale of the last remaining lot or at a time determined by the developer.

10.2 Subject to Flagler County Approval, the Developer or its assigns, reserves the right to maintain and operate a sales facility on lot 7 or Lot 8. The sales facility will be removed upon the sale of the respective lot that it is located on.

10.3 In order to conduct sales of all eight lots the developer or its assigns reserves the right to maintain the entry gate from 8:00 to 5:00 Monday thru Saturday and from 12:00 to 5:00 on Sunday.

10.4 Subject to Flagler County Approval, the Developer reserves the right to rezone Lot 8 to allow for professional office, art studio or other use consistent with the A1A Corridor.

ARTICLE XI  
GENERAL PROVISIONS

11.1 Duration. The easements, conditions, covenants, and restrictions of this Declaration shall run with and bind the Property, and shall inure to the benefit of and be enforceable by the Developer, the Association, the Architectural Control Board, and the Owner of any land subject to this Declaration, and their respective legal representatives, heirs, successors, and assigns, for a term of ninety-nine (99) years from the date this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years each unless an instrument signed by the then Owners of seventy-five percent (75%) of all the Lots subject hereto has been recorded, agreeing to revoke this Declaration. Provided, however, that no such agreement to revoke shall be effective unless made and



recorded three (3) years in advance of the effective date of such revocation, and unless written notice of the proposed agreement is sent to every Owner at least ninety (90) days in advance of any action taken.

11.2 Enforcement. Enforcement of these easements, conditions, covenants, and restrictions shall be accomplished by either the Developer, the Association, or any Owner by any proceeding at law or in equity against any person or persons violating or attempting to violate any covenants or restriction, either to restrain violation or to recover damages, and against the Lots to enforce any lien created by these covenants; and failure by the Developer, the Association, or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. Court costs and reasonable attorneys' fees for a proceeding at law or in equity to enforce this Declaration, including any appeal thereof, shall be borne by the Owner(s) against whom the suit has been filed. In addition to all remedies expressly provided in this Declaration, the Developer and the Association shall have the right to enforce this Declaration by all remedies (including without implied limitation the imposition of fines and penalties) that may be permitted in 617.301 et seq, Florida Statutes, as amended; and this Declaration shall be deemed to include all procedures and conditions prescribed by those statutes for the exercise of the statutory remedies.

11.3 Severability. Invalidation of any one of these covenants or restrictions or any part, clause, or word hereof, or the application thereof in specific circumstances, by judgment or court order shall not affect any other provisions of applications in other circumstances, all of which shall remain in full force and effect.

11.4 Amendment. In addition to any other manner herein provided for the amendment of this Declaration, the covenants, restrictions, easements, conditions, charges, and liens of this Declaration may only be amended, changed, or supplemented by approval of a two-thirds vote of all Owners taken at a duly called meeting of the membership of the Association; provided, however, that so long as the Developer or its affiliates is the Owner of any Lot affected by this Declaration the Developer's consent must be obtained if such amendment, in the sole opinion of the Developer, affects Developer's interest. Further, no provision of this Declaration may be amended if such provision is required to be included herein by any law. The foregoing three (3) sentences may not be amended. Without limiting the generality of the foregoing paragraph, the Developer specifically reserves the right to amend this Declaration in order to comply with the requirements of the Federal Housing Authority, Veteran's Administration, Federal National Mortgage Association, Federal Home Loan Mortgage Corporation or Flagler County. Notwithstanding any of the foregoing, as long as there is Class B membership, as that term is defined in Section 2.2. hereof, the Federal Housing Administration or Veterans Administration must approve any amendment to this Declaration other than those to correct scrivener's errors or clarify any ambiguities herein. Any amendment to this Declaration which alters any provision relating to the surface water or stormwater management system, beyond maintenance in its original condition, including the water management portion of the Common Areas, must have the prior approval of the St. Johns Water Management District.

The Developer shall have the right at any time within six (6) years from the date hereof to amend this Declaration to correct scrivener's errors and to clarify any ambiguities determined to exist herein. No amendment shall impair or prejudice rights or priorities of any Institutional Lender without their written consent.

11.5 Effective Date. This Declaration shall become effective when recorded in the Public Records of Flagler County, Florida.

11.6 Withdrawal. The Developer reserves the right to amend this Declaration at any time, without prior notice and without the consent of any person or entity, for the purpose of removing certain

portions of the Property then owned by the Developer or its affiliates or the Association from the provisions of this Declaration to the extent such portion of the Property was included in error or as a result of reasonable changes in the plans for the Property desired to be effected by the Developer.

11.7 Conflicts. This Declaration shall take precedence over conflicting provisions in the Articles of Incorporation and Bylaws of the Association, and the Articles shall take precedence over the Bylaws.

11.8 Standards for Consent, Approval, Completion, Other Action and Interpretation. Unless otherwise provided herein, whenever this Declaration shall require the consent, approval, completion, substantial completion, or other action by the Developer or its affiliates, the Association or the Architectural Control Board, such consent, approval or action may be withheld in the sole and unfettered discretion of the party requested to give such consent or approval or take such action, and all matters required to be completed or substantially completed when such matters have been completed or substantially completed in the reasonable opinion of the Developer or Association, as appropriate. This Declaration shall be interpreted by the Board of Directors and an opinion of counsel to the Association rendered in good faith, provided that the particular interpretation is not unreasonable, shall establish the validity of such interpretation.

11.9 Easements. Should the intended creation of any easement provided for in this Declaration fail by reason of the fact that at the time of creation there may be no grantee in being having the capacity to take and hold such easement, then any such grant of easement deemed not to have been so created shall nevertheless be considered as having been granted directly to the Association as agent for such intended grantee for the purpose of allowing the original party or parties to whom the easements were originally intended to have been granted the benefit of such easement and the Owners designate hereby the Developer and the Association (or either of them as their lawful attorney-in-fact) to execute any instrument on such Owners' behalf as may hereafter be required or deemed necessary for the purpose of later creating such easement as it was intended to have been created herein. Formal language of grant or reservation with respect to such easements, as appropriate, is hereby incorporated in the easement provisions hereof to the extent not so recited in some or all of such provisions.

11.10 CPI. Whenever specific dollar amounts are mentioned in this Declaration (or in the Articles or Bylaws of rules and regulations), unless limited or prohibited by law, such amounts will be increased from time to time by application of a nationally recognized consumer price index chosen by the Board, using the date this Declaration is recorded as the base year. In the event no such consumer price index is available, the Board shall choose a reasonable alternative to compute such increases.

11.11 Covenants Running With the Land. Anything to the contrary herein notwithstanding, it is the intention of all parties affected hereby (and their respective heirs, personal representatives, successors and assigns) that these covenants and restrictions shall run with the land and with title to the Property. If any provision or application of this Declaration would prevent this Declaration from running with the land as aforesaid, such provision and/or application shall be judicially modified, if at all possible, to come as close as possible to the intent of such provision or application and then be enforced in a manner which will allow these covenants and restrictions to so run with the land; but if such provision and/or application cannot be so modified, such provision and/or application shall be unenforceable and considered null and void in order that the paramount goal of the parties affected hereby (that these covenants and restrictions run with the land as aforesaid) be achieved.

11.12 Management Contract. The Association is hereby authorized to enter into an agreement with a management company (which may be an affiliate of the Developer) to provide for the management

and maintenance of the Property. The cost of such management contract shall be a common expense of the Association included in the annual Assessment against each Lot.

11.13 Annexation and Dedication. Annexation of additional properties and dedication of the Common Area requires approval of the Federal Housing Administration and the Veterans Administration as long as there is Class B membership in the Association.

IN WITNESS WHEREOF, John R. Kirby, as Developer, has hereunto set his hand and seal the day and year first above written.

Witnesses:

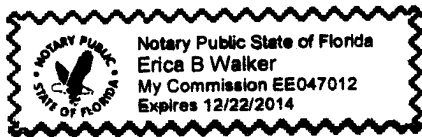
[Signature]  
Erica B. Walker

[Signature]  
John R. Kirby

STATE OF FLORIDA

COUNTY OF Orange

The foregoing instrument was acknowledged before me this 5 day of June, 2012, by John R. Kirby. He is personally known to me or produced as identification.



[Signature]  
Notary Public, State of Florida  
Name: Erica B. Walker

My Commission Expires 12/22/14  
My Commission Number is: EE047012

Joined in and agreed as of the date first above written:

Witnesses:

[Signature]  
Erica B. Walker

Hidden Hammock Landings Homeowner's Association, Inc., a Florida corporation not for profit

By: [Signature]  
John R. Kirby, President

STATE OF FLORIDA

COUNTY OF Orange

The foregoing instrument was acknowledged before me this 5 day of June, 2012, by John R. Kirby as President of the Hidden Hammock Landing Homeowner's Association, Inc. on behalf of and as the act and deed of the corporation . He is personally known to me or produced \_\_\_\_\_ as identification.

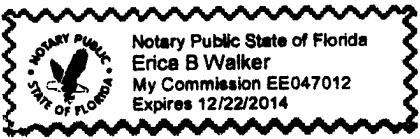
Erica B. Walker

Notary Public, State of Florida

Name: Erica B. Walker

My Commission Expires 12/22/14

My Commission Number is: EE04702



JOINDER AND CONSENT OF MORTGAGEE

Florida Bank of Commerce being the owner and holder of that certain mortgage recorded 11/08/2006 in Official Records Book 1504, beginning at Page 80, of the Public Records of Flagler County, Florida, encumbering the parcel of real property described in the foregoing Declaration of Easements, Covenants, Conditions and Restrictions for HIDDEN HAMMOCK, hereby consents to and joins in the filing of this Declaration of Easements, Covenants, Conditions and Restrictions.

Witnesses:

Florida Bank of Commerce

Concina Orlow  
[Signature]

Gloria S. Chin

By: [Signature]  
Elaine Deulin  
Its: Senior Vice President

Attested to:

By: [Signature]  
Eliane Kohn  
Its: Assistant V.P.

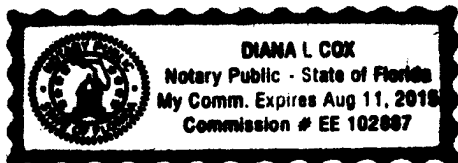
Address:

105 E. Robinson Street  
Orlando FL 32801

STATE OF FLORIDA

COUNTY OF Orange

The foregoing instrument was acknowledged before me this 5 day of June, 2012, by Elaine Deulin and Eliane Kohn as \_\_\_\_\_ and \_\_\_\_\_, respectively, of Florida Bank of Commerce, on behalf of and as the act and deed of the corporation. They are personally known to me or produced as identification.



[Signature]  
Notary Public, State of Florida  
Name: Diana L Cox

My Commission Expires 8-11-2015  
My Commission Number is: EE 102887

## EXHIBIT "A"

LEGAL DESCRIPTION OF THE PROPERTY

## LEGAL DESCRIPTION:

Being a part of Section 38, Township 11 South, Range 31 East and more particularly described as follows: Commence at the intersection of the original Western boundary of the 50 foot Right-of-Way of the Ocean Shore Boulevard, now being State Highway No. A1A, and the north boundary of, Section 37, Township 11 South, Range 31 East (Township Line); run thence South  $16^{\circ} 42' 27''$  East along the original Right-of-Way boundary, a distance of 864.42 feet, thence South  $17^{\circ} 14' 57''$  East a distance of 1357.35 feet to the point of curve of a  $0^{\circ} 59' 45''$  curve to the left, said curve having a delta of  $3^{\circ} 31' 00''$  and a radii of 5754.65, thence Southerly along said curve to the left a distance of 353.14 feet to the point of tangent of said curve; thence South  $20^{\circ} 45' 57''$  East along said original Right-of-Way boundary, a distance of 2401.85 feet, to the Point of Beginning; thence continue South  $20^{\circ} 45' 57''$  East along said original Right-of-Way boundary, a distance of 500 feet, thence South  $69^{\circ} 13' 06''$  West, a distance of 957.75 feet to an intersection with the Easterly boundary of the 500 foot Right-of-Way of the Florida Intracoastal Waterway; thence North  $19^{\circ} 22' 03''$  West, along said Right-of-Way Boundary, a distance of 500 feet; thence North  $69^{\circ} 12' 34''$  East, a distance of 945.56 feet to the Point of Beginning,

## LESS:

Being a part of Section 38, Township 11 South, Range 31 East and more particularly described as follows: Commence at the intersection of the original Western boundary of the 50 foot Right-of-Way of the Ocean Shore Boulevard, now being State Highway No. A1A, and the north boundary of, Section 37, Township 11 South, Range 31 East (Township Line); run thence South  $16^{\circ} 42' 27''$  East along the original Right-of-Way boundary, a distance of 864.42 feet, thence South  $17^{\circ} 14' 57''$  East a distance of 1357.35 feet to the point of curve of a  $0^{\circ} 59' 45''$  curve to the left, said curve having a delta of  $3^{\circ} 31' 00''$  and a radii of 5754.65, thence Southerly along said curve to the left a distance of 353.14 feet to the point of tangent of said curve; thence South  $20^{\circ} 45' 57''$  East along said original Right-of-Way boundary, a distance of 2401.85 feet, to the Point of Beginning; thence continue South  $20^{\circ} 45' 57''$  East along said original Right-of-Way boundary, a distance of 250.00 feet, thence South  $69^{\circ} 12' 34''$  West for a distance of 250.00 feet; thence North  $20^{\circ} 45' 57''$  West for a distance of 250.00 feet; thence North  $69^{\circ} 12' 34''$  East for a distance of 250.00 feet to the Point of Beginning.

EXHIBIT "B"

ARTICLES OF INCORPORATION

OF

HIDDEN HAMMOCK LANDING HOMEOWNER'S ASSOCIATION, INC.  
a Florida Corporation, Not-For-Profit

ARTICLE 1

NAME

1. Name. The name of the corporation is: HIDDEN HAMMOCK LANDING HOMEOWNER'S ASSOCIATION, INC. (hereinafter referred to as the "ASSOCIATION").

ARTICLE 2

DEFINITIONS

2. Definitions. Unless defined in these Articles or the Bylaws all terms used in the Articles and the Bylaws shall have the same meanings as used in the DECLARATION OF PROTECTIVE COVENANTS AND RESTRICTIONS FOR HIDDEN HAMMOCK (the "Declaration").

ARTICLE 3

PURPOSE

3. Purpose. The purposes for which the ASSOCIATION is organized are as follows:

3.1 To operate as a corporation not-for-profit pursuant to Chapter 617 of the Florida Statutes.

3.2 To administer, enforce and carry out the terms and provisions of the Declaration as same may be amended or supplemented from time to time.

3.3 To administer, enforce and carry out the terms and provisions of any other Declaration of Covenants and Restrictions or similar document, submitting property to the jurisdiction of or assigning responsibilities, rights or duties to the ASSOCIATION and accepted by the Board of Directors of the ASSOCIATION (the "BOARD").

3.4 To promote the health, safety, comfort and social and economic welfare of the MEMBERS of the ASSOCIATION and the OWNERS and Residents of Lots in HIDDEN HAMMOCK , as authorized by the Declaration, by these Articles, and by the Bylaws.

3.5 To operate, maintain and manage the surface water or stormwater management system(s) in a manner consistent with the St. Johns River Water Management District permit no. 4-035-101955-1 requirements and applicable District rules, and to assist in the enforcement of the Declaration of Covenants and Restrictions which relate to the surface water or stormwater management system.

#### ARTICLE 4

##### POWERS

4. Powers. The ASSOCIATION shall have the following powers:

4.1 All of the common law and statutory powers of a corporation not-for-profit under the laws of Florida which are not in conflict with the terms of these Articles.

4.2 To enter into, make, establish and enforce, rules, regulations, Bylaws, covenants, restrictions and agreements to carry out the purposes of the ASSOCIATION.

4.3 To make and collect Assessments for Common Expenses from OWNERS to defray the costs, expenses, reserves and losses incurred or to be incurred by the ASSOCIATION and to use the proceeds thereof in the exercise of the ASSOCIATION'S powers and duties. The Association shall levy and collect adequate assessments against members of the Association for the cost of maintenance and operation of the surface water or stormwater management system.

4.4 To own, purchase, sell, mortgage, lease, administer, manage, operate, maintain, improve, repair and/or replace real and personal property.

4.5 To hold funds for the exclusive benefit of the MEMBERS of the ASSOCIATION as set forth in these Articles and as provided in the Declaration and the Bylaws.

4.6 To purchase insurance for the protection of the ASSOCIATION, its officers, directors and MEMBERS, and such other parties as the ASSOCIATION may determine to be in the best interests of the ASSOCIATION.

4.7 To operate, maintain, repair, and improve all Common Areas and such other portions of HIDDEN HAMMOCK as may be determined by the BOARD from time to time.

4.8 To honor and perform under all contracts and agreements entered between third parties and the ASSOCIATION or third parties and the DEVELOPER which are assigned to the ASSOCIATION.



4.9 To exercise architectural control, either directly or through appointed committees, over all buildings, structures and improvements to be placed or constructed upon any portion of HIDDEN HAMMOCK. Such control shall be exercised pursuant to the Declaration.

4.10 To provide for private security, fire safety and protection, and similar functions and services within HIDDEN HAMMOCK as the BOARD in its discretion determines necessary or appropriate.

4.11 To provide, purchase, acquire, replace, improve, maintain and/or repair such buildings, structures, streets (to the extent not maintained by the Flagler County), pathways, and other structures, landscaping, paving and equipment, both real and personal, related to the health, safety and social welfare of the MEMBERS of the ASSOCIATION and the OWNERS and Residents of HIDDEN HAMMOCK as the BOARD in its discretion determines necessary or appropriate.

4.12 To employ personnel necessary to perform the obligations, services and duties required of or to be performed by the ASSOCIATION and/or to contract with others for the performance of such obligations, services and/or duties and to pay the cost thereof in accordance with whatever contractual arrangement the BOARD shall enter.

## ARTICLE 5

### MEMBERS

5.1 Membership. Except as is set forth in this Article 5, every Person who is a record titleholder of a fee or undivided fee interest in any Lot which is subject by covenants of record to assessment by the ASSOCIATION shall be a MEMBER of the ASSOCIATION, provided that any such Person which holds such interest merely as a security for the performance of any obligation shall not be a MEMBER. A builder or developer who in its normal course of business purchases a Lot for the purpose of constructing an Improvement thereon for resale shall not become a MEMBER of the ASSOCIATION so long as such builder or developer does not occupy the Improvement as a residence. Only (a) those Persons who purchase a Lot to have a residence built for them, (b) those Persons who purchase a Lot and the Improvements thereon during or after completion of construction, and (c) the DEVELOPER shall be MEMBERS. Notwithstanding the previous sentence, if a builder does occupy an Improvement as his primary personal residence and so notifies the ASSOCIATION in writing, thereafter such builder shall be considered a MEMBER of the ASSOCIATION. The DEVELOPER shall retain the rights of membership including, but not limited to, the Voting Rights, to all Lots owned by Persons not entitled to Membership as herein defined.

5.2 Transfer of Membership. Transfer of membership in the ASSOCIATION shall be established by the recording in the Public Records of Flagler County of a deed or other instrument establishing a transfer of record title to any Lot for which membership has already been established.

The OWNER designated by such instrument of conveyance thereby becomes a MEMBER, and the prior MEMBER'S membership thereby is terminated. In the event of death of a MEMBER, his membership shall be automatically transferred to his heirs or successors in interest.

Notwithstanding the foregoing, the ASSOCIATION shall not be obligated to recognize such a transfer of membership until such time as the ASSOCIATION receives a true copy of the recorded deed or other instrument establishing the transfer of ownership of the Lot, and shall be the responsibility and obligation of both the former and the new OWNER of the Lot to provide such true copy of said recorded instrument to the ASSOCIATION.

5.3 Prohibition Against Transfer. A MEMBER'S membership in the ASSOCIATION cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to the Lot associated with the membership of that MEMBER, nor may a membership be separately assigned, hypothecated or transferred in any manner except as an appurtenance to the Lot.

5.4 Determination of Voting Rights. The ASSOCIATION shall have two (2) classes of membership:

5.4.1 Class A. Class A Members shall be all Owners except the Developer (as long as the Class B membership shall exist, and thereafter, the Developer shall be a Class A Member to the extent it would otherwise qualify). Except as provided below, Class A Members shall be entitled to one (1) vote for each Lot in which they hold the interests required for membership. When more than one person holds such interest or interests in any Lot, all such persons shall be Members, they may exercise a total of only one vote for that Lot, and the vote for such Lot shall be exercised as set forth in the Bylaws.

5.4.2 Class B. The Class B Member shall be the Developer. The Class B Member shall be entitled to one (1) vote for each Lot owned by the Developer, plus two (2) votes for each vote that the Class A Members are entitled to cast at any time and from time to time. The Class B membership shall cease and terminate and be converted to Class "A" membership on the happening of the earliest of the following events:

(a) The date on which the Members other than the Developer are entitled pursuant to Florida Statutes to elect a majority of the Board of Directors of the Association; or

(b) Such other percentage of the Lots has been conveyed to Members, or such other date or event has occurred, as is set forth in this Declaration or other governing documents for the Development in order to comply with the requirements of any governmentally chartered entity with regard to the mortgage financing of the Lots, or

(c) The Developer notifies the Association that Developer has elected to relinquish Class B membership.

From and after the happening of these events, whichever occurs earlier, the Class B Members shall be deemed Class A Members entitled to one (1) vote for each Lot in which it holds the interest required under this Article.

5.5 Voting by CO-OWNERS. If the Lot associated with the membership of a MEMBER is owned by more than one person, the vote(s) of the MEMBER may be cast at any meeting by any CO-OWNER of the Lot. If when the vote(s) is (are) to be cast, a dispute arises between the CO-OWNERS as to how the vote(s) will be cast, they shall lose the right to cast their vote(s) on the matter being voted upon, but their vote(s) continue to be counted for purposes of determining the existence of a quorum.

5.6 Proxies. Every MEMBER entitled to vote at a meeting of the MEMBERS, or to express consent without a meeting, may authorize another person to act on the MEMBER'S behalf by a proxy signed by such MEMBER. Any proxy shall be delivered to the Secretary of the ASSOCIATION or the person acting as Secretary at the meeting, at or prior to the time designated in the order of business for so delivering such proxies. No proxy shall be valid after the expiration of eleven (11) months from the date thereof, unless otherwise provided in the proxy. Every proxy shall be revocable at any time at the pleasure of the MEMBER executing it.

5.7 Calculation of Votes. Any question concerning the number of votes which may be cast by a MEMBER shall be decided by the BOARD.

## ARTICLE 6

### PERSONS SERVING ON THE BOARD

6.1 Persons Serving on the BOARD. The affairs of the ASSOCIATION shall be managed by a BOARD consisting of not less than three (3) persons, nor more than seven (7) persons, and which shall always be an odd number. The number of persons on the BOARD shall be determined in accordance with the Bylaws. In the absence of such determination, there shall be three (3) persons on the BOARD.

6.2 The DEVELOPER shall appoint the persons to serve on the BOARD of the ASSOCIATION as follows:

6.2.1 The DEVELOPER shall have the right to appoint all persons on the BOARD until the DEVELOPER holds less than twenty-five percent (25%) of the total number of votes of MEMBERS as determined by Article 5 hereof.

6.2.2 Thereafter, a person serving on the BOARD shall be elected by the MEMBERS of the ASSOCIATION.

6.3 After the DEVELOPER no longer has the right to appoint all persons on the BOARD under Section 6.2.1, or earlier if the DEVELOPER so elects, then and only then shall any persons on the BOARD be elected by the MEMBERS of the ASSOCIATION.

6.4 All of the duties and powers of the ASSOCIATION existing under Chapter 617 of the Florida Statutes, the Declaration, these Articles and the Bylaws shall be exercised exclusively by

the BOARD, its agents, contractors or employees, subject to approval by the MEMBERS only when specifically required.

6.5 A member of the BOARD may be removed and vacancies on the BOARD shall be filled in the manner provided by the Bylaws. However, any member of the BOARD appointed by the DEVELOPER may only be removed by the DEVELOPER, and any vacancy on the BOARD of a member appointed by the DEVELOPER shall be filled by the DEVELOPER.

7.6 The names and addresses of the members of the BOARD who shall hold office until their successors are elected or appointed, or until removed, are as follows:

JOHN R. KIRBY  
332 WEST TILDEN STREET  
WINTER GARDEN, FL 34787

CYNTHIA L. KIRBY  
332 WEST TILDEN STREET  
WINTER GARDEN, FL 34787

ROD KIMBERLY  
4440 N. OCEANSHORE BLVD.,  
PALM COAST, FLORIDA 32137

## ARTICLE 7

### OFFICERS

7. Officers. The Officers of the ASSOCIATION shall be a President, Vice President, Secretary, Treasurer and such other officers as the BOARD may from time to time by resolution create. The Officers shall serve at the pleasure of the BOARD, and the Bylaws may provide for the removal from office of Officers, for filling vacancies, and for the duties of the Officers. The names of the Officers who shall serve until their successors are designated by the BOARD are as follows:

President - JOHN R. KIRBY  
Vice President - CYNTHIA L. KIRBY  
Secretary/Treasurer - ROD KIMBERLY

## ARTICLE 8

### INDEMNIFICATION

8.1 Indemnification of Officers, Members of the BOARD or Agents. 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, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he is or was a member of the BOARD, 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 him in connection with such action, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interest of the ASSOCIATION; and, with respect to any criminal action or proceeding, if he had no reasonable cause to believe his conduct was unlawful; or matter as to which such Person shall have been adjudged to be liable for gross negligence or willful misfeasance or malfeasance in the performance of his duty to the ASSOCIATION unless and only to the extent that the court in which such action or suit was brought shall determine, upon application, that despite the adjudication of liability, but in view of all the circumstances of the case, such Person is fairly and reasonably entitled to indemnity for such expenses which such court shall deem proper. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, in and of itself, create a presumption that the Person did not act in good faith and in a manner which he reasonably believed to be in, or not opposed to, the best interest of the ASSOCIATION; and with respect to any criminal action or proceeding that he had no reasonable cause to believe that his conduct was unlawful.

8.2 To the extent that a member of the BOARD, Officer, employee or agent of the ASSOCIATION is entitled to indemnification by the ASSOCIATION in accordance with this Article 8, he shall be indemnified against expenses (including attorneys' fees and appellate attorneys' fees) actually and reasonable incurred by him in connection therewith.

8.3 Expenses incurred in defending a civil or criminal action, suit or proceeding shall be paid by the ASSOCIATION in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of the members of the BOARD, Officer, employee or agent of the ASSOCIATION to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the ASSOCIATION as authorized in this Article.

8.4 The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under the laws of the State of Florida, any Bylaw, agreement, vote of MEMBERS or otherwise. As to action taken in an official capacity while holding office, the indemnification provided by this Article shall continue as to a Person who has ceased to be a member of the BOARD, Officer, employee, or agent of the ASSOCIATION and shall inure to the benefit of the heirs, executors and administrators of such a Person.

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

## ARTICLE 9

### BYLAWS

9. Initial Bylaws. The initial Bylaws shall be adopted by the BOARD, and may be altered, amended or rescinded in the manner provided by the Bylaws.

## ARTICLE 10

### AMENDMENTS

10. Amendments. Amendments to these Articles shall be proposed and adopted in the following manner:

10.1 Initiation. A resolution to amend these Articles may be proposed by a majority of the members of the BOARD, or by MEMBERS holding not less than ten percent (10%) of the votes of the entire membership of the ASSOCIATION.

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

10.3 Adoption of Amendments.

10.3.1 A resolution for the adoption of the proposed amendment shall be adopted by MEMBERS having not less than a majority of the votes of the entire membership of the ASSOCIATION.

10.3.2 Amendment of the Articles shall require the assent of two-thirds of the votes of the MEMBERS.

10.3.3 Upon the approval of an amendment to these Articles, Articles of Amendment shall be executed and delivered to the Department of State as provided by law, and a copy certified by the Department of State shall be recorded in the Public Records of Lake County, Florida, as an amendment to the Declaration.

ARTICLE 11

TERM

11. The ASSOCIATION shall commence when these Articles have been accepted for filing by the Secretary of State of the State of Florida. The ASSOCIATION shall have perpetual existence. The foregoing notwithstanding, In the event of termination, dissolution or final liquidation of the Association, the responsibility for the operation and maintenance of the surface water or stormwater management system must be transferred to and accepted by an entity which would comply with Section 40C-42.027, F.A.C., and be approved by the St. Johns River Water Management District prior to such termination, dissolution, or liquidation.

ARTICLE 12

FHA/VA APPROVAL

12. As long as there is a Class B Membership, the following actions will require the approval of the Federal Housing Administration or the Veterans Administration: annexation of additional properties; mergers and consolidations; mortgaging of Common Area; dissolution and amendment of the Articles.

ARTICLE 13

INCORPORATOR

11. The name and street address of the Incorporator is:

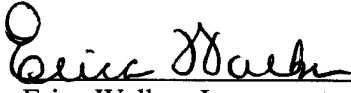
Erica Walker  
308 South Dillard Street  
Winter Garden, FL 34787

ARTICLE 14

INITIAL REGISTERED OFFICE ADDRESS  
AND NAME OF INITIAL REGISTERED AGENT

The street address of the initial registered office of the ASSOCIATION is 308 South Dillard Street, Winter Garden, FL 34787. The initial Registered Agent of the ASSOCIATION at that address is John R. Kirby.

IN WITNESS WHEREOF, the Incorporator and the initial Registered Agent have executed these Articles and the Certificate Designating Resident Agent as of the dates shown below their respective signatures.

  
Erica Walker, Incorporator:

CERTIFICATE DESIGNATING PLACE OF BUSINESS FOR SERVICE OF PROCESS WITHIN FLORIDA, NAMING AGENT UPON WHOM PROCESS MAY BE SERVED

In compliance with Section 617.0501, Florida Statutes, the following is submitted:

HIDDEN HAMMOCK LANDING HOMEOWNER'S ASSOCIATION, INC., with its registered office and principal place of business at 308 South Dillard Street, Winter Garden, FL 34787, has named JOHN R. KIRBY, located at 308 South Dillard Street, Winter Garden, FL 34787 as its agent to accept service of process within Florida.

Having been named to accept service of process for HIDDEN HAMMOCK LANDING HOMEOWNER'S ASSOCIATION, INC, at the place designated in this certificate, I hereby agree to act in this capacity, to comply with the provisions of all statutes relative to the proper and complete performance of such duties, and to accept the duties and obligations of a Registered Agent under the applicable Florida Statutes.

Dated: 6/5, 2012

  
John R. Kirby



**EXHIBIT "C"**

**BYLAWS OF  
HIDDEN HAMMOCK LANDING HOMEOWNER'S ASSOCIATION, LLC**

**ARTICLE I  
Name and Location**

The name of the corporation is **HIDDEN HAMMOCK LANDING HOMEOWNER'S ASSOCIATION, INC.**, hereinafter referred to as the "**Association**." The principal office of the corporation shall be located at 308 S. Dillard Street, Winter Garden, FL 34787, but meetings of members and directors may be held at such places within the State of Florida, County of Flagler, as may be designated by the Board of Directors.

**ARTICLE II  
Definitions**

**Section 1.** "**Association**" shall mean and refer to **HIDDEN HAMMOCK LANDING HOMEOWNER'S ASSOCIATION, LLC**, its successors and assigns.

**Section 2.** "**Properties**" shall mean and refer to that certain real property described in the Declaration of Easements, Covenants, Conditions, and Restrictions (the "Declaration"), and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

**Section 3.** "**Common Area**" shall mean all real property owned by the Association for the common use and enjoyment of the members.

**Section 4.** "**Lot**" shall mean and refer to any numbered plot of land shown as a buildable residential Lot upon any recorded subdivision map of the properties with the exception of the Common Area and dedicated streets or drainage retention facilities.

**Section 5.** "**Owner**" shall mean and refer to the record owner, whether one (1) or more persons or entities, of the fee simple title to any lot which is a part of the properties,

including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

**Section 6.** "Declaration" shall mean and refer to the Declaration described above as amended from time to time.

**Section 7.** "Developer" shall mean and refer collectively to JOHN R. KIRBY, its successors and assigns, if such successors or assigns should acquire more than one (1) undeveloped lot from the Developer for the purpose of development.

**Section 8.** "Member" shall mean and refer to those persons entitled to membership as provided in the Articles of Incorporation.

### **ARTICLE III** **Meeting of Members**

**Section 1 - Annual Meeting.** There shall be an annual meeting of the members of the corporation at such place as may be designated, on the third Tuesday in June of each year, if not a legal holiday under the laws of the State of Florida, and if a legal holiday, then on the next succeeding business day, at 4:00 p.m., for the transaction of such business as may come before the meeting.

**Section 2 - Special Meetings.** Special meetings of the members shall be held whenever called by the Board of Directors or by a written request of the members who are entitled to vote one-fourth (1/4) of all the votes of the Class A membership.

**Section 3 - Notice of Meetings.** Written notice of each meeting, stating the time, place, and in general terms purpose or purposes therefor, shall be sent by mail to the last known address of all members at least ten (10) days prior to the meeting.

**Section 4 - Proxy.** Each member may cast its vote, either in person or by proxy, for each lot owned in fee simple by that particular member, solely or jointly, or by a corporation owning a lot or lots. Any proxy granted is revocable and will automatically cease should the member granting said proxy convey his lot. All proxies shall be in writing and signed by the member and shall be filed with the Secretary.

**Section 5 - Quorum.** At any meeting of the members a quorum shall consist of members holding one-third (1/3) of the votes of members, for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws.

## **ARTICLE IV**

### **Officers**

**Section 1 - Officers.** The officers of the corporation shall be President, Vice President, Secretary and Treasurer. The officers shall be elected annually by the Board of Directors. They shall take office immediately after the election.

**Section 2 - The President.** Subject to the direction of the Board of Directors, the President shall be the chief executive officer of the corporation, and shall perform such other duties as from time to time may be assigned to him by the Board.

**Section 3 - The Vice President.** The Vice President shall have such power and perform such duties as may be assigned to him by the Board of Directors or the President. In case of the absence or disability of the President, the duties of that officer shall be performed by the Vice President.

**Section 4 - The Secretary.** The Secretary shall keep the minutes of all proceedings of the Board of Directors and of all committees and the minutes of the members' meetings in books provided for that purpose; he shall have custody of the corporate seal and such books and papers as the Board may direct, and he shall in general perform all the duties incident to the office of Secretary, subject to the control of the Board of Directors and the President; and he shall also perform such other duties as may be assigned to him by the President or by the Board.

**Section 5 - Treasurer.** The Treasurer shall have the custody of all the receipts, disbursements, funds and the securities of the corporation and shall perform all duties incident to the office of the Treasurer, subject to the control of the Board of Directors and the President. He shall perform such other duties as may from time to time be assigned to him by the Board or the President. If required by the Board, he shall give a bond for the faithful discharge of his duties in such sum as the Board may require. He shall cause an annual audit of the books of the Association to be made by a public accountant at the completion of each fiscal year.

**Section 6 - Subordinate Officers.** The President, with the approval of the Board of Directors, may appoint such other officers and agents as the Board may deem necessary, who shall have such authority and perform such duties as from time to time may be prescribed by the President or by the Board.

**Section 7 - Term.** The officers of this Association shall be elected annually by the Board of Directors and each shall hold office for one (1) year unless they shall sooner resign, or shall be removed, or otherwise disqualified to serve by sale of property, death, non-payment of dues or other cause.

**Section 8 - Special Appointments.** The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

**Section 9 - Resignation and Removal.** Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

**Section 10 - Vacancies.** A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

## **ARTICLE V** **Board of Directors**

**Section 1 - Number of Members.** The business and affairs of this corporation shall be managed by a Board of Directors which shall consist of not less than three (3) nor more than seven (7) members. The first Board of Directors and any Director appointed by the Class B Member prior to the termination of Class B Membership need not be members of the Corporation.

**Section 2 - Regular Meetings.** The Board shall meet not less than once each month for the transaction of business at such place as may be designated from time to time.

**Section 3 - Special Meetings.** Special Meetings of the Board of Directors may be called by the President or by three (3) members of the Board for any time and place, provided reasonable notice of such meeting shall be given to each member of the Board before the time appointed for such meetings.

**Section 4 - Quorum.** The Directors shall act only as a Board, and the individual Directors shall have no power as such. A majority of the Directors shall constitute a quorum for the transaction of business. The act of a majority of Directors present at a meeting at which there is a quorum shall be the act of the Board of Directors, except as may be otherwise provided by law.

**Section 5 - Chairman.** At all meetings of the Board of Directors, the President, or in his absence, the Vice-President, or in the absence of both, a Chairman chosen by the Directors present, shall preside.

**Section 6 - Terms of Members of the Board.** The first Board of Directors named in the Articles of Incorporation shall serve until the first annual meeting of the members. At the first annual meeting of members and at each annual meeting thereafter, the members of the Board of Directors shall be elected by the members of the corporation for an annual term.

**Section 7 - Annual Report.** The Board of Directors, after the close of the fiscal year, shall submit to the members a report as to the condition of the Association and its property and shall submit also an account of the financial transactions of the past year.

**Section 8 - Vacancies in Board.** Whenever a vacancy in the membership of the Board shall occur, the remaining members of the Board shall have the power, by a majority vote, to select a member of the Club Association to serve the unexpired term of the vacancy.

**Section 9 - Compensation.** No Director shall receive compensation for any service he may render to the Association. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties.

**Section 10 - Action Taken Without a Meeting.** The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

**Section 11 - Powers and Duties of the Board of Directors.**

A. **Powers.** The Board of Directors shall have the power to:

(1) Adopt and publish rules and regulations governing the use of the common area and facilities, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof.

(2) Suspend the voting rights and right to use of the common areas of a member during any period in which such member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days for infraction of published rules and regulations.

(3) Exercise for the Association all powers, duties, and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration.

(4) Declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors.

(5) Employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.

B. **Duties.** It shall be the duty of the Board of Directors to:

(1) Cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the Class A members who are entitled to vote.

(2) Supervise all officers, agents and employees of the Association, and to see that their duties are properly performed.

(3) As more fully provided in the Declaration to:

(a) Fix the amount of annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period; which annual assessment may be increased or decreased during each year provided that the total annual assessment per Lot for each year shall not exceed the maximum annual assessment then in effect.

(b) Send written notice of each assessment and adjustment thereto to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period and the effective date of each adjustment, provided, that failure to timely send said notification shall not invalidate any such annual assessment or adjustments thereto.

(c) Foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date or to bring an action at law against the owner personally obligated to pay the same.

(4) Issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any dues have been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states dues have been paid, such certificate shall be conclusive evidence of such payment.

(5) Procure and maintain adequate liability and hazard insurance on property owned by the Association.

(6) Cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

(7) Cause the common areas to be properly maintained.

## **ARTICLE VI** **Memberships**

**Section 1 - Qualifications.** Only owners of record or a lot in Hidden Hammock, or additions brought within the jurisdiction of the Association shall be members of this corporation. When two (2) or more persons are the joint owners of a Lot in Hidden Hammock, or additions brought within the jurisdiction of the Association, all such persons shall be members.

**Section 2 - Members.** A member shall have no vested right, interest, or privilege of, in or to the assets, functions, affairs or franchises of the corporation, or any right, interest, or privilege which may be transferable or inheritable, or which shall continue after his membership ceases, or while he is not in good standing.

**Section 3 - Manner of Admission.** Every person buying a lot in Hidden Hammock, or additions brought within the jurisdiction of the Association, shall become a member of the Association upon the acquisition of his lot.

**Section 4 - Memberships Not Transferable.** No membership may be sold, assigned, or transferred, voluntarily or by Will or by operation of law.

**Section 5 - Termination of Membership.** Each membership shall cease when the member sells, assigns, transfers, or otherwise disposes of his lot in Hidden Hammock, or additions brought within the jurisdiction of the Association.

**Section 6 - Annual Maintenance Assessment.** Every member shall be required to pay an annual assessment, the amount of which shall be determined by the Board of Directors and may be changed from year to year by the Board of Directors. Annual assessments for members whose membership commences on a date other than January 1 of a given year shall be pro-rated from the date ownership is acquired to the last day of the year.

## **ARTICLE VII** **Loss of Property**

The Board of Directors shall not be liable or responsible for the destruction of, loss of, or damage to the property of any member or the guest of any member, or visitor, or any other persons.

## **ARTICLE VIII** **Notice**

**Section 1 - Notice.** Whenever, according to these Bylaws or the Declaration, a notice shall be required to be given to any member, it shall not be construed to mean personal notice, but such notice may be given in writing by mailing the same by first class mail, postpaid and

addressed to such member at his address as the same appears on the books of the corporation, and at the time when such notice is mailed shall be deemed the time of the giving of such notice.

**Section 2 - Waiver of Notice.** Any notice required to be given by these Bylaws may be waived by the person entitled thereto.

### **ARTICLE IX** **Committees**

The Association shall appoint an Architectural Control Committee, as provided in the Declaration, and a Nominating Committee, as provided in these Bylaws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

### **ARTICLE X** **Books and Records**

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member. The Declaration, the Articles of Incorporation and the Bylaws of the Association shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at reasonable cost.

### **ARTICLE XI** **Corporate Seal**

The Association may adopt a seal.

### **ARTICLE XII** **Assessments**

As more fully provided in the Declaration, each member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessment which is not paid within thirty (30) days after the due date, shall bear interest from the date of delinquency at the highest rate permitted by Florida law, and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs and reasonable attorneys' fees of any such action shall be added to the amount of such assessment. No owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Area or abandonment of his lot.

### **ARTICLE XIII**



## **Elections**

**Section 1 - Nomination.** Nomination for election to the Board of Directors may be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations shall be made from among members or non-members.

**Section 2 - Election.** Election to the Board of Directors shall be by secret written ballot. At such election the members or their proxies may cast in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

**Section 3 - Term of Directors.** Each Director shall be elected to a three (3) year terms, and election of new Directors shall be staggered so that approximately one-third (1/3) of the Directors are up to election in each year. In the event there are three (3) Directors, one (1) position shall be filled each year. In the event there are five (5) Directors, there shall be two (2), two (2) and one (1) Director elected during the next three (3) years, respectively. The initial Director's term shall be staggered so as to accommodate the foregoing manner of election.

## **ARTICLE XIV** **Amendments**

**Section 1.** These Bylaws may be amended, at a regular or special meeting of the members, by a vote of majority of a quorum of members present in person or by proxy, except that, if applicable, the Federal Housing Administration or the Veterans Administration shall have the right to veto amendments while there is Class B membership.

**Section 2.** In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.