

THIS INSTRUMENT PREPARED BY  
AND TO BE RETURNED TO  
RAPHAEL F. HANLEY, ESQUIRE  
THE VIERA COMPANY  
7380 MURRELL ROAD, SUITE 201  
VIERA, FLORIDA 32940

**FIRST AMENDMENT TO  
DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS,  
RESERVATIONS AND RESTRICTIONS  
FOR FAIRWAY LAKES RESIDENTIAL DISTRICT**

THE FIRST AMENDMENT TO DECLARATION OF COVENANTS,  
CONDITIONS EASEMENTS, RESERVATIONS AND RESTRICTIONS FOR FAIRWAY  
LAKES RESIDENTIAL DISTRICT is made this 16<sup>th</sup> day of February by THE VIERA  
COMPANY, a Florida corporation (hereinafter referred to as "Declarant").

WITNESSETH:

WHEREAS, Declarant recorded that certain Declaration of Covenants,  
Conditions, Easements, Reservations and Restrictions for Fairway Lakes Residential District  
recorded in Official Records Book 5551, pages 1605, et. Seq., Public Records of Brevard County,  
Florida (hereinafter referred to as the "Declaration"), under the terms of which the Declarant  
subjected that certain real property, more particularly described therein to the covenants,  
conditions, easements, reservations and restrictions set forth therein:

WHEREAS, under Article XII of the Declaration, Declarant reserved the  
right to amend the Declaration unilaterally at any time without prior notice and without  
the consent of any person for any purpose; and

WHEREAS, Declarant desires to amend the Declaration as provided  
herein in this First Amendment to Declaration of Covenant, Conditions, Easements,  
Reservations and Restrictions (hereinafter referred to as the "First Amendment to  
Declaration"), which amendment is consistent with the general plan for the Properties set  
forth in the Declaration.

NOW, THEREFORE, Declarant hereby amends the Declaration as set forth hereinbelow pursuant to the right reserved to Declarant under Article XII of the Declaration.

1. Recitals; Defined Terms. The recitals set forth hereinabove are true and correct in all respects and are incorporated herein by reference as if set forth herein verbatim. Defined (capitalized) terms which are used herein and are not otherwise defined herein shall have the meanings set forth in the Declaration.

2. Section 6 of Article IV. The following contiguous Master System Stormwater Pond is hereby added at the end of the first grammatical paragraph of Section 6, Article IV of the Declaration:

Lake No. 7.

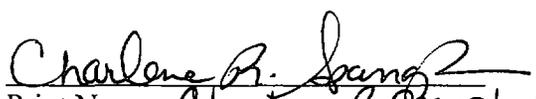
3. Exhibit "B". Exhibit "B" is amended and replaced in its entirety with "Exhibit "B" – District Plan", attached hereto and made a part hereof.

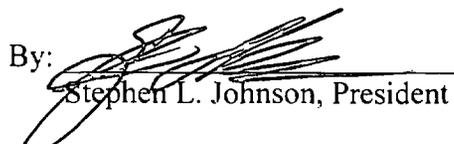
4. Full Force and Effect. Except as expressly amended by the First Amendment to Declaration, the Declaration shall be and remain unchanged and in full force and effect.

IN WITNESS WHEREOF, Declarant has caused this First Amendment to Declaration to be duly executed in its name as of the day and year first above written.

WITNESSES:

THE VIERA COMPANY

  
Print Name: Charlene R. Spangler

By:   
Stephen L. Johnson, President

  
Print Name: Valerie A. Smith

STATE OF FLORIDA

COUNTY OF BREVARD

The foregoing instrument was acknowledged before me this 16<sup>th</sup> day of February, 2007, by Stephen L. Johnson, President of THE VIERA COMPANY, a Florida corporation, on behalf of the corporation. He is  personally known to me, or  has produced \_\_\_\_\_ as identification.



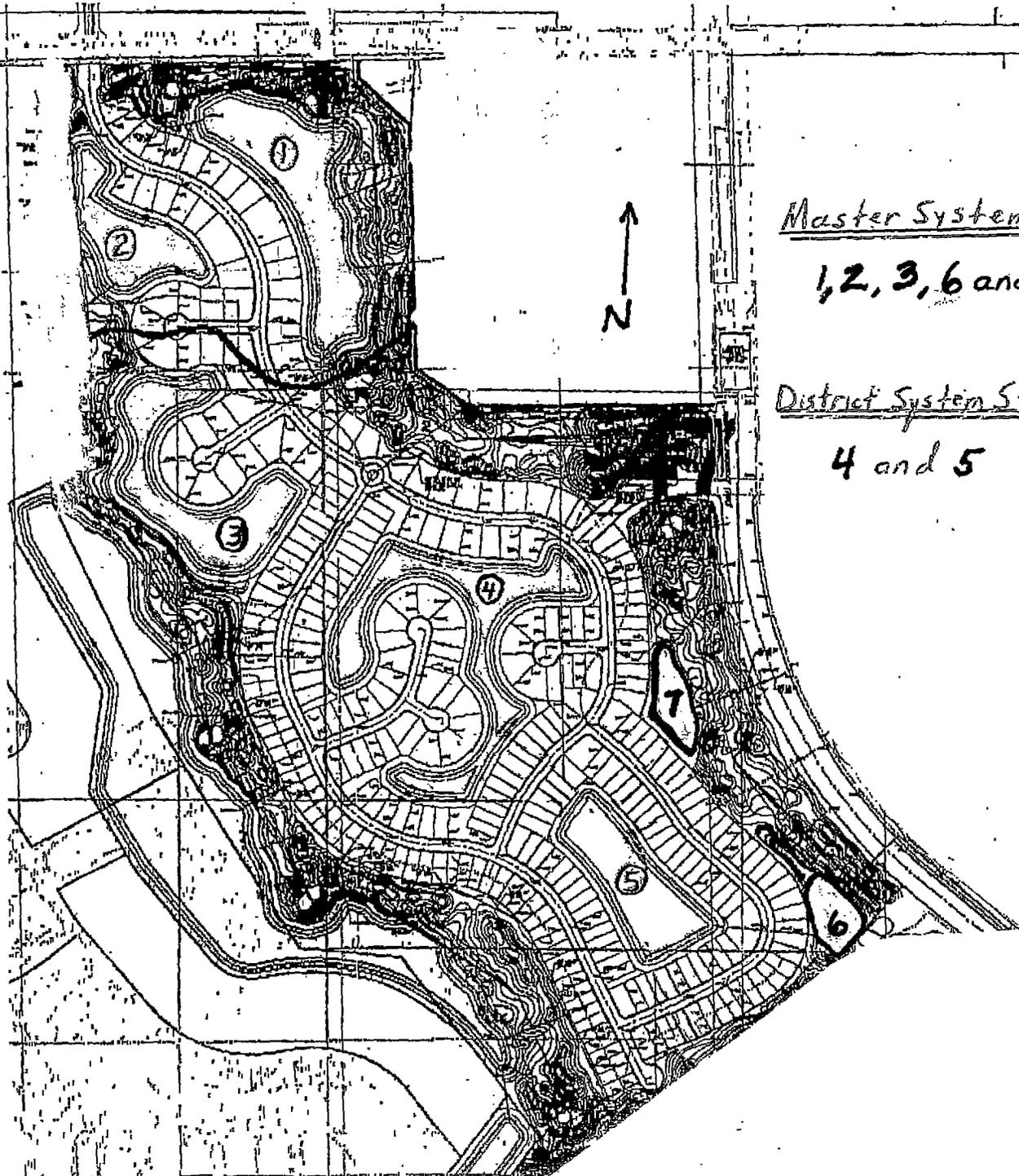
Charlene R. Spangler  
MY COMMISSION # DD215777 EXPIRES  
May 27, 2007  
BONDED THROUGH LIBERTY LIFE INSURANCE, INC.

*Charlene R. Spangler*  
(Signature of person taking acknowledgement)

\_\_\_\_\_  
(Name typed, printed or stamped)  
Notary Public  
My Commission Expires \_\_\_\_\_  
Commission No.: \_\_\_\_\_

Exhibit "B"

District Plan



Master System Stormwater Ponds

1, 2, 3, 6 and 7

District System Stormwater Ponds

4 and 5

THIS INSTRUMENT PREPARED BY  
AND TO BE RETURNED TO  
RAPHAEL F HANLEY ESQUIRE  
THE VIERA COMPANY  
7380 MURRELL ROAD SUITE 201  
VIERA FLORIDA 32940

**SECOND AMENDMENT TO  
DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS,  
RESERVATIONS AND RESTRICTIONS  
FOR FAIRWAY LAKES RESIDENTIAL DISTRICT**

THIS SECOND AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS EASEMENTS, RESERVATIONS AND RESTRICTIONS FOR FAIRWAY LAKES RESIDENTIAL DISTRICT (hereinafter referred to as the "Second Amendment") is made this 31<sup>st</sup> day of March, 2011 by THE VIERA COMPANY, a Florida corporation (hereinafter referred to as "Declarant")

WITNESSETH

WHEREAS, Declarant recorded that certain Declaration of Covenants, Conditions, Easements, Reservations and Restrictions for Fairway Lakes Residential District recorded in Official Records Book 5551, pages 1605, et Seq, (hereinafter referred to as the "Declaration") as amended by that certain First Amendment to Declaration of Covenants, Conditions, Easements, Reservations and Restrictions for Fairway Lakes Residential District recorded in Official Records Book 5750, Page 9351, et Seq, (hereinafter referred to as the "First Amendment"), all in the Public Records of Brevard County, Florida under the terms of which the Declarant subjected that certain real property, more particularly described therein to the covenants, conditions, easements, reservations and restrictions set forth therein

WHEREAS, under Article XII of the Declaration, Declarant reserved the right to amend the Declaration unilaterally at any time without prior notice and without the consent of any person for any purpose, and

WHEREAS, The Class B Control Period is still in effect, and

WHEREAS, Declarant desires to amend the Declaration as provided herein in this Second Amendment to Declaration of Covenant, Conditions, Easements, Reservations and Restrictions (hereinafter referred to as the "Second Amendment to Declaration"), which amendment is consistent with the general plan for the Properties set forth in the Declaration

NOW, THEREFORE, Declarant hereby amends the Declaration as set forth hereinbelow pursuant to the right reserved to Declarant under Article XII of the Declaration

1 Recitals, Defined Terms The recitals set forth hereinabove are true and correct in all respects and are incorporated herein by reference as if set forth herein verbatim. Defined (capitalized) terms which are used herein and are not otherwise defined herein shall have the meanings set forth in the Declaration.

2 Section 6 of Article VII Section 6 of Article VII is hereby deleted in its entirety and replaced with the following:

“Section 6 Subordination of the Lien to First Mortgages The lien of Assessments, including interest, penalties, processing or other, fees, late charges, costs, expenses and reasonable attorneys and paralegals fees, shall be subordinate to the lien of any first Mortgage upon any Unit. The sale or transfer of any Unit shall not affect the Assessment lien or the personal liability of the Owner of such Unit for payment of the Assessment. However, the sale or transfer of any Unit pursuant to judicial or nonjudicial foreclosure of a first Mortgage shall extinguish the lien of such Assessments (but not the personal liability of the prior Owner for said unpaid Assessments) as to payments which became due prior to such sale or transfer. Notwithstanding anything in the preceding sentence to the contrary, the holder of a first Mortgage who acquires title to a Unit by foreclosure or deed in lieu of foreclosure shall be liable to the Association for the unpaid Common Expenses and Assessments that became due before the Mortgage holder’s acquisition of title to the extent provided in Chapter 720 or other provisions of the Florida Statutes. Except as provided in the immediately preceding sentence, when a Mortgagee holding a first Mortgage of record or other purchaser of a Unit obtains title pursuant to remedies under the Mortgage, or by deed in lieu of foreclosure, such Mortgagee or purchaser, its successors and assigns shall not be liable for the share of the Common Expenses or Assessments of the District Association chargeable to such Unit which became due prior to the acquisition of title to such Unit by such acquirer. The unpaid share of Common Expenses or Assessments for which such Mortgagee or purchaser is not liable shall be deemed to be Common Expenses collectible from Owners of all the Units, including such acquirer, its successors and assigns. No foreclosure, sale or transfer shall relieve the new Owner of such Unit from the personal obligation or liability for the payment of any Assessments (including the right to file a lien for nonpayment thereof) thereafter accruing or becoming due.”

3 Effect Except as expressly amended by the First Amendment and this Second Amendment to the Declaration shall be and remain unchanged and in full force and effect.

IN WITNESS WHEREOF, Declarant has caused this Second Amendment to Declaration to be duly executed in its name as of the day and year first above written.

Signatures next page

WITNESSES

THE VIERA COMPANY

Charlene R Spangler  
Print Name Charlene R. Spangler

By [Signature]  
Stephen L Johnson, President

Barbara Carolus  
Print Name BARBARA CAROLUS

STATE OF FLORIDA

COUNTY OF BREVARD

The foregoing instrument was acknowledged before me this 31<sup>st</sup> day of March, 2011, by Stephen L Johnson, President of THE VIERA COMPANY, a Florida corporation, on behalf of the corporation He is  personally known to me, or [ ] has produced \_\_\_\_\_ as identification

**CHARLENE R SPANGLER**  
Notary Public, State of Florida  
My Comm Exp May 27, 2011  
Comm No DD 649077

Charlene R Spangler  
(Signature of person taking acknowledgement)

\_\_\_\_\_  
(Name typed, printed or stamped)  
Notary Public  
My Commission Expires \_\_\_\_\_  
Commission No \_\_\_\_\_

This Instrument Prepared By  
And To Be Returned To:  
R. Mason Blake, Esquire  
DEAN MEAD  
8240 Devereux Drive, Suite 100  
Viera, Florida 32940  
(321) 259-8900

THIRD AMENDMENT TO DECLARATION OF  
COVENANTS, CONDITIONS, EASEMENTS, RESERVATIONS  
AND RESTRICTIONS FOR FAIRWAY LAKES RESIDENTIAL DISTRICT

THIS THIRD AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS, RESERVATIONS AND RESTRICTIONS FOR FAIRWAY LAKES RESIDENTIAL DISTRICT (hereinafter referred to as this "Third Amendment to District Declaration") is made as of the 29<sup>th</sup> day of September, 2015 by THE VIERA COMPANY, a Florida corporation (hereinafter referred to as "District Declarant").

WITNESSETH:

WHEREAS, District Declarant has heretofore submitted the real property described in Exhibit "A", attached hereto and made a part hereof (hereinafter referred to as the "District Property"), to the terms and conditions of that certain Declaration of Covenants, Conditions, Easements, Reservations and Restrictions for Fairway Lakes Residential District dated October 13, 2005 and recorded October 14, 2005 in Official Records Book 5551, page 1605, Public Records of Brevard County, Florida (hereinafter referred to as the "District Declaration");

WHEREAS, under Article XII of the District Declaration, District Declarant reserved the right, during the Class B Control Period, to amend the District Declaration unilaterally at any time, without prior notice and without the consent of any Person, for any purpose, provided the amendment is consistent with the general development plan for the District Property set forth in the District Declaration and the Development Order governing the District Property issued by Brevard County, Florida;

WHEREAS, pursuant to Article XII, the District Declarant previously amended the District Declaration under and by virtue of that certain First Amendment to Declaration of Covenants, Conditions, Easements, Reservations and Restrictions for Fairway Lakes Residential District recorded February 20, 2007 in Official Records Book 5750, page 9351, Public Records of Brevard County, Florida (hereinafter referred to as the "First Amendment"), and that certain Second Amendment to Declaration of Covenants, Conditions, Easements, Reservations and Restrictions for Fairway Lakes Residential District recorded April 1, 2011 in Official Records Book 6359, page 1912,

Public Records of Brevard County, Florida (hereinafter referred to as the "Second Amendment; and

WHEREAS, the Class B Control Period is still in effect, and this Third Amendment to District Declaration is consistent with the general development plan for the District Property set forth in the District Declaration and the Development Order governing the District Property issued by Brevard County, Florida;

WHEREAS, Section 37 of Article I of the District Declaration provides that the District Declarant may in its sole discretion amend the District Declaration for the purpose of more specifically designating Units in the District without the necessity of joinder of any other Person to said amendment; and

WHEREAS, District Declarant desires to amend the District Declaration for the purpose of more specifically designating Units in the District.

NOW, THEREFORE, District Declarant hereby amends the District Declaration as set forth hereinbelow pursuant to the right reserved to District Declarant in Article XII of the District Declaration and in Section 37 of Article I of the District Declaration.

1. Recitals, Defined Terms. The recitals set forth hereinabove are true and correct in all respects and are incorporated herein by reference as if set forth herein verbatim. Defined (capitalized) terms which are used herein are not otherwise defined herein shall have the meanings set forth in the District Declaration.

2. Section 37 of Article I; Units. Section 37 of Article I is hereby revised to read in its entirety as follows:

Section 37. "Unit" shall mean and refer to a Lot shown on the Plat intended for development, use and occupancy as an attached or detached residence for a single family. Provided, however, notwithstanding anything in the preceding sentence to the contrary, the following exceptions shall apply (all references to the "Public Records" shall mean and refer to the Public Records of Brevard County, Florida): (i) Lot 6, Block F, FAIRWAY LAKES AT VIERA, Phase 3, according to the plat thereof as recorded in Plat Book 58, pages 23 and 24, of the Public Records (such subdivision plat being hereinafter referred to as the "Phase 3 Plat") and the northerly portion of Lot 7, Block F, Phase 3 Plat (as legally described in the Special Warranty Deed recorded in Official Records Book 7154, page 2859, of the Public Records) shall constitute one (1) Unit; (ii) Lot 8, Block F, Phase 3 Plat, together with the southerly portion of Lot 7, Block F, Phase 3 Plat and the easterly portion of Lot 9, Block F, Phase 3 Plat (as each portion is legally described in the Special Warranty Deed recorded in Official Records Book 7252, page 0863, of the Public Records) shall constitute one (1) Unit; (iii) Lot 10, Block F, Phase

3 Plat and the westerly portion of Lot 9, Block F, Phase 3 Plat (as legally described in the Special Warranty Deed recorded in Official Records Book 7325, page 1556, of the Public Records) shall constitute one (1) Unit; and Lots 7 and 9, Block F, Phase 3 Plat, shall not constitute separate Units for any purpose under this Declaration, including, but not limited to the calculation of Assessments, the allocation of votes or the collection of the Benefits Fee. Areas on the Plat designated as Tracts shall not constitute Units. The District Declarant may in its sole discretion amend this District Declaration for the purpose of more specifically designating Units in the District without the necessity of joinder of any other Person to said amendment.

3. Full Force and Effect. Except as expressly amended by this Third Amendment to District Declaration, the District Declaration (as previously amended by the First Amendment and the Second Amendment ) shall be and remain in full force and effect.

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IN WITNESS WHEREOF, District Declarant has caused this Third Amendment to District Declaration to be duly executed in its name as of the day and year first above written.

WITNESSES:

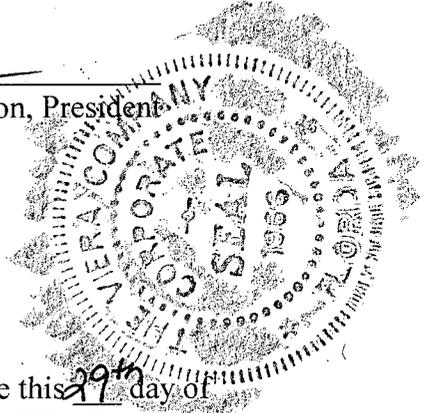
Charlene R. Spangler  
Print Name: Charlene R. Spangler

Karen E. Esposito  
Print Name: Karen E. Esposito

DISTRICT DECLARANT

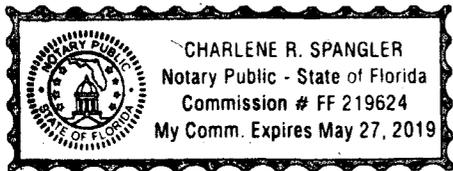
THE VIERA COMPANY, a Florida Corporation

By: [Signature]  
Name: Stephen L. Johnson, President



STATE OF FLORIDA     ]  
  ]  
COUNTY OF BREVARD    ]

The foregoing instrument was acknowledged before me this 29<sup>th</sup> day of September, 2015, by Stephen L. Johnson, as President of THE VIERA COMPANY, a Florida corporation, on behalf of the corporation. Said person is (check one)  personally known to me,  produced a driver's license (issued by a state of the United States within the last five (5) years) as identification, or  produced other identification, to wit: \_\_\_\_\_.



Print Name: Charlene R. Spangler  
Notary Public, State of Florida  
Commission No.: FF 219624  
My Commission Expires: 5/27/2019

EXHIBIT "A"

Tract A, DURAN GOLF CLUB, according to the Plat thereof, as recorded in Plat Book 51, Page 63 through 65, inclusive, of the Public Records of Brevard County, Florida.

V0050624v1

VIERA CO  
7380 MURRELL RD  
STE 201  
VIERA FL 32940

HC

This Instrument Prepared By  
And To Be Returned To:  
R. Mason Blake, Esquire  
DEAN MEAD  
8240 Devereux Drive, Suite 100  
Viera, Florida 32940  
(321) 259-8900

FOURTH AMENDMENT TO DECLARATION OF  
COVENANTS, CONDITIONS, EASEMENTS, RESERVATIONS  
AND RESTRICTIONS FOR FAIRWAY LAKES RESIDENTIAL DISTRICT

THIS FOURTH AMENDMENT TO DECLARATION OF  
COVENANTS, CONDITIONS, EASEMENTS, RESERVATIONS AND  
RESTRICTIONS FOR FAIRWAY LAKES RESIDENTIAL DISTRICT (hereinafter  
referred to as this "Fourth Amendment to District Declaration") is made as of the 11th  
day of November, 2015 by THE VIERA COMPANY, a Florida corporation (hereinafter  
referred to as "District Declarant").

WITNESSETH:

WHEREAS, District Declarant has heretofore submitted the real property  
described in Exhibit "A", attached hereto and made a part hereof (hereinafter referred to  
as the "District Property"), to the terms and conditions of that certain Declaration of  
Covenants, Conditions, Easements, Reservations and Restrictions for Fairway Lakes  
Residential District dated October 13, 2005 and recorded October 14, 2005 in Official  
Records Book 5551, page 1605, Public Records of Brevard County, Florida (hereinafter  
referred to as the "District Declaration");

WHEREAS, under Article XII of the District Declaration, District  
Declarant reserved the right, during the Class B Control Period, to amend the District  
Declaration unilaterally at any time, without prior notice and without the consent of any  
Person, for any purpose, provided the amendment is consistent with the general  
development plan for the District Property set forth in the District Declaration and the  
Development Order governing the District Property issued by Brevard County, Florida;

WHEREAS, pursuant to Article XII, the District Declarant previously  
amended the District Declaration under and by virtue of that certain First Amendment to  
Declaration of Covenants, Conditions, Easements, Reservations and Restrictions for  
Fairway Lakes Residential District recorded February 20, 2007 in Official Records Book  
5750, page 9351, Public Records of Brevard County, Florida (hereinafter referred to as  
the "First Amendment") and that certain Second Amendment to Declaration of  
Covenants, Conditions, Easements, Reservations and Restrictions for Fairway Lakes  
Residential District recorded April 1, 2011 in Official Records Book 6359, page 1912,  
Public Records of Brevard County, Florida (hereinafter referred to as the "Second

Amendment”), and that certain Third Amendment to Declaration of Covenants, Conditions, Easements, Reservations and Restrictions for Fairway Lakes Residential District recorded October 30, 2015 in Official Records Book 7483, page 1938, Public Records of Brevard County, Florida (hereinafter referred to as the “Third Amendment”); and

WHEREAS, the Class B Control Period is still in effect; and

WHEREAS, District Declarant desires to amend the District Declaration as provided hereinbelow in this Fourth Amendment to District Declaration, which amendment is consistent with the general development plan for the District Property set forth in the District Declaration and the Development Order governing the District Property issued by Brevard County, Florida.

NOW, THEREFORE, District Declarant hereby amends the District Declaration as set forth hereinbelow pursuant to the right reserved to District Declarant in Article XII of the District Declaration.

1. Recitals, Defined Terms. The recitals set forth hereinabove are true and correct in all respects and are incorporated herein by reference as if set forth herein verbatim. Defined (capitalized) terms which are used herein are not otherwise defined herein shall have the meanings set forth in the District Declaration.

2. Section 2 of Article IX: Computation of Benefits Fee. The following sentence is hereby added at the end of the first grammatical paragraph in section 2 of Article IX:

Notwithstanding anything in this Declaration to the contrary, the Benefits Fee for any calendar year shall not exceed Five Hundred Seventy-Six Dollars (\$576.00) per Unit per year. The adjustment to the Benefits Fee provided for in this section 2 of Article IX is limited accordingly, and no adjustment pursuant to this section 2 shall cause the Benefits Fee for any calendar year to exceed Five Hundred Seventy-Six Dollars (\$576.00) per Unit per year.

3. Full Force and Effect. Except as expressly amended by this Fourth Amendment to District Declaration, the District Declaration (as previously amended by the First Amendment, the Second Amendment and the Third Amendment) shall be and remain in full force and effect.

[The balance of this page is intentionally left blank.]



EXHIBIT "A"

Tract A, DURAN GOLF CLUB, according to the Plat thereof, as recorded in Plat Book 51, Page 63 through 65, inclusive, of the Public Records of Brevard County, Florida.

V0050624v1

Prepared by & Return To:  
The Viera Company  
7380 Murrell Road, Suite 201  
Viera, FL 32940  
(321) 242-1200

**FIFTH AMENDMENT TO THE  
DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS, RESERVATIONS  
AND RESTRICTONS FOR FAIRWAY LAKES RESIDENTIAL DISTRICT**

THIS FIFTH AMENDMENT TO THE DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS, RESERVATIONS AND RESTRICTONS FOR FAIRWAY LAKES RESIDENTIAL DISTRICT (the "Fifth Amendment") is made this 12<sup>th</sup> day of November, 2015, by FAIRWAY LAKES DISTRICT ASSOCIATION, INC., a Florida not for profit corporation (the "District Association").

WITNESSETH:

WHEREAS, The Viera Company (the "District Declarant") previously recorded that certain Declaration of Covenants, Conditions, Easements, Reservations and Restrictions for Fairway Lakes Residential District in Official Records Book 5551, Page 1605 (the "Declaration"), as subsequently amended by that certain First Amendment to the Declaration recorded in Official Records Book 5750, Page 9351, that certain Second Amendment to the Declaration recorded in Official Records Book 6359, Page 1912, that certain Third Amendment to the Declaration recorded in Official Records Book 7483, Page 1938; and that certain Fourth Amendment to the Declaration recorded in Official Records Book 7490, Page 2714, all in the Public Records of Brevard County, Florida (hereinafter collectively referred to as the "District Declaration"), under the terms of which certain real property more particularly described in the District Declaration is made subject to the covenants, conditions, easements, reservations and restrictions set forth in the District Declaration;

WHEREAS, under Article XII of the Declaration, the District Declaration may be amended by a majority of the Board of Directors adopting a resolution setting forth the proposed amendment, if that proposed amendment is approved by the affirmative vote (in person or by proxy) or written consent, or any combination thereof, of two-thirds of the total votes of the District Association;

WHEREAS, at a meeting of the Board of Directors duly noticed and held on April 22, 2015, the Board of Directors unanimously adopted a resolution approving the submittal of the amendment memorialized under this Fifth Amendment; and

WHEREAS, such proposed amendment was approved by the affirmative vote of not less than two-thirds of the total votes of the District Association at a special meeting of the members of the District Association held on November 12, 2015.

NOW, THEREFORE, the District Declaration is hereby amended as set forth below:

1. Recitals; Defined Terms. The recitals set forth above are true and correct in all respects and are incorporated into this Fifth Amendment by reference as if set forth herein verbatim. Defined (capitalized) terms which are used in and are not otherwise defined in this Fifth Amendment shall have the meaning set forth in the District Declaration.

2. Article VII, Section 2. Section 2 of Article VII of the District Declaration is amended and restated in its entirety to read as follows:

Section 2. Adoption of a Budget. It shall be the duty of the Board of Directors to prepare and adopt a budget for the District Association covering the estimated Common Expenses during the coming fiscal year. The budget may include a capital contribution establishing a reserve fund taking into account the number and nature of replaceable assets, (including, without limitation, any recreational facilities, stormwater facilities, playground, roadway, entry features and related structures which may be developed), the expected life of each asset, and the expected repair or replacement cost of each asset. The Board of Directors shall set the capital contribution, if any, in an amount sufficient to permit the District Association to meet the projected capital needs. The Board of Directors shall provide in accordance with the provisions of the Bylaws and applicable law notice of the adoption of the budget and the amount of the Regular Assessment to be levied against each Unit or Unplatted Parcel for the following fiscal year, calculated as provided in Section 1 of this Article. Such budget and Regular Assessment shall become effective upon adoption of the budget by the Board of Directors.

Notwithstanding the foregoing, however, in the event the Board of Directors fails for any reason so to adopt the budget for any year, then and until such time as the budget shall have been adopted by the Board of Directors, the budget in effect for the immediately preceding year shall, with an increase of five percent (5%) or such lower amount as is determined by the Board of Directors, continue for the current year.

In the event that the Board of Directors shall determine during any fiscal year that the Regular Assessment established for such fiscal year is or will become inadequate or insufficient to meet all Common Expenses and reserve amounts, if any, for such fiscal year for whatever reason, the Board of Directors shall be entitled to immediately determine the approximate amount of the deficiency or inadequacy of the Regular Assessment for such fiscal year, adopt an amendment to the budget to cover such deficiency, and levy supplemental or revised Regular Assessments for such fiscal year, calculated as provided in Section 1 of this Article. Such amendment to the budget and such supplemental or revised Regular Assessments shall become effective upon adoption by the Board of Directors. The Board of Directors shall furnish notice of such amendment to the budget and

such supplemental or revised Regular Assessments in the same manner provided in the first paragraph of this Section.

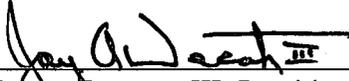
3. Full Force and Effect. Except as expressly amended by this Fifth Amendment, the District Declaration, as heretofore amended, shall be and remain unmodified and in full force and effect.

IN WITNESS WHEREOF, this Fifth Amendment to the District Declaration is executed by the District Association's duly authorized officers on the day and year first above written.

Attest:

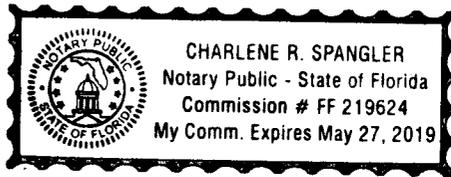
FAIRWAY LAKES DISTRICT ASSOCIATION, INC., a Florida not for profit corporation

  
\_\_\_\_\_  
Paul Martell, Treasurer

By:   
\_\_\_\_\_  
Jay A. Decator III, President

STATE OF FLORIDA     ]  
                                  ]  
COUNTY OF BREVARD    ]

The foregoing instrument was acknowledged before me this 12<sup>th</sup> day of November, 2015, by Jay A. Decator III, as President, and Paul Martell, as Treasurer of FAIRWAY LAKES DISTRICT ASSOCIATION, INC., a Florida not for profit corporation, on behalf of the corporation, who is personally known to me.



  
Print Name: Charlene R. Spangler  
Notary Public, State of Florida  
Commission No.: FF219624  
My Commission Expires: 5/27/2019

CONSENT OF COMMUNITY DECLARANT

THE VIERA COMPANY, a Florida corporation and Community Declarant under that certain Declaration of Covenants, Conditions, Easements, Reservations and Restrictions for Central Viera Community, recorded in Official Records Book 3904, Page 624, Public Records of Brevard County, Florida, as the same may have been amended, restated, supplemented or otherwise modified (the "Community Declaration"), hereby joins in the execution of the foregoing Fifth Amendment to the Declaration of Covenants, Conditions, Easements, Reservations and Restrictions for Fairway Lakes Residential District for the purpose of consenting to the Fifth Amendment in accordance with Article XII of the District Declaration.

IN WITNESS WHEREOF, THE VIERA COMPANY has caused these presents to be executed by its undersigned officer thereunto duly authorized on this 12<sup>th</sup> day of November, 2015.

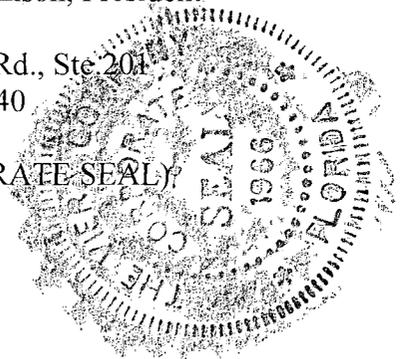
Signed, sealed and delivered in the presence of:

THE VIERA COMPANY, a Florida corporation

Charlene R. Spangler  
Print Name: Charlene R. Spangler  
Sandra Patrick  
Print Name: SANDRA PATRICK

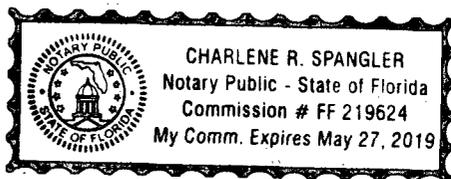
By: [Signature]  
Stephen L. Johnson, President  
7380 Murrell Rd., Ste 201  
Viera, FL 32940

(CORPORATE SEAL)



STATE OF FLORIDA ]  
] ]  
COUNTY OF BREVARD ]

The foregoing instrument was acknowledged before me on the 12<sup>th</sup> day of November, 2015 by Stephen L. Johnson, the President of The Viera Company, a Florida corporation, on behalf of the corporation, who is personally known to me.

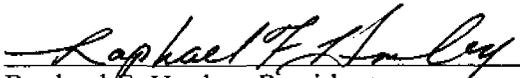


Charlene R. Spangler  
Print Name: Charlene R. Spangler  
Notary Public  
Commission No.: FF219624  
My Commission Expires: 5/27/2019

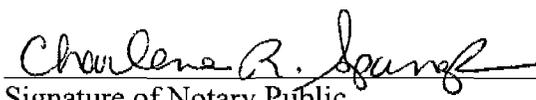
**NOTICE OF AMENDMENT TO BYLAWS**

STATE OF FLORIDA  
COUNTY OF BREVARD

Before me, the undersigned authority, personally appeared RAPHAEL F. HANLEY, who, being duly authorized, states that the attached CERTIFICATE OF AMENDMENT OF BYLAWS OF FAIRWAY LAKES DISTRICT ASSOCIATION, INC. are being recorded to amend the bylaws of Fairway Lakes District Association, Inc., a copy of which were attached as Exhibit "C" the DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS, RESERVATIONS AND RESTRICTIONS FOR FAIRWAY LAKES DISTRICT as recorded in Official Records Book 5551, Page 1605, public records of Brevard County, Florida.

  
\_\_\_\_\_  
Raphael F. Hanley, President  
Fairway Lakes District Association, Inc.

SWORN TO AND SUBSCRIBED before me this 2<sup>nd</sup> day of March, 2010.

  
\_\_\_\_\_  
Signature of Notary Public

Printed, Typed or Stamp Name of Notary Public

Personally known to me, or

Produced identification: \_\_\_\_\_  
(Type of Identification)

**CERTIFICATE OF AMENDMENT OF BYLAWS**  
**of**  
**FAIRWAY LAKES DISTRICT ASSOCIATION, INC.**

The undersigned, as the Secretary of Fairway Lakes District Association, Inc. (hereinafter referred to as the "District Association"), upon a review of the District Association's records, hereby certifies that the following is a true and correct copy of amendments to the Bylaws of the Association proposed by a majority of the Board of Directors of the District Association and thereafter approved by the affirmative vote of two-thirds or more of the voting interest of the members at a meeting of the members duly called and held on November 4, 2009.

AMENDMENT NO. ONE: Article III, Section 3 of the Bylaws is hereby amended to read in its entirety as follows:

"Section 3. Number of Directors. During the Class "B" Control Period the number of directors on the Board of Directors shall be not less than three (3) nor more than five (5). Thereafter the number of directors on the Board of Directors may be increased or decreased upon approval of a majority of the members, provided that there shall always be an odd number of directors and further provided that all incumbent directors shall be permitted to serve out their existing terms unless they sooner resign. The initial Board of Directors shall consist of three (3) directors appointed by the District Declarant. In the event the Declarant elects to have five (5) directors during the Class "B" Control Period, then three (3) of the members shall be appointed by the Declarant and two (2) of the members shall be elected by the members, with the members appointed by the Declarant serving until their resignation or replacement and the members elected by the members serving two (2) year terms (except as otherwise expressly provided in Section 5 of this Article III hereinbelow). In the event that the Declarant elects to reduce the number of directors during the Class "B" Control Period from five (5) to three (3), the Declarant shall cause two (2) directors appointed by the Declarant to resign, with their resignations to be effective immediately. The Declarant may appoint additional directors in its sole discretion to the Board of Directors from time to time to replace directors appointed by it or to fill vacancies of directors appointed by it.

AMENDMENT NO. TWO: Article III, Section 5 is hereby amended in its entirety to read as follows:

"Section 5. Election and Term of Office. Within thirty (30) days after termination of the Class "B" Control Period, the District Association shall call a special meeting at which the members shall elect all directors of the Board of Directors; provided, however, only the director(s) appointed by the Declarant shall be elected at such special meeting and any directors previously elected by the members shall remain as directors until one (1) year

after the date of such special meeting. Directors elected to replace the directors previously appointed by the Declarant shall serve a term of two (2) years. Upon the expiration of the initial term of office of each director, a successor shall be elected to serve a term of two (2) years. Thereafter, all directors shall be elected to serve two (2) year terms.

At any election of directors by members, each member shall be entitled to cast with respect to each vacancy to be filled on the Board of Directors, as many votes as it is entitled to vote under the terms of the District Declaration. There shall be no cumulative voting. The candidates receiving the largest number of votes shall be elected to fill the positions for which the election is held. Directors elected by the members shall hold office until their respective successors have been elected. Directors may be elected to serve any number of consecutive terms.”

FAIRWAY LAKES DISTRICT ASSOCIATION, INC.,  
a Florida not-for-profit corporation

By: Judith C. John  
Name: Judith C. John  
As its: Secretary

STATE OF FLORIDA        }  
  }  
COUNTY OF BREVARD    }

The foregoing instrument was acknowledged before me this 4<sup>th</sup> day of November 2009, by Judith C. John, as Secretary of FAIRWAY LAKES DISTRICT ASSOCIATION, INC., a Florida not-for-profit corporation, on behalf of the corporation. Said person did not take an oath and is personally known to me.

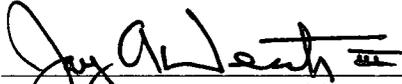
**CHARLENE R. SPANGLER**  
Notary Public, State of Florida  
My Comm. Exp. May 27, 2011  
Comm. No. DD 649077

Charlene R. Spangler  
Print Name: \_\_\_\_\_  
Notary Public, State of Florida  
Commission No.: \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_

**NOTICE OF AMENDMENT TO BYLAWS  
OF  
FAIRWAY LAKES DISTRICT ASSOCIATION, INC.**

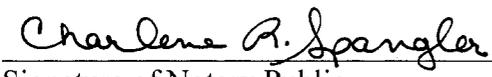
STATE OF FLORIDA     ]  
                                  ]  
COUNTY OF BREVARD    ]

Before me, the undersigned authority, personally appeared Jay A. Decator III, who, being duly authorized, states that the attached CERTIFICATE OF AMENDMENT OF THE BYLAWS OF FAIRWAY LAKES DISTRICT ASSOCIATION, INC. is hereby recorded in the Public Records of Brevard County, Florida to memorialize the amendment of the Bylaws of Fairway Lakes District Association, Inc., a copy of which Bylaws are attached as Exhibit "C" to the DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS, RESERVATIONS AND RESTRICTIONS FOR FAIRWAY LAKES RESIDENTIAL DISTRICT as recorded in Official Records Book 5551, Page 1605, Public Records of Brevard County, Florida.

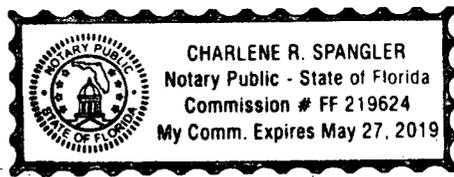


\_\_\_\_\_  
Jay A. Decator III, President  
Fairway Lakes District Association, Inc.

SWORN TO AND SUBSCRIBED before me this 12<sup>th</sup> day of November, 2015.



\_\_\_\_\_  
Signature of Notary Public  
Charlene R. Spangler  
Printed, Typed or Stamp Name of Notary Public



   Personally known to me, or

\_\_\_\_\_  
Produced identification: \_\_\_\_\_  
(Type of Identification)

**CERTIFICATE OF AMENDMENT OF THE BYLAWS  
of  
FAIRWAY LAKES DISTRICT ASSOCIATION, INC.**

The undersigned, as the President of Fairway Lakes District Association, Inc. (the "Association"), upon a review of the District Association's records, hereby certifies that the following is a true and correct copy of an amendment of the Bylaws of the Association unanimously adopted by the Board of Directors of the Association at a meeting of the Board of Directors duly noticed and held on April 22, 2015 and thereafter approved by the affirmative vote of not less than two-thirds of the voting interests of the Association at a meeting of the members duly noticed and held on November 12, 2015.

AMENDMENT OF THE BYLAWS

Article II, Section 14 of the Bylaws of the Association is amended and restated to read in its entirety as follows:

*Section 14. Quorum. Except as otherwise provided in these Bylaws or in the District Declaration, the presence in person or by proxy of the members representing twenty five percent (25%) of the total votes in the District Association shall constitute a quorum at all meetings of the District Association. Any provision in the District Declaration concerning quorums is specifically incorporated herein.*

Article III, Section 17 of the Bylaws of the Association is amended and restated to read in its entirety as follows:

*Section 17. Management Agent.*

*(a) The Board of Directors may employ for the District Association a professional management agent or agents at a compensation established by the Board of Directors to perform such duties and services as the Board of Directors shall authorize. The Board of Directors may delegate to the managing agent or manager, subject to the Board of Directors' supervision, all of the powers granted to the Board of Directors by these Bylaws, other than the powers set forth in subparagraphs (a), (b), (f), (g), (i) and (o) of Section 16 of this Article. The District Declarant, or an affiliate or other related entity of the District Declarant, may be employed as managing agent or manager.*

*(b) No management contract may have a term in excess of three (3) years and must permit termination by either party without cause and without termination fee on ninety (90) days' or less written notice.*





FLORIDA DEPARTMENT OF STATE

Glenda E. Hood  
Secretary of State

October 19, 2005

CORDIRECT AGENTS, INC.

The Articles of Incorporation for FAIRWAY LAKES DISTRICT ASSOCIATION, INC. were filed on October 18, 2005 and assigned document number N05000010761. Please refer to this number whenever corresponding with this office regarding the above corporation. The certification you requested is enclosed.

**PLEASE NOTE:** Compliance with the following procedures is essential to maintaining your corporate status. Failure to do so may result in dissolution of your corporation.

A corporation annual report must be filed with this office between January 1 and May 1 of each year beginning with the calendar year following the year of the filing/effective date noted above and each year thereafter. Failure to file the annual report on time may result in administrative dissolution of your corporation.

A federal employer identification (FEI) number must be shown on the annual report form prior to its filing with this office. Contact the Internal Revenue Service to insure that you receive the FEI number in time to file the annual report. To obtain a FEI number, contact the IRS at 1-800-829-3676 and request form SS-4 or by going to their website at [www.irs.ustreas.gov](http://www.irs.ustreas.gov).

Should your corporate mailing address change, you must notify this office in writing, to insure important mailings such as the annual report notices reach you.

Should you have any questions regarding corporations, please contact this office at the address given below.

Valerie Ingram, Document Specialist  
New Filings Section

Letter Number: 205A00063763

# State of Florida



## Department of State

I certify the attached is a true and correct copy of the Articles of Incorporation of FAIRWAY LAKES DISTRICT ASSOCIATION, INC., a Florida corporation, filed on October 18, 2005, as shown by the records of this office.

The document number of this corporation is N05000010761.

Given under my hand and the  
Great Seal of the State of Florida  
at Tallahassee, the Capitol, this the  
Nineteenth day of October, 2005



CR2EO22 (2-03)

*Glenda E. Hood*  
Glenda E. Hood  
Secretary of State

ARTICLES OF INCORPORATION  
OF  
FAIRWAY LAKES DISTRICT ASSOCIATION, INC.

05 OCT 18 PM 3:01

STATE OF FLORIDA

By these Articles of Incorporation, the undersigned Subscriber forms a corporation not for profit in accordance with Chapter 617, Florida Statutes, and pursuant to the following provisions ("these Articles");

ARTICLE I

NAME

The name of the corporation shall be FAIRWAY LAKES DISTRICT ASSOCIATION, INC. For convenience, the corporation shall be referred to in this instrument as the "District Association."

ARTICLE II

DURATION

The District Association shall exist perpetually unless and until dissolved according to law. Corporate existence of the District Association shall commence upon the filing of these Articles with the Florida Department of State.

ARTICLE III

DEFINITIONS

Unless the context otherwise requires, all capitalized terms herein shall have the same meaning as set forth in the Declaration of Covenants, Conditions, Easements, Reservations and Restrictions for Fairway Lakes Residential District recorded or to be recorded in the Public Records of Brevard County, Florida, as it may be amended or supplemented from time to time (the "District Declaration"), which pertains to the property described in Exhibit "A", attached hereto and incorporated herein by reference.

ARTICLE IV

PRINCIPAL OFFICE

The principal office and mailing address of the District Association is located at 7380 Murrell Road, Suite 201, Viera, Florida 32940.

#### ARTICLE V

##### REGISTERED OFFICE AND AGENT

Raphael F. Hanley, whose address is 7380 Murrell Road, Suite 201, Viera, Florida 32940, is hereby appointed the initial registered agent of the District Association and the registered office shall be at said address.

#### ARTICLE VI

##### PURPOSE AND POWERS OF THE DISTRICT ASSOCIATION

The District Association shall not pay dividends and no part of any income of the District Association shall be distributed to its members, directors or officers. The District Association is formed to provide for, among other things, the improvement, maintenance, preservation and architectural control of the District Property and to promote the recreation, health, safety and welfare of the Owners. The District Association shall have all the powers of a nonprofit corporation organized under the laws of the State of Florida, subject only to such limitations upon the exercise of such powers as are expressly set forth in these Articles, the Bylaws, or the District Declaration. The District Association shall have the power and duty to do any and all lawful things which may be authorized, assigned, required or permitted to be done by the District Declaration, any Supplemental Declaration, these Articles and the Bylaws, and to do and perform any and all acts which may be necessary or proper for, or incidental to, the exercise of any of the duties or powers of the District Association for the benefit of the Owners and for the maintenance, administration and improvement of the District Property, Areas of Common Responsibility and Common Areas. The duties and powers of the District Association shall be exercised by the Board of Directors unless provided otherwise in the District Declaration, these Articles of Incorporation or the Bylaws, and shall include, without limitation, the following:

(a) To fix, levy, collect and enforce payment of, by any lawful means, all charges, fines or Assessments pursuant to the terms of the District Declaration, these Articles or the Bylaws; to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the District Association, including without limitation all licenses, taxes or governmental charges levied or imposed against the property of the District Association; and to provide adequate funding for the performance of any and all acts which may be necessary or proper for, or incidental to, the exercise of any of the duties or powers of the District Association for the benefit of the Owners and for the maintenance, administration and improvement of the District Property and Area of Common Responsibility, including without limitation the maintenance and operation of the District Drainage System and those portions of the Master System Stormwater Ponds which are the District Association's responsibility to maintain;

(b) To acquire (by gift, purchase or otherwise), manage, control, own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property subjected to the District Declaration or any other property for which the District Association by rule, regulation, District Declaration or contract has a right or duty to provide such services;

(c) To borrow money, and as provided in the District Declaration or Bylaws, mortgage, pledge, deed in trust or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;

(d) To dedicate, sell or transfer all or any part of the Common Area to any public agency, authority or utility;

(e) To enforce covenants, conditions, or restrictions affecting any property to the extent the District Association may be authorized to do so under the District Declaration or Bylaws;

(f) To engage in activities which will actively foster, promote, and advance the common interests of all owners of the District Property;

(g) To enter into, make, perform, or enforce contracts of every kind and description, and to perform all other acts necessary, appropriate, or advisable in carrying out any purpose of the District Association, with or in association with any other association, corporation, or other entity or agency, public or private;

(h) To adopt, alter, and amend or repeal such Bylaws as may be necessary or desirable for the proper management of the affairs of the District Association; provided, however, such Bylaws may not be inconsistent with or contrary to any provisions of these Articles of Incorporation or the District Declaration;

(i) To maintain, repair, replace and operate portions of the District Property and Areas of Common Responsibility consistent with the obligations imposed upon or assumed by the District Association for maintenance, repair, replacement and operation pursuant to the District Declaration, these Articles, the Bylaws, or separate agreement, including without limitation the District Drainage System and those portions of the Master System Stormwater Ponds which are the District Association's responsibility to maintain, in a manner consistent with all permits issued by the St. Johns River Water Management District and applicable rules of the St. Johns River Water Management District;

(j) To accept jurisdiction over, and the powers and duties imposed with respect to, any additional property which may become part of the District Property or which may otherwise be subjected to the jurisdiction of the District Association as provided in the District Declaration. The District Association shall accept as members all owners of property hereafter subjected to the jurisdiction of the District Association as provided in the District Declaration; and

(k) To sue and be sued and appear and defend in all actions and proceedings in its corporate name to the same extent as a natural person.

The foregoing enumeration of powers shall not limit or restrict in any manner the exercise of other and further rights and powers which may now or hereafter be allowed or permitted by law; and the powers specified in each of the paragraphs of this Article VI are independent powers, not to be restricted by reference to or inference from the terms of any other paragraph or provisions of this Article VI.

## ARTICLE VII

### MEMBERSHIP

7.1 Membership. Each Owner, including the District Declarant, shall be a member of the Association. No Owner, whether one (1) or more Persons, shall have more than one (1) membership per Unit or Unplatted Parcel owned. Any person or entity who holds any interest merely as a security for the performance of any obligation shall not be a member. The District Association membership of each Owner shall be appurtenant to the Unit or Unplatted Parcel giving rise to such membership, and shall not be transferred except upon the transfer of title to said Unit or Unplatted Parcel and then only to the transferee of title thereto. Any prohibited separate transfer shall be void. Any transfer of title shall operate automatically to transfer the membership in the District Association appurtenant thereto to the new Owner thereof. The membership of an Owner shall not be refused, waived or surrendered, but voting rights and rights of use and enjoyment of the Common Area may be regulated or suspended as provided in these Articles of Incorporation, the District Declaration, the Bylaws and the rules and regulations of the District Association.

7.2 Jurisdiction of District Association. The District Association and each member thereof must accept as members those owners subject to the jurisdiction of the District Association as provided in the District Declaration.

## ARTICLE VIII

### VOTING RIGHTS

8.1 Voting Rights. The voting rights of members in the District Association shall be as set forth in the District Declaration and Bylaws, as the same may be amended from time to time.

8.2 Multiple Owners. Each vote in the District Association must be cast as a single vote, and fractional votes shall not be allowed. In the event that joint or multiple Owners are unable to agree among themselves as to how their vote or votes shall be cast, they shall lose their right to vote on the matter in question. If any Owner or Owners cast a vote on behalf of a particular Unit or Unplatted Parcel, it shall thereafter be conclusively presumed for all purposes that he was or they were acting with the authority and consent of all other Owners thereof. In the

event more than the appropriate number of votes are cast for a particular Unit or Unplatted Parcel, none of said votes shall be counted and said votes shall be deemed void.

ARTICLE IX

BOARD OF DIRECTORS

The business and affairs of the District Association shall be managed by a Board of Directors. The initial Board of Directors shall be comprised of three (3) directors, but may be enlarged (i) by the District Declarant during the Class "B" Control Period or (ii) by the approval of a majority of the members after the Class "B" Control Period, provided that there shall always be an odd number of directorships created. The initial Board of Directors shall consist of three (3) directors appointed by the District Declarant. The names and addresses of persons who are to act in the capacity of director until appointment or election of their successors pursuant to these Articles and the Bylaws are:

<u>Name</u>	<u>Address</u>
Raphael F. Hanley	7380 Murrell Road, Suite 201 Viera, Florida 32940
Judith C. John	7380 Murrell Road, Suite 201 Viera, Florida 32940
Paul J. Martell	7380 Murrell Road, Suite 201 Viera, Florida 32940

Within thirty (30) days after termination of the Class B Control Period, the members shall elect all directors of the Board of Directors for staggered terms as provided in the Bylaws. The method of election and term of office, removal and filling of vacancies of the Board of Directors shall be as set forth in the Bylaws.

The Board of Directors may delegate such operating authority to such companies, individuals or committees as it, in its discretion, may determine.

ARTICLE X

OFFICERS

The affairs of the District Association shall be administered by the officers designated in the Bylaws. The officers shall be elected by the Board of Directors at the first meeting, and they shall serve at the pleasure of the Board of Directors. The names and addresses of the officers who shall serve until their successors are designated by the Board of Directors are as follows:

<u>Office</u>	<u>Name</u>	<u>Address</u>
President	Raphael F. Hanley	7380 Murrell Road, Suite 201 Viera, FL 32940

Vice President  
and Secretary

Judith C. John

7380 Murrell Road, Suite 201  
Viera, FL 32940

Treasurer

Paul J. Martell

7380 Murrell Road, Suite 201  
Viera, FL 32940

#### ARTICLE XI

#### INDEMNIFICATION

The District Association shall indemnify every officer, director, committee member and employee of the District Association against any and all costs and expenses, including reasonable attorneys' and paralegals' fees, reasonably incurred by or imposed upon such officer, director, committee member or employee in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the then Board of Directors) to which he may be a party by reason of being or having been an officer, director, committee member or employee of the District Association. Such officers, directors, committee members and employees shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct, or bad faith. The officers and directors of the District Association shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the District Association (except to the extent they may also be members of the District Association), and the District Association shall indemnify and forever hold each such officer and director free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any officer, director, committee member, or employee, or former officer, director, committee member or employee may be entitled. The District Association shall, as a Common Expense, maintain adequate general liability and officers' and directors' liability insurance to fund this obligation, if such insurance is reasonably available.

#### ARTICLE XII

#### BYLAWS

The Bylaws of the District Association shall be adopted by the Board of Directors and may be altered, amended or rescinded in the manner provided by the Bylaws.

#### ARTICLE XIII

#### AMENDMENTS

These Articles may be amended by a majority of the Board of Directors adopting a resolution setting forth the proposed amendment, if such proposed amendment is approved by the affirmative vote (in person or by proxy) or written consent, or any combination thereof, of at least two-thirds of the total votes of the District Association. However, the percentage of votes

necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause. No amendment shall be effective until filed with the office of the Secretary of State of Florida. A certified copy of each amendment shall be recorded in the Public Records of Brevard County, Florida. Notwithstanding anything to the contrary set forth herein, the District Declarant may unilaterally amend these Articles at any time to include any provisions which may be required by the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Veterans Administration, and the Department of Housing and Urban Development.

No amendment may remove, revoke, or modify any right or privilege of District Declarant or the Class "B" member without the written consent of District Declarant or the Class "B" member as appropriate, or the assignee of such right or privilege. No amendment may impair the validity or priority of the lien of any Mortgage held by a Mortgagee or impair the rights granted to Mortgagees herein without the prior written consent of such Mortgagees.

#### ARTICLE XIV

#### INCORPORATOR

The name and address of the Incorporator of the District Association is as follows:

<u>Name</u>	<u>Address</u>
Jay A. Decator, III	7380 Murrell Road, Suite 201 Viera, Florida 32940

#### ARTICLE XV

#### NONSTOCK CORPORATION

The District Association is organized on a nonstock basis and shall not issue shares of stock evidencing membership in the District Association; provided, however, that membership in the District Association may be evidenced by a certificate of membership which shall contain a statement that the District Association is a corporation not for profit.

#### ARTICLE XVI

#### DISSOLUTION

In the event the District Association is intentionally dissolved for the purpose of winding up its affairs, then after the claims of creditors of the District Association have been satisfied from the assets of the District Association or otherwise, the remaining assets of the District Association shall be dedicated to a public body or conveyed to a not-for-profit corporation, as defined in Chapter 617, Florida Statutes, as amended, with similar purposes, as

the Board of Directors of the District Association shall determine in their sole discretion.

Notwithstanding anything contained in the preceding grammatical paragraph to the contrary, in the event of termination, dissolution or final liquidation of the Association, the responsibility for the operation and maintenance of the District Drainage System and those portions of the Master System Stormwater Ponds which are the District Association's responsibility to maintain must be transferred to and accepted by an entity which meets the requirements of section 40C-42.027, Florida Administrative Code, and which is approved by the St. Johns River Water Management District prior to such termination, dissolution or liquidation.

ARTICLE XVII

ADDITIONAL PROPERTY

Additional property may be added from time to time to the District Property in accordance with the District Declaration. When made, the additions shall extend the jurisdiction, functions, duties and membership of the District Association to such additional property as may be contemplated by the District Declaration.

The District Association and each member must accept as members the Owners of all Units or Unplatted Parcels in the District Property where the instrument hereafter annexing additional property to the jurisdiction of the District Association provides that the Owners of Units or Unplatted Parcels in the property annexed to the District Property are intended to be members of the District Association and that the District Association is intended to have jurisdiction over them.

IN WITNESS WHEREOF, the undersigned Incorporator has caused these presents to be executed as of the 13 day of October, 2005.

WITNESSES

Barbara Carolus  
BARBARA CAROLUS  
(Print Name)

Jay A. Decator, III  
Jay A. Decator, III

Charlene R. Spangler  
Charlene R. Spangler  
(Print Name)

Address: 7380 Murrell Rd., Ste. 201  
Viera, Florida 32940

STATE OF FLORIDA     )  
COUNTY OF BREVARD    )

The foregoing instrument was acknowledged before me on the 13<sup>th</sup> day of Oct., 2005 by Jay A. Decator, III. Said person is known to me.



Charlene R. Spangler  
MY COMMISSION # DD215777 EXPIRES  
May 27, 2007  
BONDED THRU TROY FAIN INSURANCE, INC.

Charlene R. Spangler  
Signature of Person Taking Acknowledgement  
Print Name: \_\_\_\_\_  
Title: Notary Public  
Serial No. (if any) \_\_\_\_\_  
Commission Expires: \_\_\_\_\_

CERTIFICATE DESIGNATING REGISTERED AGENT FOR  
SERVICE OF PROCESS

Pursuant to Chapters 48 and 617, Florida Statutes, the following is submitted in compliance with said Acts.

FAIRWAY LAKES DISTRICT ASSOCIATION, INC., desiring to organize as a corporation under the laws of the State of Florida, with its registered office at 7380 Murrell Road, Suite 201, Viera, Florida 32940, has named Raphael F. Hanley, located at the above registered office, as its Registered Agent to accept service of process within this State.

ACCEPTANCE OF REGISTERED AGENT

HAVING BEEN NAMED AS REGISTERED AGENT AND TO ACCEPT SERVICE OF PROCESS FOR THE ABOVE STATED CORPORATION AT THE PLACE DESIGNATED IN THIS CERTIFICATE, I HEREBY ACCEPT THE APPOINTMENT AS REGISTERED AGENT AND AGREE TO ACT IN THIS CAPACITY. I FURTHER AGREE TO COMPLY WITH THE PROVISIONS OF ALL STATUTES RELATING TO THE PROPER AND COMPLETE PERFORMANCE OF MY DUTIES, AND I AM FAMILIAR WITH AND ACCEPT THE OBLIGATIONS OF MY POSITION AS REGISTERED AGENT.

Raphael F. Hanley  
Raphael F. Hanley  
Registered Agent

Date: 10/13/05

NOTARY PUBLIC  
STATE OF FLORIDA  
05 OCT 18 PM 3:02

EXHIBIT "A"  
DISTRICT PROPERTY

Tract A, DURAN GOLF CLUB, according to the plat thereof recorded in Plat Book 51, pages 63 through 65, inclusive, Public Records of Brevard County, Florida.

V0050774v1

THIS INSTRUMENT PREPARED BY  
AND TO BE RETURNED TO:  
RAPHAEL F. HANLEY, ESQUIRE  
THE VIERA COMPANY  
7380 MURRELL ROAD, SUITE 201  
VIERA, FLORIDA 32940

CFN 2007045942, OR BK 5750 Page 9351,  
Recorded 02/20/2007 at 01:18 PM, Scott Ellis, Clerk of  
Courts, Brevard County  
# Pgs:4

**FIRST AMENDMENT TO  
DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS,  
RESERVATIONS AND RESTRICTIONS  
FOR FAIRWAY LAKES RESIDENTIAL DISTRICT**

THE FIRST AMENDMENT TO DECLARATION OF COVENANTS,  
CONDITIONS EASEMENTS, RESERVATIONS AND RESTRICTIONS FOR FAIRWAY  
LAKES RESIDENTIAL DISTRICT is made this 16<sup>th</sup> day of February by THE VIERA  
COMPANY, a Florida corporation (hereinafter referred to as "Declarant").

WITNESSETH:

WHEREAS, Declarant recorded that certain Declaration of Covenants,  
Conditions, Easements, Reservations and Restrictions for Fairway Lakes Residential District  
recorded in Official Records Book 5551, pages 1605, et. Seq., Public Records of Brevard County,  
Florida (hereinafter referred to as the "Declaration"), under the terms of which the Declarant  
subjected that certain real property, more particularly described therein to the covenants,  
conditions, easements, reservations and restrictions set forth therein:

WHEREAS, under Article XII of the Declaration, Declarant reserved the  
right to amend the Declaration unilaterally at any time without prior notice and without  
the consent of any person for any purpose; and

WHEREAS, Declarant desires to amend the Declaration as provided  
herein in this First Amendment to Declaration of Covenant, Conditions, Easements,  
Reservations and Restrictions (hereinafter referred to as the "First Amendment to  
Declaration"), which amendment is consistent with the general plan for the Properties set  
forth in the Declaration.

NOW, THEREFORE, Declarant hereby amends the Declaration as set forth hereinbelow pursuant to the right reserved to Declarant under Article XII of the Declaration.

1. Recitals; Defined Terms. The recitals set forth hereinabove are true and correct in all respects and are incorporated herein by reference as if set forth herein verbatim. Defined (capitalized) terms which are used herein and are not otherwise defined herein shall have the meanings set forth in the Declaration.

2. Section 6 of Article IV. The following contiguous Master System Stormwater Pond is hereby added at the end of the first grammatical paragraph of Section 6, Article IV of the Declaration:

Lake No. 7.

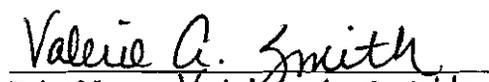
3. Exhibit "B". Exhibit "B" is amended and replaced in its entirety with "Exhibit "B" – District Plan", attached hereto and made a part hereof.

4. Full Force and Effect. Except as expressly amended by the First Amendment to Declaration, the Declaration shall be and remain unchanged and in full force and effect.

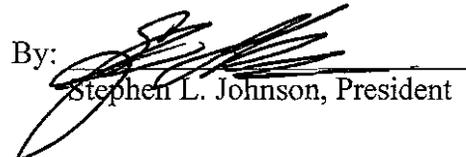
IN WITNESS WHEREOF, Declarant has caused this First Amendment to Declaration to be duly executed in its name as of the day and year first above written.

WITNESSES:

  
Print Name: Charlene R. Spangler

  
Print Name: Valerie A. Smith

THE VIERA COMPANY

By: 

Stephen L. Johnson, President

STATE OF FLORIDA

COUNTY OF BREVARD

The foregoing instrument was acknowledged before me this 16<sup>th</sup> day of February, 2007, by Stephen L. Johnson, President of THE VIERA COMPANY, a Florida corporation, on behalf of the corporation. He is  personally known to me, or  has produced \_\_\_\_\_ as identification.



Charlene R. Spangler  
MY COMMISSION # DD215777 EXPIRES  
May 27, 2007  
BONDED THRU TROY FAIN INSURANCE, INC.

Charlene R. Spangler  
(Signature of person taking acknowledgement)

\_\_\_\_\_  
(Name typed, printed or stamped)

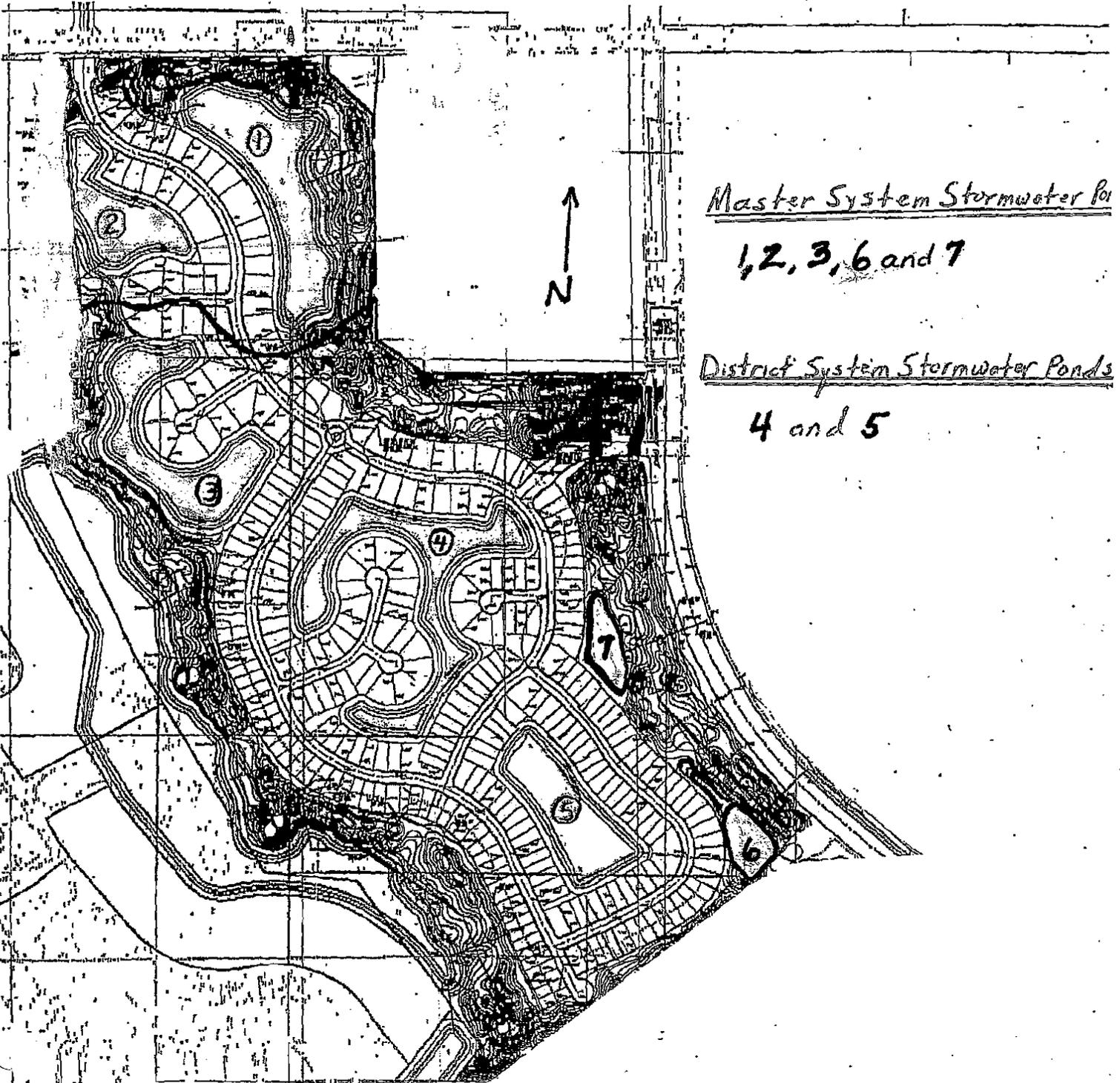
Notary Public

My Commission Expires \_\_\_\_\_

Commission No.: \_\_\_\_\_

Exhibit "B"

District Plan



DEAN  
MEAD

ATTORNEYS AND COUNSELORS AT LAW

IN ORLANDO:  
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CAPOUANO & BOZARTH, P.A.

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DEAN MEAD

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PLEASE REPLY TO:

VIERA

October 17, 2005

IN FORT PIERCE:  
DEAN, MEAD, MINTON & ZWEMER

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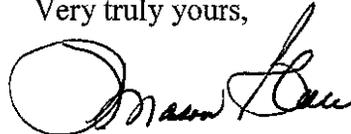
Raphael F. Hanley, Esq.  
The Viera Company  
7380 Murrell Road, Suite 201  
Viera, FL 32940

Re: Fairway Lakes Residential District

Dear Raph:

Enclosed is the original Declaration of Covenants, Conditions, Easements, Reservations and Restrictions for the Fairway Lakes subdivision recorded in Official Records Book 5551, page 1605 of the Public Records of Brevard County, Florida.

Very truly yours,



R. Mason Blake

RMB:mm  
Enclosure

cc: Tracy Duda Chapman, Esq. (w/o encl.)  
Jay A. Decator, III, Esq. (w/o encl.)  
Stephen L. Johnson (w/o encl.)  
Albert D. Capouano, Esq. (w/o encl.)

V0050886v1

This Instrument Prepared By:  
R. Mason Blake, Esquire  
DEAN MEAD, et al.  
8240 Devereux Drive, Suite 100  
Viera, Florida 32940  
(321) 259-8900

CFN 2005373606 10-14-2005 03:49 pm  
OR Book/Page: 5551 / 1605

**Scott Ellis**

Clerk Of Courts, Brevard County

#Pgs: 58	#Names: 2	
Trust: 29.50	Rec: 465.00	Serv: 0.00
Doc: 0.00	Excise: 0.00	
Mtg: 0.00	Int Tax: 0.00	

DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS,  
RESERVATIONS AND RESTRICTIONS  
FOR FAIRWAY LAKES RESIDENTIAL DISTRICT

DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS,  
RESERVATIONS AND RESTRICTIONS  
FOR FAIRWAY LAKES RESIDENTIAL DISTRICT

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DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS,  
RESERVATIONS AND RESTRICTIONS  
FOR FAIRWAY LAKES RESIDENTIAL DISTRICT

THIS DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS, RESERVATIONS AND RESTRICTIONS FOR FAIRWAY LAKES RESIDENTIAL DISTRICT (hereinafter referred to as this "District Declaration") is made this \_\_\_\_ day of October, 2005 by THE VIERA COMPANY, a Florida corporation (hereinafter referred to as "District Declarant").

WITNESSETH:

WHEREAS, District Declarant is the owner of that certain real property located in Brevard County, Florida, described in Exhibit "A", attached hereto and made a part hereof, which is being developed by District Declarant as a subdivision known as "Fairway Lakes" (hereinafter referred to as the "District Property");

WHEREAS, the District Property is a portion of the Properties as that term is defined in that certain Declaration of Covenants, Conditions, Easements, Reservations and Restrictions for Central Viera Community recorded in Official Records Book 3409, Page 624, Public Records of Brevard County, Florida, as supplemented, restated and amended from time to time (hereinafter referred to as the "Community Declaration");

WHEREAS, the Community Declaration anticipates the formation of various Districts (as defined in the Community Declaration) within the Properties as separately denominated residential, commercial, industrial, office, governmental, educational, institutional or other use areas subject to the Community Declaration as provided therein;

WHEREAS, District Declarant desires to designate the District Property as a separately denominated residential District subject to the Community Declaration as provided therein;

WHEREAS, The Viera Company, a Florida corporation, as Declarant under the Community Declaration (hereinafter referred to as "Community Declarant"), desires to consent to the imposition of this District Declaration upon the District Property as required under the terms of the Community Declaration; and

WHEREAS, District Declarant intends to impose on the District Property mutually beneficial restrictions under a general plan of improvement.

NOW, THEREFORE, District Declarant hereby declares that the above recitals are true and correct, and that the District Property, and any additional property as is hereinafter subjected to this District Declaration in accordance with its terms, shall be held, sold and conveyed subject to the following covenants, conditions, easements, reservations and restrictions, which are for the purpose of protecting the value and desirability of, and which shall

run with, the real property subjected to this District Declaration and which shall be binding on all parties having any right, title or interest in the real property subjected to this District Declaration or any part thereof, their heirs, successors, successors in title and assigns. Notwithstanding anything in the preceding sentence to the contrary, no lands or any interest in lands dedicated to public use by plat, deed, easement or other legally recognized transfer and accepted by any governmental authority shall be subject to this District Declaration.

ARTICLE I  
Definitions

Section 1. “Annexation Agreement” shall mean an amendment or supplement to this District Declaration which subjects additional property to this District Declaration in accordance with the terms of this District Declaration.

Section 2. “Area of Common Responsibility” shall mean and refer to the Common Area, together with those areas, if any, which by the terms of this District Declaration or by contract or agreement become the responsibility of the District Association to maintain, administer or operate.

Section 3. “Articles of Incorporation” shall mean and refer to the Articles of Incorporation of the District Association, which have been filed or which simultaneously herewith are being filed with the Secretary of State of the State of Florida, as same may be amended from time to time.

Section 4. “Assessment” shall be an inclusive term referring to both Regular Assessments and Special Assessments.

Section 5 “Benefits Fee” shall mean and refer to the Benefits Fee provided for in Article IX of this Declaration.

Section 6. “Board of Directors” shall mean and refer to the Board of Directors of the District Association.

Section 7. “Bylaws” shall mean and refer to the Bylaws of the District Association, which have been adopted or which simultaneously herewith will be adopted, as amended from time to time.

Section 8. “Class B Control Period” shall mean and refer to the period beginning upon the filing of the Articles of Incorporation of the District Association and continuing until the first to occur of the following:

(a) three months after ninety percent (90%) of the Units permitted by the Development Order and other Development Approvals for the District Property and the property which is subject to annexation under the provisions of this Declaration have certificates of occupancy issued thereon and have been conveyed to Persons other than the District Declarant and Owners holding title solely for the purpose of development and sale;

- (b) December 31, 2025; or
- (c) when, in its discretion, the District Declarant so determines.

Section 9. "Common Area" shall mean and refer to all real and personal property and easements and other interests therein, together with the facilities and improvements located thereon, if any, which the District Association now or hereafter owns or otherwise holds for the common use and enjoyment of all Owners. The District Association may or may not own any Common Area in fee simple. The Common Area shall not be mortgaged or conveyed (except to the District Association) without the consent of at least two-thirds of the Owners, excluding the District Declarant. The District Association shall accept title to any real estate or personal property, or any interest therein, offered to the District Association by District Declarant or Community Declarant. If ingress or egress to any Unit is through the Common Area, any conveyance or encumbrance of such Common Area shall be subject to the Unit Owner's easement for ingress and egress.

Section 10. "Common Expenses" shall mean and include the actual and estimated expenses incurred by the District Association for the maintenance, repair and operation of the Area of Common Responsibility or for the general benefit of all Owners or for the benefit of Owners within a specific phase or portion of the District Property, including, without limitation, salaries and benefits of employees, management fees and costs, administrative expenses of operating the District Association and reasonable reserves for the maintenance, repair and replacement of replaceable assets or for such other purposes as the Board of Directors may determine, all as may be found to be necessary and appropriate by the District Association pursuant to this District Declaration, the Bylaws and the Articles of Incorporation. Unless the Golf Course Owner, pursuant to Section 7 of Article IV, elects to collect Benefit Fees from each Owner in lieu of collecting the same from the District Association, the amount due for such Benefit Fees from the District Association to the Golf Course Owner shall be a Common Expense. In the event the Community Association determines the District Association has failed to perform its responsibilities under the District Declaration, then the expense of those responsibilities of the District Association performed by the Community Association shall be deemed Common Expenses. The Common Expenses shall also include, if the Community Association so elects, any amounts that are assessed by the Community Association pursuant to the Community Declaration.

Section 11. "Community Architectural Review Committee" or "ARC" shall mean and refer to the Community Architectural Review Committee established pursuant to the Community Declaration.

Section 12. "Community Association" shall mean and refer to Central Viera Community Association, Inc., a Florida not-for-profit corporation, its successors or assigns.

Section 13. "Community Declarant" shall mean and refer to The Viera Company, a Florida corporation, or its successors, successors in title or assigns who are designated as the Community Declarant under the terms and provisions of the Community Declaration.

Section 14. “Community Declaration” shall mean and refer to that certain Declaration of Covenants, Conditions, Easements, Reservations and Restrictions for Central Viera Community recorded in Official Records Book 3409, Page 624, Public Records of Brevard County, Florida, as supplemented, restated and amended from time to time.

Section 15. “Development Approvals” shall mean and refer to the Development Order and any and all subdivision and other governmental permits and approvals obtained with respect to the District Property or any part thereof, and relevant zoning and comprehensive plan designation for the District Property or any part thereof.

Section 16. “Development Order” shall mean and refer to that certain Amended and Restated Development Order contained in Resolution 04-200 adopted by the Board of County Commissioners of Brevard County, Florida pertaining to the District Property and other property as set forth therein, as same may be amended from time to time.

Section 17. “District” shall mean and refer to the Fairway Lakes Residential District which comprises the real property described in Exhibit “A” and such additional real property as is from time to time annexed to the District Property in accordance with the terms and provisions of this District Declaration. District Declarant and Community Declarant pursuant to the terms of this District Declaration and the Community Declaration have the right as provided herein and therein, but not the obligation, to add additional property to the District, which may include, without limitation, the property described generally in Article VI, Section 1 of this District Declaration.

Section 18. “District Association” shall mean and refer to Fairway Lakes District Association, Inc., a Florida not-for-profit corporation, its successors or assigns, which has been established or is being simultaneously established herewith.

Section 19. “District Declarant” shall mean and refer to The Viera Company, a Florida corporation, or its successors, successors-in-title or assigns who are designated as the District Declarant hereunder in a recorded instrument executed by the immediately preceding District Declarant, provided, however, in no event shall there be more than one District Declarant for the District Property at any given time.

Section 20. “District Declaration” shall mean and refer to this Declaration of Covenants, Conditions, Easements, Reservations and Restrictions for Fairway Lakes District, as supplemented and amended from time to time.

Section 21. “District Drainage System” shall mean and refer to all land, easements, structures and other facilities and appurtenances which together constitute and comprise the surface water management and drainage system of the District Property (or portions thereof) as more particularly identified and described in Section 6 of Article IV of this District Declaration.

Section 22. “District Property” shall mean and refer to the real property described in Exhibit “A”, and such other real property as from time to time may be subjected to the

covenants, conditions and restrictions of the District Declaration by annexation as more fully set forth in Article VI hereof.

Section 23. “Golf Course” shall mean, the portions of Duran Golf Club comprising the golf course and related facilities to be constructed and operated by the Golf Course Owner, which facilities may include, without limitation, a golf course, clubhouse, driving range, putting green and golf learning center, all of which are separate from and do not constitute a portion of the Common Area. The Golf Course, and the real property on which it is located, is not within and is not intended to be located within the District Property, and shall not be governed by this District Declaration.

Section 24. “Golf Course Owner” shall mean and refer to the person or entity from time to time holding fee simple title to the Golf Course.

Section 25. “Landscape Design Criteria” shall mean and refer to the landscape requirements, restrictions and criteria for the District Property adopted and promulgated by the ARC from time to time.

Section 26. “Master Drainage System” shall mean and refer to all land, easements, structures and other facilities and appurtenances which together constitute and comprise the master surface water management and drainage system of the Properties (or portions thereof) governed by the Community Association and adjacent property as reflected on plans now or hereafter filed with and approved by Brevard County, Florida and the St. Johns River Water Management District. That portion of the Master Drainage System within the District Property is identified and described in Section 6 of Article IV of the District Declaration.

Section 27. “Mortgage” shall mean and refer to a mortgage, deed of trust, deed to secure debt, or other form of security deed.

Section 28. “Mortgagee” shall mean and refer to a beneficiary or holder of a Mortgage.

Section 29. “Owner” shall mean and refer to one (1) or more Persons who hold the record title to any Unit or Unplatted Parcel which is part of the District Property, including any builder or building contractor, and the District Declarant, but excluding in all cases any party holding an interest merely as security for the performance of an obligation. If a Unit or Unplatted Parcel is sold under a recorded contract of sale, and the contract specifically so provides, then the purchaser (rather than the fee owner) will be deemed the Owner.

Section 30. “Person” shall mean and refer to a natural person, a corporation, a partnership, an estate, a trust, a trustee or other legal entity.

Section 31. “Phase” shall mean and refer to a portion of the District Property which may be identified as such by Declarant when, in Declarant’s sole discretion, the portion may be comprised of or contain Units, Common Area, facilities or properties which are adjacent or contiguous, or which are similar or comparable in character, size, scope, number, Common Expenses, appearance, intended use or maintenance requirements.

Section 32. “Phase Restriction” shall mean and refer to a covenant, restriction or provision of this District Declaration which specifically applies only to one or more phase in the District Property, and which does not apply uniformly throughout the entire District Property. Phase Restrictions may be set forth in an Annexation Agreement subjecting the subject property to this District Declaration or in an amendment or supplement to the District Declaration.

Section 33. “Plat” shall mean and refer to the plat of any portion of the District Property.

Section 34. “Regular Assessment” shall mean and refer to the Assessments levied against all Units and Unplatted Parcels in the District Property to fund Common Expenses in accordance with Section 1 of Article VII of this District Declaration.

Section 35. “Special Assessment” shall mean and refer to Assessments levied in accordance with Section 3 of Article VII of this District Declaration.

Section 36. “Supplemental Declaration” shall mean and refer to an amendment or supplement to this District Declaration which imposes expressly or by reference, additional restrictions and obligations on the land described therein.

Section 37. “Unit” shall mean and refer to a Lot shown on the Plat intended for development, use and occupancy as an attached or detached residence for a single family. Areas on the Plat designated as Tracts shall not constitute Units. The District Declarant may in its sole discretion amend this District Declaration for the purpose of more specifically designating Units in the District without the necessity of joinder of any other Person to said amendment.

Section 38. “Unplatted Parcel” shall mean a portion of the District Property which is not platted or submitted to condominium or cooperative ownership, but is intended for development of more than one Unit. Once an Unplatted Parcel or portion thereof is platted into Units or submitted to condominium or cooperative ownership, the Unplatted Parcel or portion thereof so platted or submitted shall no longer be deemed an Unplatted Parcel.

Section 39. “Voting Member” shall mean and refer to the representative (or such representative’s alternate if he is unable to attend a meeting of the Community Association) selected by the District Association to be responsible for casting all votes of the membership of the Community Association attributable to Units or Unplatted Parcels in the District for all matters requiring the vote of membership of the Community Association, unless otherwise expressly specified in the Community Declaration or bylaws of the Community Association. The Voting Member of the District shall be the president of the District Association, unless a majority of the Board of Directors shall determine to appoint another representative as the Voting Member for the District. The alternate Voting Member shall be the vice president of the District Association, unless a majority of the Board of Directors shall determine to appoint another representative as the alternate Voting Member for the District.

Section 40. Defined Terms in Community Declaration. Capitalized terms not otherwise defined in the District Declaration, but defined in the Community Declaration, shall

have the meaning set forth in the Community Declaration unless the context shall otherwise require.

ARTICLE II  
Property Rights

Section 1. Rights of Owners. Every Owner shall have a non-exclusive right and easement of use and enjoyment in and to the Common Area for the purpose for which it is intended, subject to this District Declaration as it may be amended from time to time, any easements reserved therein or granted by District Declarant or Community Declarant, any terms and conditions of the Community Declaration as it may be amended from time to time, and to any restrictions or limitations contained in any plat and in any deed conveying such property to the District Association or subjecting such property as Common Area to the District Declaration. Such non-exclusive right or easement is subject to (i) the right of the District Association to limit the number of guests of Owners or Owners who may use the Common Area from time to time; (ii) the right of the District Association to promulgate, establish and enforce reasonable rules and regulations pertaining to the use of the Common Area; and (iii) the right of the District Association to take such steps as are reasonably necessary to maintain, preserve and protect the Common Area. Any Owner may delegate his right of enjoyment in and to the Common Area to the members of his family, his tenants, guests or invitees, as applicable, subject to reasonable regulation by the Board of Directors of the District Association and in accordance with procedures it may adopt. An Owner of a Unit who leases his Unit shall not be deemed to have delegated such rights to the Unit's lessee, except to the extent provided in the lease. No Owner may exempt himself from personal liability for or exempt his Unit or Unplatted Parcel from any Assessments duly levied by the District Association, or release the Unit or Unplatted Parcel owned by the Owner from liens, charges, encumbrances and other provisions of this District Declaration or the rules and regulations of the District Association by (a) the voluntary waiver of the right, privilege and easement for the use and enjoyment of the Common Area; or (b) the abandonment of his Unit or Unplatted Parcel.

Section 2. Leasing. An Owner shall be allowed to lease his Unit or Unplatted Parcel, provided that any such lease shall require the tenant thereunder to comply with the terms and conditions of the District Declaration, Bylaws, Articles of Incorporation, Community Declaration, bylaws and articles of incorporation of the Community Association, and provided further that such lease and tenancy is otherwise in compliance with any rules and regulations promulgated by the District Association or the Community Association. No lease of a Unit or Unplatted Parcel shall be for a term of less than one (1) year, and any such lease shall be in writing and shall be enforceable by the District Association and the Community Association, whether or not so stated in its terms. During the term of any lease, Owner shall not be relieved of any obligations under the terms of the District Declaration and Community Declaration, and Owner shall be liable for the actions of his tenants which may be in violation of the terms and conditions of the District Declaration, Community Declaration, any rules and regulations thereunder and any other documents set forth above, notwithstanding the fact that the tenants are also fully liable for any violation of the documents and regulations. In the event a tenant, occupant, guest, invitee or person living with the tenant or occupant violates the District Declaration, Bylaws, Articles of Incorporation, the Community Declaration, the bylaws or articles of incorporation of the Community Association, or the rules and regulations of the

District Association or Community Association, the District Association or Community Association as appropriate, shall have the power to bring an action or suit against the tenant, occupant, guest, invitee and the Owner, or any combination of the foregoing, to recover sums due for damages or injunctive relief, or for any other remedy available at law or in equity.

Section 3. Time-Share Prohibition. No time sharing plan as the term is defined in Chapter 721, Florida Statutes (2004), as amended, or any similar plan of fragmented or interval ownership of Units or Unplatted Parcels shall be permitted on the District Property, and no attempt to create same by lease or otherwise shall be allowed.

Section 4 Guest Houses. The District Declarant contemplates that substantially all of the Units in the District will be sold to one or two home builders that will construct single family residences thereon for sale to consumers. Any such builder or builders shall have the right to reserve one or more Units as a guest house to be used and enjoyed by such builder, and its affiliates, employees, invitees and licensees, for any lawful purpose.

Section 5. Board of Director's Rights. The Board of Directors, in its sole discretion, by resolution may extend permission to selected non-owners of any interest in the District Property, to use portions of the Common Area subject to such terms and conditions as the Board of Directors may impose.

Section 6. Withdrawal. District Declarant reserves the right to amend this District Declaration unilaterally at any time so long as District Declarant owns any land which is subject to this District Declaration, for the purpose of removing certain portions of the District Property then owned by District Declarant, its affiliates or the District Association from the purview, operation and effect of this District Declaration. For such an amendment to have effect, the Community Declarant must consent thereto and such amendment setting forth the withdrawal must be filed in the Public Records of Brevard County, Florida with the consent of the Community Declarant attached.

Section 7. Amendment. This Article shall not be amended without the written consent of District Declarant, unless District Declarant no longer owns any land which is subject to the District Declaration or subject to annexation to the District Declaration.

### ARTICLE III District Association

Section 1. Objects, Purposes and Function. The District Association has been created and established for the objects and purposes of and shall have exclusive jurisdiction over and the sole responsibility for the administration, management, operation, regulation, care, maintenance, repair, restoration, replacement, preservation and protection of the Common Area and to the extent provided by agreement or otherwise of that portion of the Area of Common Responsibility which is not a part of the Common Area; the establishment, levy, imposition, enforcement and collection of all fines, charges and Assessments for which provision is made in this Declaration; the payment of all Common Expenses; and the promotion and advancement of the general welfare of the members of the District Association; subject in all cases to the right of the Community Association to act in the place and stead of the District Association, in the event

the District Association fails to carry out its rights and responsibilities as provided under the District Declaration, the Articles of Incorporation and Bylaws; all as more particularly provided in this District Declaration and in the Articles of Incorporation, Bylaws and rules of regulations of the District Association.

Section 2. Duties and Powers. In addition to those duties and powers conferred by law and those specified and enumerated in the Articles of Incorporation and the Bylaws, the District Association shall have such duties and powers as are, respectively, imposed and conferred upon it pursuant to this District Declaration, including, without limitation, such duties and powers as may reasonably be implied from, necessary for or incidental to the accomplishment of the objects and purposes for which the District Association has been created and established. All duties and powers of the District Association shall be exercised by the Board of Directors unless otherwise provided in this District Declaration, the Articles of Incorporation and the Bylaws.

Section 3. Membership. Every Owner shall be deemed to have a membership in the District Association. No Owner, whether one (1) or more Persons, shall have more than one (1) membership per Unit or Unplatted Parcel owned. The membership shall not be refused, waived or surrendered, but voting rights and rights of use and enjoyment of the Common Area may be regulated or suspended as provided in this District Declaration, the Articles of Incorporation, the Bylaws and rules and regulations adopted by the District Association. Notwithstanding anything in this District Declaration to the contrary, no owner of lands or an interest in lands dedicated to public use and accepted by any governmental authority, including without limitation, public schools, public streets and public parks, shall be a member of the District Association.

Section 4. Transfer of Membership. Membership in the District Association shall be appurtenant to and may not be separated from the ownership interest of an Owner in a Unit or Unplatted Parcel. The membership of an Owner in the District Association shall not be transferred, pledged or alienated in any way, except that such membership shall automatically be transferred and assigned upon the transfer of the ownership interest required for membership in the District Association. Owner agrees to immediately notify the District Association upon such transfer and to deliver to the District Association the address of the new Owner, and a copy of the deed conveying the Unit or Unplatted Parcel to the new Owner.

Section 5. Voting Rights. The District Association shall have two (2) classes of membership, Class "A" and Class "B", as follows:

(a) Class "A" members shall be all Owners with the exception of the Class "B" member, if any. Voting rights shall be allocated among Class "A" members as follows: (i) One (1) vote per acre or portion thereof shall be allocated to an Unplatted Parcel; and (ii) For those portions of the District which are subject to a Plat or are otherwise designated by District Declarant as a Unit, each Unit shall be allocated one (1) vote.

(b) The Class "B" member shall be the District Declarant. The Class "B" member shall have 500 votes until the Class "B" membership terminates and becomes

converted to Class "A" membership. The rights of the Class "B" member, including the right to approve actions taken under this District Declaration and the Bylaws, are specified elsewhere in this District Declaration and the Bylaws. The Class "B" member shall be entitled to appoint the members of the Board of Directors during the Class B Control Period, as provided in the Bylaws. The Class "B" membership shall terminate and become converted to Class "A" membership upon the earlier of:

- (i) Upon the expiration of the Class "B" Control Period; or
- (ii) When, in its discretion, the District Declarant so determines.

Section 6. Cumulative Voting. No cumulative voting shall be permitted.

Section 7. District. The District of which the District Property forms a part may have additional lands annexed thereto in accordance with the terms of the Community Declaration, including without limitation, the property described generally in Article VI, Section 1 of this District Declaration, and further may be modified subject to the terms and conditions of the Community Declaration pertaining to designation of Districts (as defined therein) and their reconfiguration. Those portions of the District not subjected to the terms and conditions of this District Declaration may, but shall not be obligated to, become a part of the District Property, in the sole discretion of the District Declarant. Such annexation of additional property into the District Property, if any, may be accomplished in accordance with the terms and provisions of Article VI hereof.

#### ARTICLE IV Maintenance

Section 1. District Association's Responsibility. The District Association shall maintain and keep in good repair the Area of Common Responsibility, such maintenance to be funded as hereinafter provided. This maintenance shall include, but need not be limited to, maintenance, repair, restoration and replacement, subject to any insurance then in effect, of all landscaping and other flora, structures and improvements situated upon or under the Area of Common Responsibility, including but not limited to, recreational amenities, drainage and irrigation systems, recreation and open space, utilities, private streets, medians, street lights, entry features and gates, street signs and other signage, traffic control devices and pedestrian systems, and such other actions as may be required pursuant to the terms and conditions of any agreement of the District Association, the District Declaration and the Community Declaration. The District Association shall also maintain and keep in good repair such portions of any additional property not included within the Area of Common Responsibility as may be dictated by this District Declaration, or by a contract or agreement for maintenance thereof by the District Association or by a governmental entity or agency. In the discharge of its responsibilities, the District Association shall comply fully with the Development Order and other Development Approvals to the extent relevant and applicable to the Common Area or the District Association's duties and responsibilities. Except as otherwise specifically provided herein, all costs associated with maintenance, repair and replacement of the Area of Common Responsibility, or any improvements therein, and additional property (as provided above) shall

be a Common Expense to be allocated among all Units and Unplatted Parcels as part of the Assessments.

The District Association may maintain property which it does not own (in addition to those portions of the Area of Common Responsibility which it does not own), including, without limitation, property dedicated to the public, if the Board of Directors determines that such maintenance is necessary or desirable to maintain the Community-Wide Standard (as defined in the Community Declaration).

Section 2. Owner's Responsibility. Each Owner shall maintain his or her Unit or Unplatted Parcel and all structures, parking areas, landscaping and other improvements comprising the Unit or Unplatted Parcel in good repair and in a manner consistent with this District Declaration and any standard established by the Board of Directors, and in any District planning and design criteria, as well as the Community-Wide Standard, and all applicable covenants, including those contained within the Community Declaration and the District Declaration, unless such maintenance responsibility is otherwise assumed by or assigned to the District Association. Each Owner of a Unit or Unplatted Parcel adjacent to a lake, pond, retention or other water area, including without limitation the Master System Stormwater Ponds (as defined hereinbelow), or adjacent to a conservation, open space, landscape or other buffer area shall also maintain the portion of such water area or buffer area located between such Owner's Unit and the ordinary high water line of any such water area or the vegetation line of any such buffer area. In addition, each Owner shall also maintain that portion of any street right-of-way located between such Owner's Unit or Unplatted Parcel and the street pavement within such right-of-way (including without limitation sidewalks, turf areas and other landscaping) in a manner consistent with this District Declaration and any standard established by the Board of Directors. If any Owner fails properly to perform his or her maintenance responsibility, the District Association, in its sole discretion, shall have a right of entry upon such Unit or Unplatted Parcel and may perform such maintenance and assess all costs incurred by the District Association (together with an overhead expense to the District Association of fifteen percent (15%) of the total amount thereof) against the Unit or Unplatted Parcel and the Owner thereof in accordance with Section 3 of Article VII of this District Declaration; provided, however, except when entry is required due to an emergency situation, the District Association shall afford the Owner reasonable notice and an opportunity to cure the problem prior to entry. The District Association shall have no obligation to perform any such maintenance, unless required to do so under the District Declaration or Community Declaration. The determination as to whether a Unit or Unplatted Parcel and all structures, parking areas, landscaping and other improvements are being maintained in good repair and in a manner consistent with the foregoing shall be made by the Board of Directors, except to the extent the ARC may otherwise determine as to the Community-Wide Standard.

Section 3. Community Association. If the District Association fails to perform its maintenance responsibility as required herein and in the Community Declaration, the Community Association shall have a right of entry and may perform same and assess the cost thereof, all as provided in the Community Declaration.

Section 4. Determination of District Standard. The District Declarant or District Association may establish a standard for the District as to conduct, maintenance or other activity

generally prevailing throughout the District, which standard, if established, shall at least meet that of the Community-Wide Standard. In the event such a standard is established, it may be amended by the District Declarant or District Association and may be enforced by the District Declarant, District Association or Community Association. Notwithstanding the foregoing, the ARC shall determine whether the District or any portion thereof, and all structures, parking areas, landscaping and other improvements located thereon are being maintained in a manner consistent with the Community-Wide Standard.

Section 5. Private Street Maintenance; Related Improvements; Street Lighting.

All streets shown on the Plat as private shall be maintained and kept in good repair by the District Association in accordance with Article IV, Section 1 of this District Declaration. No governmental body, including, without limitation, Brevard County shall be responsible for the maintenance, repair or improvement of any such private street and related improvements (including without limitation entry features, gates and street signs). The District Association shall establish and maintain a reserve fund for the periodic maintenance, repair and replacement of such private streets and related improvements. In addition to the maintenance of private streets and related improvements, the District Association may enter into agreements for the purchase, lease and/or maintenance of street lights to provide street light service to the District Property. The payments for the street lights under any such purchase, lease and/or maintenance agreement shall be Common Expenses which are budgeted for annually pursuant to Section 2 of Article VII hereinbelow.

Section 6. Maintenance of District Drainage System. A preliminary site plan of the District Property is attached to this District Declaration as Exhibit "B" and made a part hereof (hereinafter referred to as the "District Plan"). The District Plan identifies the following stormwater lakes, ponds and detention and retention areas (which are contiguous to but do not constitute a part of the District Property) that are part of the Master Drainage System (herein collectively referred to as the "Master System Stormwater Ponds"):

- Lake No. 1
- Lake No. 2
- Lake No. 3
- Lake No. 6

Also included as part of the Master Drainage System are pipes and other structures which exclusively convey stormwater between the Master System Stormwater Ponds. The maintenance and repair of the Master Drainage System shall be the responsibility of the Community Association. The remainder of the lakes, ponds and detention and retention areas that are shown on the District Plan shall be part of the District Drainage System (hereinafter collectively referred to as the "District System Stormwater Ponds"). Also included as part of the District Drainage System are (i) pipes and other structures which convey stormwater between the District System Stormwater Ponds, (ii) pipes and other structures which convey stormwater between the District System Stormwater Ponds to the Master System Stormwater Ponds, and (iii) catchbasins and related stormwater facilities (including without limitation curbs, gutters and inlets) for any private streets maintained by the District Association. The District Association shall own and operate the District Drainage System. The District Drainage System shall also be

part of the Area of Common Responsibility and as such shall be maintained and repaired by the District Association in accordance with section 1 hereinabove of this Article IV. Such obligation of maintenance and repair shall include, without limitation, compliance with all terms and conditions set forth in the permit or permits issued with respect to the District Drainage System or any portion thereof by the St. Johns River Water Management District. The District shall be obligated to perform such maintenance and repair regardless of whether the Community Association is holder of or permittee under such permit or permits. The cost of the maintenance and repair of the District Drainage System shall be a Common Expense under this District Declaration.

Notwithstanding that the Master System Stormwater Ponds are included as part of the Master Drainage System, the District Association shall be responsible for the following maintenance with respect to the littoral areas and upland portions of the Master System Stormwater Ponds to the extent such areas and portions are adjacent to and contiguous with the boundary of any Unit, tract or right-of-way located within the District Property:

- (a) The control of immersed shoreline grasses, aquatic plants and cattails growing within such littoral areas;
- (b) The control of shoreline grasses and plants and maintenance of sod within such upland portions; and
- (c) The maintenance of such littoral areas and upland portions so as to prevent and repair erosion and wash-outs.

Subject to any requirements that may be imposed by the St. Johns River Water Management District, the Golf Course Owner shall have the right to review and approve (i) the maintenance program undertaken by the District Association pursuant to the provisions of this Section 6 of Article IV, and (ii) the contractor employed by the District Association in connection therewith. The District Association shall perform such maintenance in a manner which maintains such littoral areas and upland portions in accordance with the Community-Wide Standard (as that term is defined in the Community Declaration). In the event the District Association fails to perform its maintenance responsibility as required herein with respect to such areas and portions of the Master System Stormwater Ponds, the Community Association shall have the right to perform such maintenance and assess the cost thereof against all Units and Unplatted Parcels within the District as provided in the Community Declaration.

Notwithstanding the provisions of this section 6 of Article IV requiring the District Association to maintain the District Drainage System in accordance with all permit or permits issued with respect thereto by the St. Johns River Water Management District, in the event the District Association fails to perform its maintenance responsibility as required herein or by the St. Johns River Water Management District, the Community Association shall have the right to perform such maintenance and assess the cost thereof against all Units and Unplatted Parcels within the District as provided in the Community Declaration.

The Community Association is hereby granted a perpetual non-exclusive easement over the Master Drainage System (to the extent title thereto is not held by the

Community Association with respect to any portion thereof) and over the District Drainage System for the purpose of operating, maintaining and repairing the same, together with a right of ingress and egress over, upon and across any tract which is a part of the Master Drainage System or the District Drainage System, or any Common Area adjacent to the Master Drainage System or the District Drainage System, at reasonable times and in a reasonable manner, for the purpose of effectuating the easement rights created under this section 6 of Article IV. The District Association is hereby granted a perpetual non-exclusive easement over the Master Drainage System (to the extent title thereto is not held by the District Association with respect to any portion thereof) for the purpose of maintaining and repairing the littoral areas and upland portions of the Master System Stormwater Ponds, together with a right of ingress and egress over, upon and across such portions of the Master Drainage System, at reasonable times and in a reasonable manner, for the purpose of effectuating the easement rights created under this section 6 of Article IV. The Owner of a Unit adjacent to a Master System Stormwater Pond is hereby granted a perpetual non-exclusive easement over that portion of the Master Drainage System adjacent to such Unit for the limited purpose of maintaining the portion of such water area or buffer area located between such Owner's Unit and the ordinary high water line of any such water area or the vegetation line of any such buffer area of the Master System Stormwater Pond, together with a right of ingress and egress over, upon and across such portions of the Master Drainage System, at reasonable times and in a reasonable manner, for the purpose of effectuating the easement rights created under this section 6 of Article IV. In addition, the Community Association and the District Association are each hereby granted a perpetual, non-exclusive easement for stormwater drainage and flow over and through the Master Drainage System and the District Drainage System, to the extent title thereto is not held by the Community Association or the District Association, as the case may be.

#### ARTICLE V Use Restrictions

The District Property shall be used only for such purposes as are permitted in the Development Order and other applicable Development Approvals, subject to such further restrictions as may be set forth in this District Declaration, any Supplemental Declaration or Annexation Agreement, and the Community Declaration or other covenants or deed restrictions pertaining thereto. No changes in the uses and intensities of uses permitted in the Development Order (and other applicable Development Approvals) pertaining to the District Property may be made, nor may any application therefor be made to any governmental authority, without the prior written approval of the District Declarant, as long as District Declarant owns any land within the District Property or which may be annexed thereto.

The District Property shall also be subject to such further restrictions as District Declarant may impose under and by virtue of deeds to Owners. Restrictions identified in any such deed as being enforceable by the District Association shall be enforceable by the District Association, acting through the Board of Directors, in the same manner as if such restrictions were set forth in this District Declaration. In addition, the Community Association, acting through its board of directors, shall have standing and power to enforce restrictions and standards imposed under the District Declaration and to enforce deed restrictions on the District Property which may be enforced by the District Association.

The District Association, acting through its Board of Directors, shall have the authority to make, enforce, amend and delete standards and restrictions governing use of the District Property in addition to those contained herein, and to impose reasonable user fees for use of the Common Area, provided however, should such standards and restrictions be in conflict with or less stringent than those contained in the Community Declaration, then the terms and conditions of the Community Declaration shall control. During such time as District Declarant owns any land which is subject to the District Declaration, any standards and restrictions governing the use of the District Property made, amended or deleted, shall not apply to the District Declarant and that portion of the District Property owned by it unless District Declarant consents thereto.

The Board of Directors may delegate its power and authority to enforce restrictions pursuant to this Article V to a Covenants Committee as provided in the Bylaws.

Section 1. Water and Sewage Facilities. No individual potable water supply system or individual sewage disposal system shall be permitted for any portion of the District Property.

Section 2. Landscaping. Landscaping on any portion of the District Property and stormwater drainage and retention features located on and serving only a Unit or Unplatted Parcel (and not a part of the Master Drainage System or District Drainage System) shall be continuously maintained in good, aesthetically pleasing condition by the Owner thereof consistent with the Landscape Design Criteria for the District as may be promulgated and amended by the ARC from time to time. Declarant hereby specifically provides that the Landscape Design Criteria may be amended by the ARC from time to time, in whole or in part, by the ARC without necessity of recording same in the public records, and that such amendment shall be effective from and on the date of posting on the District Property. Neither this Section 2 of Article V nor the Landscape Design Criteria shall prohibit or be construed to prohibit "xeriscape" or "Florida-friendly" landscaping on any Unit.

Section 3. Vehicles and Repair. No inoperative cars, motorcycles, trucks or other types of vehicles shall be allowed to remain on any portion of the District Property for a continuous period in excess of twenty-four (24) hours; provided, however, this provision shall not apply to any such vehicle being kept in an enclosed garage and not visible from the street or any portion of the District Property or Properties.

Section 4. Storage. Unless specially approved by the ARC, no materials, supplies or equipment (except during the construction of improvements) shall be stored on any portion of the District Property, except inside a residence and the garage. No storage buildings or sheds are permitted on any Unit or Unplatted Parcel. The foregoing provisions shall not apply to the Community Declarant or the District Declarant.

Section 5. Street Trees. No trees may be planted on any Unit within the area between the edge of the sidewalk constructed on such Unit and the street adjacent to such Unit.

Section 6. Signs. No sign, banner, flag, billboard or advertisement of any kind, including, without limitation, informational signs, "for sale" or "for rent" signs and those of

contractors and subcontractors, shall be erected on any Unit without the prior written consent of the Board of Directors. If permission is granted to any Owner to erect a sign on a Unit, the Board of Directors reserves the right to restrict the size, shape, color, lettering, height, material and location of the sign, or in the alternative, provide the Owner with a sign to be used for such purposes. No sign shall be nailed or otherwise attached to trees. Owners may not erect any sign on a Unit (unless permitted by the Board of Directors as provided hereinbelow) or on any portion of Area of Common Responsibility. Such restriction on signage shall not apply to the District Declarant as long as the District Declarant owns property within the District Property. Notwithstanding anything contained herein to the contrary, one political sign per Unit not to exceed the size established by the ARC (provided such political sign is erected not more than thirty (30) days prior to the applicable election and is removed within two (2) days after the date of such election) may be erected on a Unit without the prior written consent of the Board of Directors.

Section 7. Parking and Garages. Owners and their guests or invitees shall park only in their garages or in the driveways serving their Units or Unplatted Parcels or permitted spaces or designated areas on Common Area as may be directed by the Board of Directors, in which parking may or may not be assigned, subject to such reasonable rules and regulations as the Board of Directors may adopt. Owners and their guests or invitees shall not park in the streets, or on yards, medians or the Common Area (unless the District Association designates such Common Area for parking) or over sidewalks. Notwithstanding anything in the preceding sentence to the contrary, cars may be parked in streets for occasional parties and similar events as long as no driveways are blocked. All commercial vehicles, recreational vehicles, buses, trucks, pick-up trucks (other than unmodified stock pick-up trucks and so-called sport utility vehicles intended for personal or family use, provided no commercial signage, lettering or logo is displayed on the exterior of the vehicles or is otherwise visible from the exterior of the vehicles), vans (other than mini-vans and full-sized vans intended for personal or family use, provided no commercial signage, lettering or logo is displayed on the exterior of the vehicles or is otherwise visible from the exterior of the vehicles), tractors, mobile homes, trailers (either with or without wheels), campers, camper trailers, boats and other watercraft, and boat trailers must be parked entirely within a garage unless otherwise permitted by the Board of Directors. Storage of any of the foregoing in the driveway of a Unit or Unplatted Parcel shall not be permitted unless otherwise permitted by the Board of Directors. Notwithstanding anything in the preceding sentence to the contrary, a recreational vehicle, boat and/or boat trailer may be kept within the driveway of a Unit for up to twenty-four (24) hours for cleaning, loading and/or unloading purposes, subject to such guidelines and restrictions as may be adopted by the Board of Directors from time to time with respect thereto. Each Unit shall have at least a two car garage or if permitted by the Board of Directors, a similar space for permanent parking of two cars. No garage may be altered in such a manner that the number of automobiles which may reasonably be parked therein after the alteration is less than the number of automobiles that could have reasonably been parked in the garage as originally constructed. Garage doors shall be closed except when reasonably necessary for use of garage. Nothing in this section shall be construed to prohibit the parking of any sheriff's office, police department or highway patrol car or van in a driveway in the same manner as provided hereinabove for private noncommercial vehicles. (This section shall not apply to construction or similar vehicles or construction trailers which may be parked on an Unplatted Parcel or a Unit, but only during such reasonable period of time within which construction of improvements thereon is occurring.)

Anything herein to the contrary notwithstanding, both members of the Golf Course and members of the public so permitted by the Board of Directors shall have the right to park their vehicles on the roadways located within the District Property, and shall have the right to access to and from the District Property for said parking, at reasonable times before, during, and after golf tournaments and other similar functions held by or at the Golf Course.

Section 8. Animals and Pets. No animals, livestock, or poultry of any kind may be raised, bred, kept, or permitted on any portion of the District Property, with the exception of dogs, cats, or other usual and common household pets, which may be kept or permitted in a reasonable number so as not to create a nuisance as determined by the District Association, provided same are not bred for commercial use; and provided, however, those pets which are permitted shall be sheltered inside structures. All dogs, cats and other household pets allowed hereunder must be leashed when outside and shall not be permitted to run loose. No pet or animal shall be "tied out" in a yard or otherwise left unattended in a yard. Every person walking a pet shall clean up all matter created by the pet. Each Owner shall be responsible for the activities of such Owner's pets. A determination by the District Association that a pet is a nuisance or danger shall be conclusive and binding on all parties. When notice of removal of any pet is given by the District Association, the pet shall be removed permanently from the District within forty-eight (48) hours of the giving of the notice.

Section 9. Nuisance. No portion of the District Property shall be used, in whole or in part, for the storage of any property or thing that will cause such portion of the District Property to appear to be in an unclean, unsightly, unhealthy or unkempt condition or that will be obnoxious to the eye; nor shall any substance, thing, or material be kept upon, nor shall any use or practice be allowed upon any portion of the District Property that will emit foul or obnoxious odors or that will cause any noise or other condition that will or might disturb the peace, quiet, safety, comfort, or serenity of the occupants of the District Property or the Properties, or which shall be a source of material and unreasonable annoyance or discomfort to Owners or their tenants or invitees, or which materially and unreasonably interferes with the peaceful possession and enjoyment of the District Property. No illegal, noxious, or offensive activity shall be carried on or conducted upon any portion of the District Property. The pursuit of hobbies or other activities, including specifically, without limiting the generality of the foregoing, the assembly and disassembly of motor vehicles and other mechanical devices which might tend to cause disorderly, unsightly, or unkempt conditions, shall occur only within a garage or other similar walled interior area of the District Property and shall not be visible to view. Notwithstanding the foregoing, construction activity which occurs on the District Property in accordance with the terms of the District Declaration and the Community Declaration shall be permitted. No firearms may be discharged within the District Property.

Section 10. Antennas; Satellite Dishes. No exterior television or radio antennas, aerials or satellite dishes of any kind shall be placed, allowed, or maintained upon any portion of the District Property, including any Unit or Unplatted Parcel unless it is installed in accordance with the policy statement approved and issued by the ARC as the same may be amended from time-to-time. The ARC may require, among other things, that all such improvements be screened so that they are not visible from adjacent Units, or from adjacent streets or Common

Area. No Owner shall operate any equipment or device which will interfere with the radio or television reception of others.

Section 11. Clotheslines, Garbage Cans, Tanks and External Equipment. All clotheslines, garbage cans, above-ground tanks, air-conditioning compressors, pool pumps and other similar items of external equipment shall be located or screened, by vegetation or shadow-box enclosures approved by the ARC, so as to be concealed from view from neighboring Units, Unplatted Parcels or portions of the District Property or Properties.

Section 12. Swimming Pools. No above ground swimming pools shall be erected, constructed or installed on any portion of the District Property.

Section 13. Tents, Trailers and Temporary Structures. Owners or occupants shall not place upon any portion of the District Property, any tent or trailer or any structure of a temporary nature, without obtaining the prior written approval from the Board of Directors. Any such structure visible to the Golf Course shall also be subject to the prior written approval of the Golf Course Owner. Provided, however, notwithstanding anything herein to the contrary, an Owner may erect, without the prior approval of the Board of Directors or the Golf Course Owner, a tent not exceeding twelve feet (12') in width by twelve feet (12') in length on such Owner's Unit for purposes of a private party or function for a period of time not to exceed twenty-four (24) hours, provided such right to erect a tent may not be exercised more than twice during each calendar quarter.

Section 14. Drainage. All storm water from any portion of the District Property shall only drain into or onto contiguous or adjacent street rights-of-way, drainage easements, retention areas, Common Area or Areas of Common Responsibility in the manner approved by the owner and operator of the Master Drainage System or the District Drainage System, as the case may be, if such drainage is part of the Master Drainage System or the District Drainage System, respectively. If such drainage is not to be a part of the Master Drainage System or the District Drainage System, then the manner of its drainage shall be approved by the Board of Directors. No Owner (other than the District Declarant) shall be permitted to alter the grade of or original drainage plan for any portion of the District Property, or change the direction of, obstruct, alter or retard the flow of surface water drainage, nor to erect, place or maintain any structure which shall in any way obstruct drainage devices or facilities or impede their efficient operation unless approved by the owner and operator of the Master Drainage System or the District Drainage System, as the case may be, if such drainage is part of the Master Drainage System or the District Drainage System, respectively. Without limiting the generality of the preceding sentence, to the extent any drainage swale or swales or portions thereof have been constructed or developed on any Unit for the purpose of managing and containing the flow of stormwater, the Owner of such Unit shall be responsible for the maintenance, operation and repair of such swale or swales or portions thereof on the Owner's Unit. For purposes of the preceding sentence, the term "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 functions as permitted by the St. Johns River Water Management District. Filling, excavation, construction of fences or otherwise obstructing the flow of stormwater in swales is prohibited. No alteration of any drainage swale shall be authorized unless expressly permitted by the St. Johns River Water Management

District. Any damage to any drainage swale, whether occasioned by natural or man-made cause, shall be repaired and the drainage swale returned to its former condition by the Owner or Owners of the Unit or Units on which the swale is located. No modification to the District Drainage System shall be made without the prior written approval of the Community Association and the Golf Course Owner. No Person shall alter the drainage flow of either the Master Drainage System or the District Drainage System, including buffer areas or swales, without the prior written approval of the St. Johns River Water Management District.

Section 15. Lakes, Ponds, Retention and Other Water Areas; Hedging and Landscaping; Golf Course Boundaries. Units and Unplatted Parcels shall not have riparian rights to lakes, ponds, retention and other water areas. Access to and use of lakes, ponds, retention and other water areas within the District Property shall be governed and controlled by the owner and operator of the Master Drainage System or the District Drainage System, respectively. This shall not be deemed to imply that any Owners will have access to or rights to use lakes, ponds, retention or other water areas within the District Property. Private docks and other structures or improvements within lakes, ponds, retention and other water areas within the District Property shall not be permitted. Except as may otherwise be specifically approved in advance in writing by the ARC, no Owner shall place or erect any statue, artwork, sculpture, figure, yard ornament or decoration of any type or material on any portion of the District Property which borders the Golf Course or any lake, pond, retention or other water area. Landscaping and hedging on portions of the District Property which border the Golf Course or any lakes, ponds, retention and other water areas, shall not be constructed, planted or installed, if permitted at all, in such a manner so as to materially obstruct the view of any of the foregoing as determined by the ARC. On those portions of Units and Unplatted Parcels bordering the Golf Course or lakes, ponds, retention and other water areas, Owners may plant and install landscape hedging along side property lines to a point no closer to the rear property line than twenty (20) feet, provided, that the hedge is no more than three (3) feet in height and no more than two (2) feet in width, that it otherwise complies with the provisions of this Declaration and the Landscape Design Criteria, and that, in all events, it is approved in advance in writing by the ARC. The owner and operator of the Master Drainage System or the District Drainage System, as the case may be, may establish rules and regulations relevant to access and use of lakes, ponds, retention and other water areas within the District Property for the limited purposes of fishing and the use of lake slopes. To the extent the rules and regulations of the owner of the Master Drainage System or the District Drainage System allow access to or use of lakes, ponds, retention or other water areas, such use shall be at the risk of the Person undertaking such activity, and there shall be no obligation by the District Declarant or any other party to provide supervisory personnel or lifeguards. This section shall not restrict, or be construed to restrict, the right of the Golf Course Owner to use, or permit the use of, bodies of water within or adjacent to the Golf Course in connection with Golf Course play or other activities of the Golf Course. At such time as District Declarant no longer owns any property which is subject to this District Declaration or which can be annexed to the District Property, or at such earlier time as District Declarant in its sole discretion may determine, the rights reserved to District Declarant in this section shall become rights of the District Association, to be exercised by its Board of Directors. BY ACCEPTANCE OF A DEED TO A HOME OR PARCEL, EACH OWNER ACKNOWLEDGES THAT THE WATER LEVELS OF ALL LAKES AND WATER BODIES MAY VARY. THERE IS NO GUARANTEE BY COMMUNITY DECLARANT, THE COMMUNITY ASSOCIATION, DISTRICT DECLARANT, THE DISTRICT ASSOCIATION OR THE GOLF COURSE

OWNER THAT WATER LEVELS WILL BE CONSTANT OR AESTHETICALLY PLEASING AT ANY PARTICULAR TIME.

Section 16. Walls, Fences and Mailboxes. No fences or walls are permitted anywhere in the District Property unless approved in advance in writing by the ARC and constructed in strict accordance with fence guidelines approved and issued by the ARC. Any fence permitted in the District Property may not exceed the maximum height of six (6) feet, and must be constructed in a manner and according to specifications approved by the ARC. No mail box of any kind shall be erected on any portion of the District Property unless approved in advance in writing by the ARC, and unless constructed according to a standard design as determined by the ARC. District Declarant reserves the right to require cluster or central mailbox systems in the District Property.

Section 17. No Alteration without ARC Approval. No alteration of the Unit or Unplatted Parcel is permitted, nor are aluminum porches, additions or appendages to or repainting of the improvements originally approved by the ARC for the Unit or Unplatted Parcel allowed, without the prior written approval of the ARC; provided, however, Owners may repaint their residences in the same color and manner as originally approved by the ARC without necessity of obtaining a second written approval.

Section 18. Motorized Vehicles. Motorized vehicles (including without limitation golf carts and motorized scooters) shall not be used on the sidewalks, pathways or the Common Area (unless the applicable portion of the Common Area has been specifically designated for use by motorized vehicles by Board of Directors and in such case only to the extent authorized by the Board of Directors). In no event shall any person operate a motorized vehicle anywhere within the District Property except in accordance with rules and regulations promulgated by the Board of Directors. Any permitted use of motorized vehicles within the District Property shall be at the sole risk of operator thereof and no action shall be made against the District Association in relation to personal injury or property damage resulting from such use, and each Owner who uses a motorized vehicle, or permits the same to be used by his family, guests, invitees, tenants or agents, agrees to indemnify the District Association from any claim, loss damage, cost or expense resulting from use of a motorized vehicle by the Owner, his family, guests, invitees, tenants and agents. The restrictions of this section 18 of Article V shall be subject to the Americans with Disabilities Act.

Section 19. Community-Wide Standard. The District Property shall comply with the Community-Wide Standard, the terms and conditions of the Community Declaration, and the Planning and Design Criteria (as defined in the Community Declaration).

Section 20. Development Order. Each Owner shall comply, at its expense, with the requirements of the Development Order as it relates to the Unit or Unplatted Parcel owned by it and each Owner shall otherwise cooperate with the Community Declarant, District Declarant, Community Association and District Association in their efforts to comply with the provisions of the Development Order.

Section 21. Occupants Bound. All provisions of the District Declaration and of any rules and regulations or use restrictions promulgated pursuant thereto which govern the conduct of Owners, shall also apply to all occupants of any portion of the District Property.

Section 22. Subdivision of Portion of the District Property. As long as District Declarant owns any land which is subject to this Declaration or which under the terms of this District Declaration could be annexed to the District Property, no portion of the District Property shall be platted, replatted, subdivided or its boundary lines changed, nor shall any portion of a Unit or Unplatted Parcel, less than the whole thereof, be sold, conveyed or transferred except with the prior written approval of the District Declarant, which approval may be granted or withheld in the sole discretion of District Declarant. Thereafter, no portion of the District Property shall be platted, replatted, subdivided or its boundary lines changed, nor shall any portion of a Unit or Unplatted Parcel, less than the whole thereof, be sold, conveyed or transferred except with the prior written approval of the District Association. Any such subdivision, boundary line change, platting or replatting shall comply in all respects with applicable subdivision and zoning regulations, the Development Order and the Development Approvals. District Declarant, however, hereby expressly reserves the right to plat, replat, subdivide or change the boundary lines of any portion of the District Property owned by the District Declarant and the right to sell, convey or transfer any portion of a Unit or Unplatted Parcel less than the whole thereof, without notice to or the approval or consent of any Person being required.

Section 23. Garage Sales. No garage or yard sales of any kind shall be conducted, nor shall any signage related to any garage or yard sales be erected, in any manner except as specifically provided by rules and regulations promulgated by the Board of Directors, which rules and regulations shall address the location, frequency, scope, hours, placement of signs and all other matters relating to garage or yard sales and signage or advertising thereof.

Section 24. Artificial Vegetation. No artificial grass, plants or other artificial vegetation, or rocks or other landscape devices, shall be placed or maintained on the exterior portion of any Unit, unless approved by the ARC.

Section 25. Casualty Destruction to Improvements. In the event that a Unit is damaged or destroyed by casualty loss or other loss, then within a reasonable period of time after such incident, the Owner thereof shall either commence to rebuild or repair the damaged improvements and diligently continue such rebuilding or repairing until completion, or properly clear the damaged improvements and rebuild the same as approved by the ARC. As to any such reconstruction of damaged or destroyed improvements, the same shall only be replaced as approved by the ARC.

Section 26. Decorations. No decorative objects including, but not limited to, birdbaths, light fixtures, sculptures, statues, weather vanes, or flagpoles shall be installed or placed within or upon any portion of any Unit or Unplatted Parcel without the prior written approval of the ARC. This section shall not be applicable to temporary decorations for holiday purposes (ie, Fourth of July, Halloween or Christmas). This Section 27 of Article V does not prohibit and shall not be construed to prohibit the display of one portable, removable United States flag by a Unit Owner, provided such flag is flown in a respectable manner in

accordance with applicable federal law and in accordance with any rules and regulations with respect to the display of flags adopted by the Board of Directors.

Section 27. Hurricane Shutters. Any hurricane shutters, security shutters or other protective devices visible from outside a Unit shall be of a type as approved by the ARC. Panel, accordion and roll-up style hurricane shutters and security shutters may only be installed on a Unit and utilized strictly in accordance with requirements set forth in the applicable policy statement approved and issued by the ARC, as the same may be amended from time to time.

Section 28. Substances. No inflammable, combustible or explosive fuel, fluid, chemical, hazardous waste, or substance shall be kept on any portion of the District Property or within any Unit, except those which are required for normal household use.

Section 29. Firearms. The discharge of firearms within the District Property is prohibited. The term "firearms" includes "B-B" guns, pellet guns, and other firearms of all types, regardless of size.

Section 30. Private Golf Carts. In the event the Golf Course Owner allows use of private golf carts within the Golf Course property such use shall be governed by rules and restrictions established by Golf Course Owner from time to time. The Golf Course Owner may elect in its sole and absolute discretion to require liability insurance of any golf cart owner and adherence to make, style and color restrictions. The Golf Course Owner shall also be entitled to require strict compliance with registration, licensing and other governmental requirements and to require carts to be outfitted with such equipment as the Golf Course Owner requires to be installed on private golf carts operating on the Golf Course. Further, the Golf Course Owner shall have the absolute right to charge such trail fees, cart fees and related charges as the Golf Course Owner may require in its sole and complete discretion in connection with its ownership and operation of the Golf Course. Any permitted use of golf carts within the Golf Course property shall be at the sole risk of operator thereof and no action shall be made against the Golf Course Owner in relation to personal injury or property damage resulting from such use, and each Owner who uses a private golf cart, or permits the same to be used by his family, guests, invitees, tenants or agents, agrees to indemnify the Golf Course Owner from any claim, loss damage, cost or expense resulting from use of the private golf cart by the Owner, his family, guests, invitees, tenants and agents. Use of the golf carts on any rights-of-way within the Golf Course property is subject to compliance with Florida law and any local laws and regulations, and each Owner and user of a private golf cart agrees to comply with any requirements of such law.

Section 31. Use of Cart Path Connection. To facilitate access to and from the District and the Golf Course, the Golf Course Owner intends to provide a connection to and from the District and the Golf Course's cart path system at a location adjacent to and abutting the boundary of District at a location approximately as shown on the Plat or a Supplemental Declaration (the "District Golf Connection"). Use of the District Golf Connection shall be limited to golf carts operated by an Owner, and Owner's tenant or an Owner's or tenant's qualified family member, guest, or invitee for the exclusive purpose of traveling to and from the Golf Course in connection with playing a round of golf or patronizing other facilities which are part of the Golf Course (including without limitation the clubhouse). Use of the Golf Course

connection shall be at the sole risk of the person utilizing the same. No action shall be made against the District Association in relation to personal injury or property damage resulting from any use of the Golf Course Connection, and each Owner that uses the Golf Course Connection, or permits the same to be used by his family, guests, invitees, tenants or agents, agrees to indemnify the District Association from any claim, loss, damage, cost or expense resulting from use of the Golf Course Connection by the Owner, his family, guests, invitees, tenants and agents. To avoid disrupting golf play due to non-golf related cart traffic, travel to and from the Golf Course's clubhouse for purposes other than commencing a round of golf shall be restricted to routes to and from the Golf Course's clubhouse designated for general access by the Golf Course Owner. Use of the District Golf Connection and entry upon the Golf Course thereby shall be in strict accordance with additional rules and restrictions adopted from time to time by the Golf Course Owner and access may be controlled by the Golf Course Owner by use of a gate and user's card, key or other similar device. No Owner shall have a right of entry upon the Golf Course except in accordance with the provisions hereof. Without limiting the generality of the preceding sentence, no Owner shall have a right of entry upon the Golf Course from such Owner's Unit.

Section 32. Visibility on Corners. Notwithstanding anything to the contrary in these restrictions, no obstruction to visibility at street intersections shall be permitted and such visibility clearances shall be maintained as required by the ARC and governmental agencies. No vehicles, objects, fences, walls, hedges, shrubs or other planting shall be placed or permitted on a corner Lot where such obstruction would create a traffic problem as determined by the Board of Directors.

Section 33. Mitigation and Conservation Areas. The District Property may contain or be adjacent to conservation areas and/or mitigation areas. No Owner or other person shall take any action or enter onto such areas so as to adversely affect or alter the same. Such areas are to be maintained by the Community Association in their natural state. No Owner shall have the right, under any circumstances, to disturb or alter such areas.

Section 34. Window Treatments. Window treatments shall consist of drapery, blinds, decorative panels, or other tasteful window covering, and no newspaper, aluminum foil, sheets or other temporary window treatments are permitted, except for periods not exceeding thirty (30) days after an Owner or tenant first moves into a Unit or when permanent window treatments are being cleaned or repaired. No awnings, canopies or decorative shutters shall be affixed to the exterior of a Unit without the prior written approval of the ARC. No reflective tinting or mirror finishes on windows shall be permitted unless approved by the ARC.

Section 35. Landscaping in Common Area. No trees, hedges, landscaping or yard ornament or decoration of any type or material whatsoever may be planted or installed on any portion of the Common Area by any Owner or other occupant of the District Property. The preceding sentence shall not affect or be construed to affect or diminish the obligation of each Owner to maintain any street right-of-way between such Owner's Unit or Unplatted Parcel and the street pavement within such right-of-way as set forth in Section 2 of Article IV hereinabove.

Section 36. Residential Use Only. Except as used by the District Declarant in connection with the sale and marketing of Units in the District, each Unit shall be used for

residential purposes only; provided (subject to Section 37 hereinbelow) that occupations carried on in the Unit are permitted only if such use is incidental to the Unit's primary residential use; provided further that the Unit Owners who pursue such incidental occupational use of their Unit shall have no employees, customers or clients at the Unit and shall obtain prior approval from all authorities having jurisdiction over the use of the Unit.

Section 37. Prohibited Uses. No commercial, industrial, recreational or professional activity not permitted by the present zoning or other applicable laws or ordinances shall be pursued on any Unit, at any time. If zoning regulations change to expand the scope of activities that Owners may pursue lawfully within the Unit, an Owner may apply to the Board of Directors for approval to commence the permitted use of his Unit. Each application shall be considered by the Board of Directors on an individual basis. Once the Board of Directors has given its approval to a particular use of a Unit, it may not revoke the approval as long as the nature and scope of the approved use remains unchanged. No Unit Owner shall permit his Unit to be used or occupied for any prohibited purpose.

Section 38. Disputes as to Use. If there is any dispute as to whether the use of any portion of the District Property complies with this District Declaration, such dispute shall, prior to the expiration of the Class "B" Control Period, be decided by District Declarant, and thereafter by the District Association. A determination rendered by such party with respect to such dispute shall be final and binding on all persons concerned.

Section 39. Enforcement. In the event of the violation of or the failure to comply with the requirements of this Article, and the failure of the owner of the affected portion of the District Property within fourteen (14) days following written notice by the District Association of such violation or non-compliance and the nature thereof, to cure or remedy such violation, then the District Association or its duly appointed employees, agents or contractors, shall have the right, but not the obligation, and an easement and license to enter upon the affected portion of the District Property, without being guilty of any trespass therefor, for the purpose of curing or eliminating such violation, all at the sole expense of the owner thereof. Such costs and expenses, together with an overhead expense to the District Association of fifteen percent (15%) of the total amount thereof shall be payable by the owner of the affected portion of the District Property to the District Association within ten (10) days after written notice to the owner of the amount thereof, which amount shall become or be treated in the same manner as a Special Assessment levied against said portion of the District Property. The District Association may place a lien upon such portion of the District Property to recover such costs and expenses, as provided in Article VII hereof, and the District Association may seek all other legal and equitable remedies available to it. The District Association shall also have the right to levy fines against an Owner for the violation of or the failure to comply with the requirements of this Article, or exercise any other remedy available at law, as more particularly set forth in the Bylaws. Any rights of the District Association hereunder may also be exercised by the Community Association as further provided in this District Declaration.

Section 40. Declarant Exemption. The provisions of this Article V are intended to restrict certain uses that may be harmful or affect the ambience or aesthetic appeal of the District. The restrictions are not intended to prohibit District Declarant from performing such work as may be necessary in the completion of the work in the District. The restrictions of this

Article V shall therefore not be binding upon Declarant in the performance of any of the work required in order to complete development and construction of the District.

ARTICLE VI  
Annexation of Additional Property

Section 1. Annexation. As the owner thereof, or if not the owner, with the consent of the owner thereof, District Declarant shall have the unilateral right, privilege, and option, from time to time at any time to annex to the District Property any additional property (i) which is either abutting the District Property (including additions thereto), which shall include properties which would abut the District Property but for the existence of a road right-of-way, easement or other similar property grant separating it from the District Property, or (ii) which is so situated that its addition will be consistent with a uniform scheme of development as determined in the sole discretion of District Declarant. This right of annexation by District Declarant shall exist until District Declarant no longer owns any property within the District Property or within the additional property described above which may be the subject of annexation to the District Property. Such annexation shall be accomplished by filing in the public records of Brevard County, Florida an Annexation Agreement annexing such property so as to become part of the District Property, thereby submitting same to the terms of the District Declaration, which Annexation Agreement shall include the written consent of the Community Declarant thereto. Any such annexation shall be effective upon the filing for record of such Annexation Agreement unless otherwise provided therein. District Declarant or Community Declarant shall have the unilateral right to transfer to any other Person the said right, privilege, and option to annex additional property described herein reserved to District Declarant, provided that such transferee or assignee shall be the owner of at least a portion of the District Property or the additional property which may be the subject of annexation to the District Property, and that such transfer is memorialized in a written, recorded instrument executed by District Declarant. Nothing herein shall obligate District Declarant to annex additional real property into the District Property, nor to continue with annexation, if and when it may be commenced.

Section 2. Residential District. The District Property and any additional property annexed by an Annexation Agreement as provided herein (thereby becoming part of the District Property), shall be a part of the District. The District may also include other property submitted to the terms and conditions of other declarations of covenants, conditions, easements, reservations and restrictions and not the District Declaration, provided however, the Community Declarant by written consent to such declaration designates such property as part of the District, and the governing association for such declaration shall be the District Association. The District Association shall be responsible for carrying out its rights and obligations as provided in any declarations pertaining to the District and may not decline to accept such rights and responsibilities as to any property contained within the District. The Units within the District shall be used for single family residential purposes unless otherwise specifically provided in this District Declaration, any Supplemental Declaration or other declaration of covenants, conditions, easements, reservations and restrictions pertaining to property within the District.

Section 3. Non-Uniform Restrictions. It is the present intention, but not the obligation, of the District Declarant that the District be developed and constructed in phases, and in a manner and according to a schedule to be determined and modified from time to time in the

sole and absolute discretion of District Declarant. The District Declarant further anticipates that, if all or any portion of such phases are developed and annexed to the District Property as set forth in this Article VI, each phase may, but shall not necessarily, be comprised of residential units, Common Areas, facilities or properties which differ in character, size, scope, number, Common Expenses, appearance, intended use or maintenance requirements than other phases within the District Property, and may, therefore, be subjected to certain covenants and restrictions which may not apply uniformly or at all throughout the balance of the District Property. Accordingly, District Declarant hereby expressly reserves the unilateral right, privilege, and option, from time to time at any time during the Class B Control Period to modify, by amendment or supplement to this District Declaration, the various covenants and restrictions set forth herein in a manner which may vary from one phase of the District Property to another, but which shall be applied and enforced consistently and uniformly in the respective phases to which each modification, if any, may apply. The covenants, conditions, easements, reservations and restrictions set forth in this District Declaration shall be presumed to apply uniformly throughout the District Property unless the relevant provision of the District Declaration specifically provides that it shall apply only to a phase of the District Property as identified therein. In the event that a provision of this District Declaration provides that it shall apply only to a phase of the District Property, then such specific provision, amendment or supplement shall control in the event of a conflict with any provision of the District Declaration that would otherwise apply uniformly throughout the District Property. Notwithstanding anything to the contrary set forth elsewhere in this District Declaration, the following provisions shall apply:

(a) Phase Restrictions shall identify the phase to which the restrictions apply. Phase Restrictions may be set forth in this District Declaration, in the Annexation Agreement which submits additional property to the District Declaration, or in an amendment or supplement to the District Declaration.

(b) Phase Restrictions may be in addition to, or may modify, alter, delete or expand the application of, any one or more of the provisions of the District Declaration in a manner which is materially different, in whole or in part, from the application of similar provisions to other phases of the District Property, including, but not limited to, provisions relating to calculation of Assessments, descriptions of Common Areas and Areas of Common Responsibility, calculation and apportionment of Common Expenses, rights of Owners, leasing, use restrictions, landscaping, storage, parking, improvements, structures, party walls, easements, ARC approval, amenities, recreational facilities and maintenance responsibilities; provided again, however, that the specific reference herein to any of the foregoing shall not operate or be construed as a limitation on the potential subject matter of Phase Restrictions to anything less than every provision contained in the District Declaration.

(c) At the time of recording of this District Declaration, the District Declarant is not obligated to undertake or complete establishment of additional phases or the annexation of any additional property into the District Property, and nothing in this District Declaration shall be construed to obligate District Declarant to commence or undertake, or, if and when commenced, to continue, the establishment of any phase or any annexation of additional property into the District Property.

(d) Except as may be specifically set forth otherwise therein, Phase Restrictions are not intended and shall not be construed to create any rights or benefits for Owners of any particular phase of the District Property which are not generally established or intended for all other owners in the District Property, nor shall any Phase Restriction operate or be construed to diminish the authority of the District Declarant, the Community Declarant, the District Association, the Community Association, or any other private or governmental entity which may be charged with or entitled to exercise any responsibility pertaining to the District.

(e) Common Expenses, Assessments (both regular and special) and all other costs and expenses of the District Association may be allocated and apportioned by the Board of Directors among the varying phases of the District Property in a manner that shall reflect, in the reasonable judgment of the Board of Directors, the operational and maintenance responsibilities of the District Property and of the respective phases thereof. The Board of Directors shall determine, in its reasonable discretion, which Common Expenses shall be applied in a uniform fashion among all Owners in the District Property, and which Common Expenses may be specific or unique to the operation and maintenance responsibilities of a particular phase therein, and which may be levied upon and paid by only the Owners in that particular phase without allocation among or contribution by other Owners in the District Property. Such allocations or apportionments of Common Expenses by the Board of Directors shall be reflected on the District Association budget for each fiscal year, but shall not require the preparation of separate budgets for any phase in the District Property. The District Association may commingle funds collected and received from owners in various phases of the District Property, but shall maintain appropriate records and books for the District Association which contain detailed accounts of the receipts and expenditures affecting each phase of the District Property and its respective administration, specifying the maintenance and repair expenses and any other expenses incurred.

(f) The District Declarant, and, after the expiration of the Class "B" control period, the District Association, may reallocate responsibilities between the District Association and the Owners for any aspect of the performance of or payment for the operation, maintenance, repair or replacement of portions of the District Property other than the Area of Common Responsibility, if, in the reasonable discretion of the District Declarant or the District Association, as the case may be, such reallocation of responsibility would be in the best interests of the District Association and the District. Any reallocation or reassignment of responsibility hereunder shall be reflected by an appropriate increase or decrease in the Common Expenses otherwise levied upon the relevant phase of the District Property. Nothing herein shall permit or authorize any Owner to assume or disclaim obligations for maintenance or Assessment responsibilities in any manner inconsistent with the provisions of the District Declaration as may be modified by Phase Restrictions.

(g) The ARC shall have the authority, on behalf of the board of directors of the Community Association, to prepare and promulgate individual design and development guidelines and application and review procedures for specific phases of the District Property, which such guidelines and procedures may differ from those promulgated generally for the District Property or for the Properties which are subject to the Community Declaration. The guidelines and procedures to be promulgated by the ARC hereunder shall include provisions of the Planning and Design Criteria as the same may be applicable to the respective phases of the District Property. No construction, improvements, excavations, plantings, landscaping or any

other activity of any kind, nature or description identified in Article V, Section 1 of the Community Declaration or referred to in Article X, Section 14 of the District Declaration shall be commenced or otherwise undertaken upon or in any phase of the District Property except in strict compliance with the provisions of Article V of the Community Declaration, as the same may be implemented or applied by the ARC with respect to each of the various phases of the District Property. Nothing in this District Declaration or in any Phase Restriction shall diminish the authority of the ARC as set forth in the Community Declaration, nor limit the authority of the ARC to delegate or assign its authority to an appropriate board or committee of the District Association pursuant to the relevant provisions of the Community Declaration. The ARC shall have full authority to prepare and amend any guidelines and procedures referenced hereunder, and shall make the guidelines and procedures, upon request, available through the Community Association to Owners, builders and developers who seek to engage in development of or construction upon all or any phase of the District Property, and such Owners, builders and developers shall conduct their operations strictly in accordance therewith.

Section 4. Amendment. This Article shall not be amended without the written consent of District Declarant, and as to provisions pertaining to it, Community Declarant.

## ARTICLE VII Assessments

Section 1. Creation of Assessments. There are hereby created Regular Assessments for Common Expenses as may from time to time specifically be authorized by the District Association to be commenced at the time and in the manner set forth in Section 5 of this Article VII. Except as may otherwise be provided in Article VI, Section 3 and the exemptions provided for in Section 7 of this Article VII, Assessments shall be levied on all Units or Unplatted Parcels according to the following formula:

(a) Assignment of Points.

(i) One (1) point per acre or portion thereof shall be assigned to an Unplatted Parcel (such that an unplatted parcel containing one and one-half (1 1/2) acres shall be assigned one and one-half (1 1/2) points).

(ii) For those portions of the District which are subject to a Plat or are otherwise designated by District Declarant as a Unit, each Unit shall be allocated one (1) point.

(b) Computation of Assessments.

Subject to the provisions for non-uniform Assessments set forth in Section 9 of this Article VII, the percentage of the total Assessment to be levied on a particular Unit or Unplatted Parcel shall be computed by dividing the total points assigned to that Unit or Unplatted Parcel subject to the Assessment by the total points for all Units and Unplatted Parcels in the District Property subject to the Assessment. The percentage of the total Assessment for each Unit or Unplatted Parcel subject to Assessment shall be computed annually by the District

Association. The Assessment for a Unit or Unplatted Parcel shall be arrived at by multiplying the total budget amount or total Assessment adopted by the Board of Directors (as it may be amended from time to time) by the applicable percentage of the total Assessment computed for such Unit or Unplatted Parcel. Upon annexation of additional property into the District Property, the assessment amount per Unit (or per acre or portion thereof of an Unplatted Parcel) shall remain unchanged for the fiscal year in which the annexation occurs and shall be prorated based upon the date of annexation for the additional property being annexed. In the immediately following fiscal year of the Association, Assessments shall be recomputed under the above formula with the additional annexed property being included in the calculation.

Special Assessments shall be levied as provided in Section 3 of this Article VII. Each Owner, by acceptance of a deed or recorded contract of sale to any portion of the District Property, is deemed to covenant and agree to pay all Assessments. All Assessments, together with interest at a rate not to exceed the highest rate allowed by Florida law as computed from the date the delinquency first occurs, penalties, late charges, processing or other fees, costs, expenses and reasonable attorneys' and paralegals' fees, shall be a charge on the land and shall be a continuing lien upon the Unit or Unplatted Parcel against which each Assessment is made.

All Assessments, together with interest, penalties, late charges, processing or other fees, costs, expenses and reasonable attorneys', and paralegals', fees, shall also be the personal obligation of the Person who was the Owner of such Unit or Unplatted Parcel at the time the Assessment arose, and his grantee shall be jointly and severally liable for such portion thereof as may be due and payable at the time of conveyance, except as otherwise provided in section 6 of this Article VII with respect to any first Mortgagee who obtains title to a Unit or Unplatted Parcel pursuant to the foreclosure of a first Mortgage or pursuant to a deed in lieu of foreclosure of a first Mortgage.

The District Association shall, upon demand at any time, furnish to any Owner liable for any type of Assessment a certificate in writing setting forth whether such Assessment has been paid as to any particular Unit or Unplatted Parcel. Such certificate shall be conclusive evidence of payment to the District Association of such Assessment therein stated to have been paid. The District Association may require the advance payment of a reasonable processing fee for the issuance of such certificate.

Assessments shall be paid in such manner and on such dates as may be fixed by the Board of Directors which may include, without limitation, acceleration of the entire Assessment in the event of delinquent payments, including without limitation in the case of the Regular Assessment, acceleration of payment of the Regular Assessment for the entire fiscal year, and acceleration of payment of the full amount of any Special Assessment. The Board of Directors may in its sole discretion grant an option for the Regular Assessment to be paid in installments rather than annually in advance, subject to an additional processing fee and interest being due if such option is elected. Unless the Board of Directors otherwise provides, the Regular Assessment shall be paid annually.

No Owner may waive or otherwise exempt himself from liability for the Assessments provided for herein by non-use of the Common Area or abandonment of the Unit or Unplatted Parcel against which the Assessments are made. The obligation to pay Assessments is

a separate and independent covenant on the part of each Owner. No diminution or abatement of an Assessment or set-off against an Assessment shall be claimed or allowed by reason of any alleged failure of the District Association to take some action or perform some function required to be taken or performed by the District Association under this District Declaration, or for inconvenience or discomfort arising from the making of repairs or improvements which are the responsibility of the District Association, or from any action taken to comply with any law, ordinance, order or directive of any municipal or other governmental authority.

During the Class B Control Period, District Declarant may elect, in lieu of paying Assessments on its unsold Units or Unplatted Parcels, to pay the difference between the amount of Assessments levied on all Units and Unplatted Parcels subject to Assessment (except District Declarant's unsold Units or Unplatted Parcels) and the amount of actual expenditures required during the fiscal year by the District Association. However, District Declarant may exclude from such amount the portion of any reserves which would otherwise be attributable to Units or Unplatted Parcels owned by the District Declarant. This obligation may be satisfied in the form of a cash subsidy or by "in kind" contributions of services or materials, or a combination of these. Such services or materials may be furnished by any party designated by District Declarant and the value of such services shall be established by District Declarant or by a written statement of the service or material provider.

The District Association is specifically authorized to enter into subsidy contracts or contracts for "in-kind" contribution of services or materials or a combination of services and materials with District Declarant or other entities for the payment of some portion of the Common Expenses.

Section 2. Adoption of Budget. It shall be the duty of the Board of Directors to prepare and adopt a budget for the District Association covering the estimated Common Expenses during the coming fiscal year. The budget may include a capital contribution establishing a reserve fund taking into account the number and nature of replaceable assets (including, without limitation, any recreational facilities, stormwater facilities, playground, roadway, entry features and related structures which may be developed), the expected life of each asset, and the expected repair or replacement cost of each asset. The Board of Directors shall set the capital contribution, if any, in an amount sufficient to permit the District Association to meet the projected capital needs. The Board of Directors shall provide in accordance with the provisions of the Bylaws and applicable law notice of the adoption of the budget and the amount of the Regular Assessment to be levied against each Unit or Unplatted Parcel for the following fiscal year, calculated as provided in Section 1 of this Article. Such budget and Regular Assessment shall become effective upon adoption of the budget by the Board of Directors.

Notwithstanding the foregoing, however, in the event the Board of Directors fails for any reason so to adopt the budget for any year, then and until such time as the budget shall have been adopted by the Board of Directors, the budget in effect for the immediately preceding year shall, with an increase of ten percent (10%) or such lower amount as is determined by the Board of Directors, continue for the current year.

In the event that the Board of Directors shall determine during any fiscal year that the Regular Assessment established for such fiscal year is or will become inadequate or

insufficient to meet all Common Expenses and reserve amounts, if any, for such fiscal year for whatever reason, the Board of Directors shall be entitled to immediately determine the approximate amount of the deficiency or inadequacy of the Regular Assessment for such fiscal year, adopt an amendment to the budget to cover such deficiency, and levy supplemental or revised Regular Assessments for such fiscal year, calculated as provided in Section 1 of this Article. Such amendment to the budget and such supplemental or revised Regular Assessments shall become effective upon adoption by the Board of Directors. The Board of Directors shall furnish notice of such amendment to the budget and such supplemental or revised Regular Assessments in the same manner provided in the first paragraph of this Section.

Section 3. Special Assessments. In addition to the Regular Assessments authorized in Section 1 of this Article, the District Association may levy and collect a Special Assessment or Special Assessments from time to time for any purpose directly related to the discharge of the District Association's duties and obligations pursuant to this District Declaration. The obligation to pay Special Assessments shall be computed on the same basis as for Regular Assessments, with the total number of points limited to the number of points assigned to those Units or Unplatted Parcels to which the Special Assessment applies. Special Assessments shall be payable in such manner and at such times as determined by the Board of Directors, and may be payable in installments extending beyond the fiscal year in which the Special Assessment is approved, if the Board of Directors so determines. If the District Declarant is subsidizing the Regular Assessments as provided in Section 1 of this Article at the time of such Special Assessment, the District Declarant may determine in its discretion whether it desires to subsidize the Special Assessment in the same manner as provided in Section 1, or pay same based on the Units and Unplatted Parcels it owns.

After the District Association has mailed written notice to an Owner of a Unit or Unplatted Parcel at such Owner's last known address, specifying the noncompliance of such Unit or Unplatted Parcel with the terms and conditions of the District Declaration, the District Association may levy and collect a Special Assessment against any Owner individually and against such Owner's Unit or Unplatted Parcel to reimburse the District Association for costs and expenses incurred in bringing an Owner and his Unit or Unplatted Parcel into compliance with the provisions of this District Declaration (including without limitation an overhead expense of fifteen percent (15%) of the total costs and expenses payable to the District Association).

Section 4. Lien for Assessments. The District Association shall, at any time following the expiration of ten (10) days after the due date of an Assessment, be entitled to cause a claim of lien for such delinquent Assessments to be filed among the Public Records of Brevard County, Florida. Any such claim of lien shall, among other things, state and identify the Unit or Unplatted Parcel against which the lien is claimed, the name of the Owner of the Unit or Unplatted Parcel as provided in the books and records of the District Association, and the amount of the lien at the time of filing and such additional items as may be secured by the lien. Such lien may be executed by any officer of the District Association or by the management agent or attorney for the District Association. A copy of the claim of lien shall be furnished to the Owner against whose property the lien is filed. The payment of all Assessments established, made, levied and imposed by the District Association pursuant to this District Declaration, as well as any Assessments which may become due on or after the recordation of such lien together with interest, penalties, processing or other fees, late charges, costs, expenses, and reasonable

attorneys, and paralegals, fees associated with the collection thereof (whether suit be brought or not), shall be secured by the lien. Upon recording of a notice or claim of lien on any Unit or Unplatted Parcel, there shall exist a perfected lien for unpaid Assessments prior and superior to all other liens, except (a) all taxes, bonds, Assessments, and other levies which by law would be superior thereto; (b) the lien or charge of any first Mortgage of record (meaning any recorded Mortgage with first priority over other Mortgages) made in good faith and for value; and (c) the lien for Community Association Assessments as provided in the Community Declaration. Such lien may be enforced by suit, judgment or foreclosure in the same manner mortgage liens are foreclosed.

The District Association shall have the power to bid for the Unit or Unplatted Parcel at foreclosure sale and to acquire and hold, lease, mortgage and convey the same. During the period in which a Unit or Unplatted Parcel is owned by the District Association following foreclosure: (a) no Assessment shall be assessed or levied on it; and (b) each other Unit or Unplatted Parcel shall be charged, in addition to its usual Assessment, its pro rata share, based upon its percentage of total Assessments in Section 1 of this Article, of the Assessment that would have been charged such Unit or Unplatted Parcel had it not been acquired by the District Association as a result of foreclosure.

Suit to recover a money judgment for unpaid Assessments, interest, penalties, processing or other fees, late charges, costs, expenses and reasonable attorneys and paralegals, fees shall be maintainable without foreclosing or waiving the lien securing the same. If there are multiple Owners of a Unit or Unplatted Parcel, each Owner shall be jointly and severally liable for any Assessments made against such Unit or Unplatted Parcel. The remedies herein provided for the collection and enforcement of Assessments and the foreclosure of the lien therefor shall be cumulative and not alternative and may be brought separately or simultaneously as separate counts in the same action.

Section 5. Date of Commencement of Assessments. The Assessments provided for herein shall commence as to each Unit or Unplatted Parcel on the first day of the first month following (i) the date of conveyance of the first Unit or Unplatted Parcel by District Declarant, or (ii) the effective date of the first budget, whichever is later. The first Regular Assessment shall be adjusted according to the number of days remaining in the fiscal year at the time Regular Assessments commence as to the Unit or Unplatted Parcel.

Section 6. Subordination of the Lien to First Mortgages. The lien of Assessments, including interest, penalties, processing or other, fees, late charges, costs, expenses and reasonable attorneys and paralegals fees, shall be subordinate to the lien of any first Mortgage upon any Unit or Unplatted Parcel. The sale or transfer of any Unit or Unplatted Parcel shall not affect the Assessment lien or the personal liability of the Owner of such Unit or Unplatted Parcel for payment of the Assessment. However, the sale or transfer of any Unit or Unplatted Parcel pursuant to judicial or nonjudicial foreclosure of a first Mortgage shall extinguish the lien of such Assessments (but not the personal liability of the prior Owner for said unpaid Assessments) as to payments which became due prior to such sale or transfer. No foreclosure, sale or transfer shall relieve the new Owner of such Unit or Unplatted Parcel from the personal obligation or liability for the payment of any Assessments (including the right to file a lien for nonpayment thereof) thereafter accruing or becoming due. When a Mortgagee holding

a first Mortgage of record or other purchaser of a Unit or Unplatted Parcel obtains title pursuant to remedies under the Mortgage, or by deed in lieu of foreclosure, such Mortgagee or purchaser, its successors and assigns shall not be liable for the share of the Common Expenses or Assessments of the District Association chargeable to such Unit or Unplatted Parcel which became due prior to the acquisition of title to such Unit or Unplatted Parcel by such acquirer. Such unpaid share of Common Expenses or Assessments shall be deemed to be Common Expenses collectible from Owners of all the Units or Unplatted Parcels, including such acquirer, its successors and assigns.

Section 7. Exempt Property. Notwithstanding anything herein to the contrary, the following property shall be exempt from the payment of Assessments:

(a) All Common Area under this District Declaration or under the Community Declaration;

(b) The Areas of Common Responsibility under this District Declaration or under the Community Declaration not within a Unit or an Unplatted Parcel;

(c) All property dedicated to and accepted by any governmental authority or public utility, including, without limitation, public schools, public streets and public parks, if any;

(d) All real property not within a Unit or an Unplatted Parcel which is part of the Master Drainage System; and

(e) All parcels identified on any Plat as a "Tract".

Section 8. Billing of Assessments by the Community Association. In the event the Community Association bills the District Association for the combined Assessments due the Community Association with respect to Units and Unplatted Parcels within the District as provided in the Community Declaration, the District Association shall so notify the Owners by mailing, publishing in a newspaper of local circulation, or posting on the District Property (or providing such other notice as may be required by applicable law), and such notice shall set forth the amount due from each Owner and the due date for such payment. Such Community Association Assessment shall be deemed an Assessment and may be collected by the District Association in the same manner as Assessments.

Section 9. Non-uniform Assessments. Notwithstanding anything to the contrary in this Article VII or elsewhere in this District Declaration, the District Association may, pursuant to Article VI, Section 3, allocate and apportion Common Expenses and Assessments in a non-uniform manner among the various phases of the District Property; provided, however, the Common Expenses and Assessments shall be generally uniform within each of the respective phases of the District Property.

ARTICLE VIII  
Golf Course Facilities

Section 1. Golf Course. The Golf Course and all related facilities are private property, are not part of or within the boundaries of the District Property, do not constitute part of the Common Area, and shall be administered according to membership policies and rules and regulations adopted by the Golf Course Owner from time to time. The Golf Course facilities may include, without limitation, golf course, clubhouses, driving range, putting green, golf learning center, etc. The Golf Course shall be developed and maintained at the discretion of the Golf Course Owner. The Golf Course Owner has the exclusive right to determine from time to time, in its sole discretion and without notice or approval of any change, how and by whom these facilities shall be used, if at all. By way of example, but not limitation, the Golf Course Owner has the right to approve users and determine eligibility for use, to reserve use rights, to terminate any and all use of rights, to change, eliminate or cease operation of any or all of the facilities, to transfer any or all of the Golf Course or its operation thereof to anyone ( including without limitation a member-owned or equity club) and on any terms, to limit the availability of use privileges, to allow public play, and to require the payment of membership fees, dues, use charges and other charges for use privileges.

Section 2. Easement for Golf Balls. Every Unit is burdened with an easement permitting golf balls hit from the Golf Course to unintentionally come upon the Unit and for golfers and their caddies at reasonable times and in a reasonable manner to come upon the exterior portions of a Unit to retrieve errant golf balls. All Owners, by acceptance and delivery of a deed to a Unit, assume all risks associated with errant golf balls, and all Owners agree and covenant not to make any claim or institute any action whatsoever, arising or resulting from any errant golf ball or golf clubs, any property damage or personal injury that may be caused thereby, or for negligent design of the golf course or siting of the Unit, against the Community Declarant and District Declarant, the Community Association, the District Association, the Golf Course Owner, the designer of the Golf Course, any merchant builder or any party other than the golfer or caddy who caused the property damage or personal injury. Nothing in this paragraph shall in any way relieve golfers from liability for damages resulting from errant golf balls.

SECTION 3. ASSUMPTION OF RISK AND INDEMNIFICATION. EACH OWNER BY ITS PURCHASE OF A UNIT IN THE VICINITY OF THE GOLF COURSE HEREBY EXPRESSLY ASSUMES THE RISK OF NOISE, PERSONAL INJURY OR PROPERTY DAMAGE, VIEW RESTRICTIONS, LACK OF PRIVACY AND OTHER INCONVENIENCES CAUSED BY THE MAINTENANCE AND OPERATION OF THE GOLF COURSE, INCLUDING, WITHOUT LIMITATION: (A) NOISE FROM MAINTENANCE AND EQUIPMENT AT ANY AND ALL TIMES ALTHOUGH SUCH MAINTENANCE TYPICALLY TAKES PLACE AROUND SUNRISE OR SUNSET, ( B) NOISE CAUSED BY GOLFERS, (C) USE OF PESTICIDES, HERBICIDES AND FERTILIZERS, (D) VIEW RESTRICTIONS CAUSED BY MATURATION OF TREES AND SHRUBBERY, (E) REDUCTION IN PRIVACY CAUSED BY CONSTANT GOLF TRAFFIC ON THE GOLF COURSE OR THE REMOVAL OR PRUNING OF SHRUBBERY OR TREES ON THE GOLF COURSE, AND (F) ERRANT GOLF BALLS OR GOLF CLUBS. EACH OWNER BY ITS PURCHASE OF A UNIT IN THE VICINITY OF THE GOLF COURSE HEREBY AGREES THAT NO ENTITY OWNING OR MANAGING THE GOLF COURSE SHALL BE LIABLE TO THE OWNER OR

OTHER PERSON CLAIMING ANY LOSS OR DAMAGE, INCLUDING, WITHOUT LIMITATION, INDIRECT, SPECIAL OR CONSEQUENTIAL, LOSS OR DAMAGE ARISING FROM PERSONAL INJURY, DESTRUCTION OF PROPERTY, TRESPASS, LOSS OF ENJOYMENT OR ANY OTHER ALLEGED WRONG OR ENTITLEMENT TO REMEDY BASED UPON, DUE TO, OR ARISING FROM OR OTHERWISE RELATED TO THE PROXIMITY OF THE OWNER'S UNIT TO THE GOLF COURSE, INCLUDING, WITHOUT LIMITATION, ANY CLAIM ARISING IN WHOLE OR IN PART FROM THE NEGLIGENCE OF ANY ENTITY OWNING OR MANAGING THE GOLF COURSE. EACH OWNER HEREBY AGREES TO INDEMNIFY AND HOLD HARMLESS THE COMMUNITY DECLARANT, THE DISTRICT DECLARANT, THE COMMUNITY ASSOCIATION, THE DISTRICT ASSOCIATION, THE GOLF COURSE OWNER AND ANY ENTITY MANAGING THE GOLF COURSE AGAINST ANY AND ALL CLAIMS BY SUCH OWNER'S VISITORS, TENANTS AND OTHERS UPON SUCH OWNER'S UNIT.

Section 4. Golf Course Maintenance. There is hereby granted for the benefit and use of the Golf Course Owner and its agents, employees, successors, and assigns, a perpetual, non-exclusive right and easement over and across all Unplatted Parcels of District Property which are adjacent to the fairways, trees, greens and other portions of the Golf Course. This reserved right and easement shall permit, but shall not obligate, the Golf Course Owner, and its agents, employees, successors, and/or assigns, to go upon any such portions of the District Property to maintain or landscape the area encumbered by such easement. Such maintenance and landscaping may include planting of grass, watering, application of chemicals (such as fertilizer, herbicides and pesticides), mowing and the removal of underbrush, stumps, trash or debris, and trees of less than six inches (6") in diameter measured at a level four and one-half feet (4 1/2') above ground level. The area encumbered by this easement shall be limited to the portion of the District Property which is adjacent to fairways, tees, and other portions of the Golf Course; provided, however, the Unplatted Parcels within the District Property shall be subject to such easement only until they have been platted. Any such maintenance performed on Unplatted Parcels by the Golf Course Owner shall be voluntary, and no compensation shall be due to the Golf Course Owner in connection therewith (except to the extent the payment of Benefit Fees as provided herein provides reimbursement to the Golf Course Owner for its maintenance activities).

Section 5. Golf Course Operation. There is hereby granted for the benefit and use of the Golf Course Owner, and its agents, employees, successors, and/or assigns, perpetual, non-exclusive, appurtenant easements on, over, under, across and/or through the District Property for commercial purposes, to locate, construct, allow for, operate, use, maintain, repair, and/or replace utilities, drainage systems, sewer systems, water systems, irrigation systems, golf course access, golf course maintenance, cart paths, bridges, signage, parking, ingress and egress and any and all other purposes of any nature whatsoever as may be reasonably necessary for use and operation of the Golf Course property as a golf course with associated improvements, including, but not necessarily limited to, a clubhouse, driving range, training facility and cart facility. The easements reserved herein are of a commercial nature and shall be freely transferable with the ownership of the Golf Course property. All such easements are to be located at locations to be mutually agreed upon between the owner of the encumbered property, or its successors and/or assigns, and the Golf Course Owner, or its successors and/or assigns, with each acting within the bounds of good faith and fair dealing. The easements are to be utilized by the Golf Course Owner, its successors and/or assigns, employees, guests, invitees, and/or others acting by or with its permission. If the parties

cannot mutually agree upon the locations of the easement or easements, then the parties agree to submit the issue to arbitration. In the event that either party call for arbitration, the District Declarant, shall within ten (10) days of the notice of an arbitration request, request from the American Arbitration Association (hereinafter referred to as "AAA") a list of AAA approved arbitrators qualified in issues of this nature. Each party to the arbitration proceeding shall select one arbitrator within five (5) days after receipt of the list of arbitrators. The two (2) appointed arbitrators shall select a third AAA qualified arbitrator who together will comprise the arbitration panel. The arbitration panel shall investigate the facts and shall hold hearings at which the parties may present evidence and arguments, be represented by counsel, and conduct cross examination. The arbitrators shall render a written decision upon the issue presented to them within thirty (30) days after the date the matter was submitted to arbitration. Judgment upon the decision rendered in such arbitration may be entered by any court having jurisdiction thereof. The arbitration proceeding shall be governed by the rules of the AAA then in force. The parties shall share equally any cost of the arbitration, including arbitrator's fees and reporters fees. The Golf Course Owner, its successors and/or assigns, shall be responsible for the repair of any damage caused by entrance upon the District Property for the location, construction, operation, use, repair and/or replacement of any and all such easements and for the performance of any and all work in connection with the easements in strict compliance with any and all applicable governmental regulations. Entrance to and from, and work on, the District Property shall be done in such a manner as to minimize the interference with the use and aesthetics of the District Property. General maintenance of all easements granted herein shall be the responsibility of the owner of the encumbered property, its successors and/or assigns, unless the easement specifically serves only the Golf Course and does not also serve the District Property, in which case the Golf Course Owner, its successors and/or assigns, shall be responsible for the general maintenance of any such easement or easements.

Section 6. General Provisions and Restrictions. Owners shall not be permitted to begin play from Units or any part of the District Property, and shall not interfere with the activities and operations of the Golf Course, nor shall Owners enter or trespass upon or over the property of the Golf Course unless such Owner is a member thereof or is otherwise permitted by the Golf Course Owner or management of the Golf Course. Each Owner expressly acknowledges that the Golf Course is to be treated as private property, and that the District Declarant makes no representations or warranties as to membership by any Owner in the Golf Course or any golf club established therewith, or as to the operation or activities of the Golf Course, or, finally, as to the location, landscaping or appearance of the various holes and improvements of the Golf Course, including the design and layout (as they may affect views, flight patterns of golf balls, ingress and egress to the golf course or, without limitation, any other aspect of the District Property) of clubhouses, recreational facilities, maintenance facilities, tees, greens, fairways or cart paths, all or any part of which may be constructed, removed, eliminated, relocated or modified from time to time in the sole discretion of the Golf Course Owner. Ownership of a Unit or Unplatted Parcel or membership in the District Association does not give, nor shall it be construed to give, any right, vested or otherwise, or any easement, prescriptive or otherwise, to use the Golf Course or any portion thereof or any improvements located thereon, and does not grant any ownership or membership or other interest therein. The District Association shall have no power or authority to promulgate rules and regulations affecting activities on or the use of the Golf Course. District Declarant hereby reserves the right to promulgate such additional rules and regulations, and to create and grant such other further and additional easements, all as may be reasonably necessary or

desirable, within the sole discretion of the District Declarant, for the assurance and maintenance of an orderly relationship between the Golf Course and the District.

Section 7. Creation of Easement for Golf Cart Crossings. District Declarant hereby declares and creates a non-exclusive, perpetual easement for ingress and egress upon, over and across such golf cart crossing areas as may be identified on the Plat or any Supplemental Declaration for the purposes of establishing and maintaining a golf cart crossing or crossings across private roads within the District, to be used in connection with the use, operation and maintenance of the Golf Course, together with the right, but not the obligation, to erect signage and place striping on the paved surface of such private roads in connection therewith.

## ARTICLE IX Benefits Fee

Section 1. Creation of Benefits Fee. Each Owner by such Owner's acceptance of a deed to a Unit acknowledges and agrees that the Golf Course provides substantial benefits to each Unit within the District Property, both Units which are adjacent to the Golf Course and Units which are not adjacent to the Golf Course. Such benefits include numerous beautiful aesthetic vistas both from Units and other portions of the District Property maintained by the Golf Course Owner, the use of stormwater drainage facilities maintained in whole or in part by the Golf Course Owner and the maintenance of golfing turf within the District's entry areas pursuant to easements granted to the Golf Course Owner to be recorded in the Public Records of Brevard County, Florida. Each Owner further acknowledges and agrees that the proper maintenance and care of the Golf Course by the Golf Course Owner benefits each Unit within the District Property by preserving and enhancing such visual benefit and stormwater drainage. In consideration of the Golf Course Owner providing such benefits and in order to insure that the Golf Course is maintained in a manner which preserves the Golf Course as a visual and stormwater drainage benefit, each Owner by such Owner's acceptance of a deed to such Owner's Unit covenants and agrees to pay an annual Benefits Fee to the Golf Course Owner as provided herein. Each Owner acknowledges and agrees, by acceptance of a deed to a Unit, that the Benefits Fee provided for herein is a contribution towards the cost of maintenance of the Golf Course that reflects the benefit to each Unit which arises out of such maintenance. Each Owner further acknowledges that the Golf Course Owner shall collect Benefit Fees from the District Association unless the Golf Course Owner elects to collect the same on an individual basis from each Owner pursuant to Section 7 of this Article IX. No Owner shall be entitled to the use or enjoyment of the Golf Course in any manner whatsoever as a result of the payment of the Benefits Fee.

Section 2. Computation of Benefits Fee. The Benefits Fee for the calendar year 2005 shall be Four Hundred Eighty Dollars (\$480.00) per Unit. Each subsequent calendar year the Benefits Fee shall be adjusted in accordance with the provisions hereinbelow. Said adjustment shall be computed not more than three (3) months nor less than (1) month prior to the end of the preceding calendar year. The adjusted Benefits Fee for the applicable calendar year shall be determined by multiplying Four Hundred Eighty Dollars (\$480.00) per Unit by a fraction, the numerator of which is the Consumer Price Index (all Urban Consumers, U.S. City Average, All Items, 1982 - 84 = 100, as computed by the United States Department of Labor, Bureau of Labor Statistics), as of the third month prior to the end of the applicable calendar year, and the denominator of which shall be the Index as of January 2006. If the Bureau of Labor Statistics discontinues publication of such index, publishes such index less frequently or alters such index in

a material manner, then the Golf Course Owner shall adopt a substitute index or procedure which reasonably monitors consumer prices. During November or December of each calendar year, the Golf Course Owner shall deliver written notice to the District Association (or, in the event the Golf Course Owner elects to collect the Benefits Fees on an individual basis from each Owner pursuant to Section 7 of this Article IX, each Owner) of the Benefits Fees due for the following calendar year. In the event the Golf Course Owner fails to send such notice prior to any calendar year, then the Benefits Fees for such calendar year shall be an amount equal to the Benefits Fees for the prior calendar year. The Golf Course Owner will collect Benefit Fees from the District Association as a Common Expense unless the Golf Course Owner elects to collect the same on an individual basis from each Owner. The District Association shall pay the Benefits Fees for all Units and the amount due for such Benefit Fees from the District Association to the Golf Course Owner shall be a Common Expense. Benefit Fees shall be due and payable as provided in Section 7 of this Article IX. All Benefits Fees, together with interest at a rate not to exceed the highest rate allowed by Florida law from the date the delinquency first occurs and all costs and expenses incurred by the Golf Course Owner in collecting the Benefits Fee (including without limitation attorneys' fees and costs), shall be a charge upon the land and shall be a continuing lien upon the Units against which the Benefits Fee are charged. In the event for any reason an Owner is unable to use the Golf Course (because for example, it becomes a member-owned or equity club and such Owner does not become a member), there shall be no reduction in the Benefits Fee.

All Benefits Fees, together with interest and all costs and expenses incurred by the Golf Course in collecting the Benefits Fee (including without limitation attorneys' fees and costs), shall also be the personal obligation of the Person who was the Owner of such Unit at the time the Benefits Fee was charged, and his grantee shall be jointly and severally liable for such portion thereof as may be due and payable at the time of conveyance, except no first Mortgagee who obtains title to a Unit pursuant to foreclosure of a first Mortgage, or pursuant to a deed in lieu of foreclosure of a first Mortgage, shall be liable for unpaid Benefits Fees which accrued prior to such acquisition of title.

The Golf Course Owner shall, upon demand at any time, furnish to any Owner a certificate in writing setting forth whether the Benefits Fee has been paid as to any particular Unit. Such certificate shall be conclusive evidence of payment to the Golf Course Owner of such Benefits Fee therein stated to have been paid. The Golf Course Owner may require the advance payment of a reasonable processing fee for the issuance of such certificate.

No Owner may waive or otherwise exempt himself from liability for the Benefits Fee provided for herein in any manner whatsoever. The obligation to pay the Benefits Fee is a separate and independent covenant on the part of each Owner. No diminution or abatement of an Benefits Fee or set-off against the Benefits Fee shall be claimed or allowed for any reason whatsoever.

Section 3. Lien for Assessments. The Golf Course Owner shall, at any time following the expiration of ten (10) days after the due date of an Benefits Fee, be entitled to cause a claim of lien for such delinquent Benefits Fee to be filed among the Public Records of Brevard County, Florida. Any such claim of lien shall, among other things, state and identify the Unit or Unplatted Parcel against which the lien is claimed, the name of the Owner of the Unit or Unplatted Parcel as provided in the books and records of the District Association, and the amount of the lien at the time of filing and such additional items as may be secured by the lien. Such lien may be

executed by any officer of the Golf Course Owner or by the management agent or attorney for the Golf Course Owner. A copy of the claim of lien shall be furnished to the Owner against whose property the lien is filed. The payment of all Benefits Fees established, made and imposed by the Golf Course pursuant to this District Declaration, as well as any Benefits Fees which may become due on or after the recordation of such lien together with interest and the costs, expenses, and reasonable attorney's and paralegal's fees associated with the collection thereof (whether suit be brought or not), shall be secured by the lien. Upon recording of a notice or claim of lien on any Unit or Unplatted Parcel, there shall exist a perfected lien for unpaid Benefits Fees prior and superior to all other liens, except (a) all taxes, bonds, Assessments, and other levies which by law would be superior thereto; (b) the lien or charge of any first Mortgage of record (meaning any recorded Mortgage with first priority over other Mortgages) made in good faith and for value; and (c) the lien for Community Association Assessments as provided in the Community Declaration. Such lien may be enforced by suit, judgment or foreclosure in the same manner mortgage liens are foreclosed. The Golf Course Owner shall have the power to bid for the Unit or Unplatted Parcel at foreclosure sale and to acquire and hold, lease, mortgage and convey the same.

Suit to recover a money judgment for unpaid Benefits Fees, interest and the costs, expenses and reasonable attorneys' and paralegals' fees associated with collection thereof shall be maintainable without foreclosing or waiving the lien securing the same. If there are multiple Owners of a Unit or Unplatted Parcel, each Owner shall be jointly and severally liable for any Benefits Fee charged against such Unit or Unplatted Parcel. The remedies herein provided for the collection and enforcement of Benefits Fees and the foreclosure of the lien therefor shall be cumulative and not alternative and may be brought separately or simultaneously as separate counts in the same action.

Section 4. Date of Commencement of Benefits Fee. The Benefits Fee provided for herein shall commence as to each Unit on the first day of the first calendar year following the latter of (i) date a certificate of occupancy has been issued with respect to the home thereon, (ii) the date of the sale, transfer or lease of such home to a consumer purchaser, and (iii) the date any home used by a merchant builder ceases to be used as a model home by such builder.

Section 5. Subordination of the Lien to First Mortgages. The lien of Benefits Fees, including interest and the costs, expenses and reasonable attorneys' and paralegals' fees associated with collection thereof, shall be subordinate to the lien of any first Mortgage upon any Unit or Unplatted Parcel. The sale or transfer of any Unit or Unplatted Parcel shall not affect the Benefits Fee lien or the personal liability of the Owner of such Unit or Unplatted Parcel for payment of the Benefits Fee. However, the sale or transfer of any Unit or Unplatted Parcel pursuant to judicial or nonjudicial foreclosure of a first mortgage shall extinguish the lien of such Benefits Fee (but not the personal liability of the prior Owner for said unpaid Benefits Fee) as to payments which became due prior to such sale or transfer. No foreclosure, sale or transfer shall relieve such Unit or Unplatted Parcel from the personal obligation or liability for the payment of any Benefits Fee (including the right to file a lien for nonpayment thereof) for any Benefits Fee thereafter accruing or becoming due. When a Mortgagee holding a first Mortgage of record or other purchaser of a Unit or Unplatted Parcel obtains title pursuant to remedies under the Mortgage, or by deed in lieu of foreclosure, such liable for the Benefits Fee chargeable to such Unit or Unplatted Parcel which became due prior to the acquisition of title to such Unit or Unplatted Parcel or Unplatted Parcel by such acquirer.

Section 6. Exempt Property. Notwithstanding anything herein to the contrary, the following property shall be exempt from the payment of Benefits Fee:

- (a) All Common Area under this District Declaration or under the Community Declaration;
- (b) The Areas of Common Responsibility under this District Declaration or under the Community Declaration not within a Unit or an Unplatted Parcel;
- (c) All property dedicated to and accepted by any governmental authority or public utility, including, without limitation, public schools, public streets and public parks, if any;
- (d) All real property not within a Unit or an Unplatted Parcel which is part of the Master Drainage System; and
- (e) All parcels identified as a "Tract" on any Plat.

Section 7. Billing and Payment of Benefit Fees. Unless the Golf Course Owner elects as provided hereinbelow in this Section 7 to collect the Benefit Fees from each Owner as on individual basis, the Golf Course Owner shall send an invoice to the District Association for the Benefit Fees due from all Owners on or before January 1 of each calendar year. The District Association shall pay the amount billed in the same manner as Assessments are paid (for example, if the Board of Directors determines to bill and collect Assessments on a quarterly basis in equal installments, the District Association shall pay the Benefit Fees on a quarterly basis in equal installments). The Golf Course Owner may, in lieu of collecting Benefit Fees from the District Association, elect to bill each Owner on an individual basis for the Benefit Fees due with respect to such Owner's Unit. If the District Association fails to pay the total combined Benefits Fees within thirty (30) days after receipt of a bill therefor, the Golf Course Owner shall also have the right to thereupon send notice of the Benefits Fees due to each Owner within the District and such Benefits Fee shall then be payable by each such Owner. In the alternative, the Golf Course Owner may elect to sue the District Association for the payment of all the Benefits Fees due for all Units within the District. The District Association shall at all times make available to the Golf Course Owner a roster of the names and addresses of each Owner.

Section 8. Amendment. This Article may not be amended without the express written consent of District Declarant and the Golf Course Owner.

## ARTICLE X General Provisions

Section 1. Term. The covenants and restrictions of this District Declaration shall run with and bind the District Property, and shall inure to the benefit of and shall be enforceable by the District Declarant, Community Declarant, District Association, Community Association, and Owners, their respective successors and assigns, for a term of forty (40) years from the date this District Declaration is recorded in the Public Records of Brevard County, Florida, after which time they shall be automatically extended for successive periods of ten (10) years, unless an instrument in writing, signed by two-thirds of the then Owners, has been recorded within the year preceding the beginning of each successive period of ten (10) years, agreeing to change said

covenants and restrictions, in whole or in part, or to terminate the same, in which case this District Declaration shall be modified or terminated as specified therein.

Section 2. Easements for Utilities and Other Services. There is hereby reserved unto District Declarant, so long as District Declarant owns any property which is subject to this District Declaration or which under the terms of this District Declaration could be annexed to the District Property, and its designees (which may include, without limitation, Brevard County, Florida, any other governmental entity or any utility service provider), blanket non-exclusive easements upon, across, over, and under all of the Common Area, all Tracts identified as such on any Plat, and, to the extent shown on the Plat, over other portions of the District Property, for ingress, egress, installing, replacing, repairing and maintaining cable television systems, master television antenna systems, fiber optic lines, security and similar systems, roads, walkways, bicycle pathways, lakes, ponds, wetlands, drainage systems, street lights, signage, and all utilities, including, but not limited to, water, sewer, surface water management systems, including the Master Drainage System, meter boxes, telephones, gas, and electricity; provided, the exercise of this easement shall not unreasonably interfere with the use of any Unit or Unplatted Parcel and, except in an emergency, entry into any Unit or Unplatted Parcel shall be made only after reasonable notice to the Owner or occupant thereof. Such reservation shall be subject to any specific approval right of the Community Declarant that may be required by the Community Declaration.

Section 3. Future Easements. There is hereby reserved to District Declarant, together with the right to grant and transfer the same, the right, power and privilege to, at any time hereafter, grant to itself, the District Association, Brevard County or any other parties such other further and additional easements as may be reasonably necessary or desirable, in the sole opinion and within the sole discretion of District Declarant, for the future orderly development of the District in accordance with the objects and purposes set forth in this District Declaration. It is expressly provided, however, that no such further or additional easement shall be granted or created over and upon any Unit or Unplatted Parcel pursuant to the provisions of this Section if any such easement shall unreasonably interfere with the presently contemplated or future use and development of that particular Unit or Unplatted Parcel. The easements contemplated by this Section may include, without limitation, such easements as may be required for utility, drainage, road right-of-way, signage and other purposes reasonably related to the orderly development of the District in accordance with the objects and purposes specified in this District Declaration. Such further or additional easements may be hereafter created, granted or reserved by District Declarant without the necessity for the consent or joinder of the Owner of the particular portion of the District Property over which such further or additional easement is granted or required, provided however, such creation, grant or reservation shall be subject to any approval of the Community Declarant that may be required by the Community Declaration.

Section 4. Enforcement. Every Owner and every occupant of a Unit or Unplatted Parcel, and every guest or invitee of any such person, shall comply strictly with the covenants, conditions, and restrictions set forth in the District Declaration and associated documents, and in the deed to the Unit or Unplatted Parcel, if any. The District Association, Community Association, Community Declarant, District Declarant, or an Owner shall have the right individually, collectively or in any combination to enforce the covenants, conditions, restrictions and other provisions of this District Declaration or seek such other relief as may be available as a

result of a breach of such covenants, conditions, restrictions and other provisions of the District Declaration, by any proceeding at law or in equity. Failure to enforce any such provision shall in no event be deemed a waiver of the right to do so thereafter. The right to enforce the District Declaration shall include, without limitation, an action to recover sums due for damages or an action for injunctive relief, or both, maintainable by the District Association, Community Association, Community Declarant, District Declarant, or an Owner. In addition, the District Association or the Community Association may impose per diem penalties for failure to comply with this District Declaration and associated documents after notice of such noncompliance and the elapsing of a stated time period within which to cure such noncompliance as further provided in the Bylaws, with each day during which such noncompliance continues being considered a separate violation of the terms hereof. Such penalties shall be due and payable upon imposition and shall be secured, collected and otherwise treated in the same manner as Assessments. The Community Association or Community Declarant shall have the right, but not the obligation, to take all actions that the District Association or District Declarant might otherwise take under the provisions of this District Declaration, including the right to enforce the terms of the District Declaration. Costs, expenses and reasonable attorneys and paralegals, fees, whether suit be brought or not, including those resulting at all trial and appellate levels, incurred by the prevailing party in any action to enforce any provision of this District Declaration or to seek such other relief as may be available as a result of a breach of such covenants, conditions, restrictions and other provisions of the District Declaration, the Articles of Incorporation, Bylaws, and rules and regulations of the District Association, and any similar associated documents thereunder, or deed restrictions on the District Property, including without limitation actions to recover sums due for damages or actions for injunctive relief, shall be the personal obligation of the non-prevailing party.

Section 5. Indemnification. The District Association shall indemnify every officer, director, committee member and employee of the District Association against any and all costs and expenses, including reasonable attorneys, and paralegals, fees, reasonably incurred by or imposed upon such officer, director, committee member or employee in connection with any action, suit, or other proceeding, or appeal therefrom, (including settlement of any suit or proceeding, if approved by the then Board of Directors) to which he may be a party by reason of being or having been an officer, director, committee member or employee of the District Association. Such officers, directors, committee members and employees shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct, or bad faith. The officers and directors of the District Association shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the District Association (except to the extent they may also be members of the District Association), and the District Association shall indemnify and forever hold each such officer and director free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any such officer, director, committee member, or employee, or former officer, director, committee member or employee may be entitled. The District Association shall, as a Common Expense, maintain adequate general liability and officers, and directors, liability insurance to fund this obligation, if such insurance is reasonably available.

Section 6. Litigation. During the Class B Control Period, no judicial or administrative proceeding shall be commenced or prosecuted by the District Association unless approved by a majority of the Board of Directors. Thereafter, no judicial or administrative proceeding shall be commenced or prosecuted by the District Association unless approved by a vote of at least seventy-five percent (75%) of the Board of Directors. This Section shall not apply, however, to (a) actions brought by the District Association to enforce the provisions of this District Declaration or associated documents, or such other relief as may be available as a result of a breach of such covenants, conditions, restrictions and other provisions of the District Declaration or associated documents, or under any deed restrictions imposed on Units or Unplatted Parcels or other portions of the District Property, which shall include, without limitation, actions to recover sums due for damages or actions for injunctive relief (including, without limitation, the foreclosure of liens), (b) the imposition and collection of Assessments as provided in Article VII hereof or in the Community Declaration, (c) proceedings involving challenges to ad valorem taxation, or (d) counterclaims brought by the District Association in proceedings instituted against it. This Section shall also not apply to the undertaking of any defense of the District Association in proceedings instituted against it. This Section shall not be amended unless such amendment is made by the District Declarant or after the Class B Control Period, is approved by the percentage of votes and pursuant to the same procedures necessary to institute proceedings as provided above.

Section 7. Cumulative Effect; Conflict. The covenants, restrictions, and provisions of this District Declaration shall be cumulative with those of (i) the Community Declaration and associated documents thereunder, and (ii) any deed restrictions; and the District Association may, but shall not be required to, enforce those documents described in (i) and (ii); provided, however, in the event of conflict between or among such covenants, restrictions and provisions of any articles of incorporation, bylaws, rules and regulations, policies, or practices adopted or carried out pursuant thereto, those of the District Declaration and the District Association or any deed restrictions shall be subject and subordinate to those of the Community Declaration and the Community Association. The foregoing priorities shall apply, but not be limited to, the liens for Assessments created in favor of the Community Association.

Section 8. Severability. Invalidation of any one of the covenants or restrictions contained in this District Declaration by judgment or court order shall in no way affect the validity of any other provisions contained in the District Declaration, which shall remain in full force and effect.

Section 9. Easements of Encroachment. There shall be reciprocal appurtenant easements of encroachment for so long as such encroachment shall exist due to the unintentional placement of improvements as a result of minor inaccuracies in surveying, construction or reconstruction, or settling or shifting of the improvements constructed, reconstructed, or altered thereon (provided such improvements are constructed in accordance with the terms of the Community Declaration and this District Declaration).

Section 10. Development and Construction by District Declarant. Nothing set forth in this District Declaration shall be deemed, either expressly or impliedly, to limit the right of District Declarant to change, alter or amend its development plan or plans for the District Property or the Development Order or Development Approvals, subject to the terms and

conditions of the Community Declaration, or to construct such improvements as the District Declarant deems advisable prior to the completion of the development of all of the District Property. District Declarant reserves the right to alter its development and construction plans and designs as it deems appropriate from time to time. Nothing in this District Declaration shall be construed to require District Declarant, its successors in interest or assigns to develop any of the District Property, or to develop it in any manner whatsoever.

Section 11. Construction Activity by District Declarant. Notwithstanding anything to the contrary set forth herein, Owners of Units and Unplatted Parcels (and owners of any other portion of the District Property) acknowledge that District Declarant may undertake certain construction or related activities for the purpose of marketing, sale, development and improvement of the District Property or portions thereof. As a result, certain portions of the District Property may experience disturbance or inconvenience from time to time from such activities, however no Owner (or owner of any other portion of the District Property) shall be entitled to seek relief against the District Declarant for any reason related thereto.

Section 12. Community Association Empowered to Enforce District Declaration. The Community Association is hereby authorized and empowered, but shall not be obligated so to act, to enforce the covenants, conditions and restrictions of the District Declaration or deed restrictions pertaining to the District Property, and shall have a reasonable right of entry for purposes thereof, provided however, the Community Association shall so notify the owner of such portion of the District Property in noncompliance, at its last known address, of such noncompliance. The Community Association shall also have the right to exercise any other rights granted to the District Association under the terms and conditions of this District Declaration, the Bylaws and the Articles of Incorporation. Any costs, expenses, reasonable attorneys' and paralegals' fees (as well as a fifteen percent (15%) administrative overhead factor) incurred by the Community Association as provided hereunder shall be deemed a Special Assessment under Section 3 of Article VIII of the Community Declaration against such portion of the District Property in noncompliance, and shall be subject to collection and such other terms as provided therein and in Article VIII of the Community Declaration.

Section 13. Wildlife, Wetland Programs and Other Components of Development Order. The Community Declarant, District Declarant, Community Association or District Association, may in the future implement wildlife or wetland programs or other components of the Development Order, and this District Declaration may be amended by District Declarant, without the joinder or consent of any Person being required, for the purpose of defining and implementing such programs, and if deemed appropriate by District Declarant, for the purpose of further restricting the District Property in connection therewith, and for the purpose of defining certain responsibilities and obligations of the Community Association, District Association and Owners in regard to the District Property. BY ACCEPTANCE OF A DEED, EACH OWNER ACKNOWLEDGES THE DISTRICT PROPERTY MAY CONTAIN WILDLIFE, SUCH AS ALLIGATORS, RACOONS, SNAKES, SNAPPING TURTLES, DUCKS, DEER, SWINE, TURKEY AND FOXES. COMMUNITY DECLARANT, DISTRICT DECLARANT. THE DISTRICT ASSOCIATION AND THE COMMUNITY ASSOCIATION SHALL HAVE NO RESPONSIBILITY FOR MONITORING SUCH WILDLIFE EXCEPT AS MAY BE REQUIRED UNDER THE DEVELOPMENT ORDER, AND THEY HAVE NO RESPONSIBILITY TO NOTIFY OWNERS OR OTHER PERSONS OF THE PRESENCE OF

SUCH WILDLIFE. EACH OWNER, AND THEIR FAMILIES, GUESTS AND OTHER INVITEES ARE RESPONSIBLE FOR THEIR OWN SAFETY.

Section 14. ARC Approval. As provided in Article V of the Community Declaration, Units and Unplatted Parcels are subject to certain restrictions and must obtain certain approvals with respect to improvements, alterations or other modifications to be made thereto. Owners of Units or Unplatted Parcels shall be responsible for complying in all respects with the Community Declaration, including without limitation the architectural review process provided for in Article V of the Community Declaration.

Section 15. Enforcement by St. Johns River Water Management District. The St. Johns River Water Management District shall have the right to enforce, by a proceeding at law or in equity, the provisions contained in the District Declaration which relate to the operation, maintenance and repair of the District Drainage System.

Section 16. Termination of Association. In the event of any termination or dissolution of the District Association, the responsibility for the operation, maintenance and repair of the District Drainage System must be transferred to an entity which would comply with Rule 40C-042.027, Florida Administrative Code (or any successor rule or regulation), and be approved by the St. Johns River Water Management District prior to such termination or dissolution.

Section 17. Prohibited Actions. Despite any assumption of control of the Board of Directors by the Owners other than District Declarant, until District Declarant has sold every Unit in the District, the Board of Director is prohibited from taking any action which would discriminate against District Declarant, or which would be detrimental to the sale or leasing of homes owned by District Declarant, in District Declarant's sole discretion. The Board of Directors will be required to continue the same level and quality of maintenance, operations and services as that provided immediately prior to the assumption of control of the District Association by Owners other than District Declarant until District Declarant sells the last Unit owned by it in the ordinary course of business.

Section 18. Administration. The administration of the Common Area by the District Association shall be in accordance with the provisions of Florida law and this District Declaration, the Bylaws and other governing documents of the District Association, as well as the Community Declaration and related documents, and of any other agreements, documents, amendments or supplements to the foregoing which may be duly adopted or subsequently required by any institutional lender designated by District Declarant or by any governmental or quasi-governmental agency having regulatory jurisdiction over the Common Area or by any title insurance company selected by District Declarant to insure title to any portion of the Common Area.

Section 19. District Declarant's Power of Attorney. District Declarant hereby reserves for itself, its successors and assigns, the right to execute on behalf of all contract purchasers, Owners, mortgagees, other lienholders or other parties claiming a legal or equitable interest in the Common Area, any such agreements, documents,

amendments or supplements to this District Declaration, the Bylaws and other governing documents of the District Association which may be so required by any such institutional lender, governmental or quasi-governmental agency, or title insurance company designated by District Declarant to insure title to any portion of the Common Area.

Section 20. Appointment. By acceptance of a deed to any Unit or by the acceptance of any other legal or equitable interest in the Common Area, each and every such contract purchaser, Owner, mortgagee, or other lienholder, or any party having a legal or equitable interest in the Common Area does automatically and irrevocably name, constitute, appoint and confirm District Declarant, its successors and assigns, as attorney-in-fact for the purpose of executing such agreements, documents, amendments, supplements and other instruments necessary to effect the foregoing, subject to the limitations set forth herein.

Section 21. Duration. The power of attorney provided for in section 20 hereinabove of this Article X is expressly declared and acknowledged to be coupled with an interest in the subject matter hereof and the same shall run with the title to any and all Units and be binding upon the heirs, personal representatives, successors and assigns of any of the foregoing parties. Further, said power of attorney shall not be affected by the death or disability of any principal and is intended to deliver all right, title and interest of the principal in and to said powers. Said power of attorney shall be vested in District Declarant, its successors and assigns, for a period of twenty-five (25) years from the date the first Unit is conveyed to an individual purchaser, or until it conveys title to the last Unit within the District, whichever occurs first. Thereafter, said power of attorney shall automatically vest in the District Association and may be exercised by the Board of Directors.

## ARTICLE XI Declarant's Rights

Section 1. Assignment of Rights. Any or all of the obligations of District Declarant may be transferred to other Persons including, without limitation, the District Association, provided that the transfer shall not reduce an obligation nor enlarge a right beyond that contained herein; provided further, no such transfer shall be effective unless it is in a written instrument signed by District Declarant and duly recorded in the public records of Brevard County, Florida.

Section 2. Development Activities. Notwithstanding any provisions contained in the District Declaration or related documents to the contrary, it shall be expressly permissible for District Declarant, its sales agents, sales representatives, contractors and other designees to maintain and carry on upon portions of the Common Area, Units, Unplatted Parcels, or other portions of the District Property owned by District Declarant, such facilities and activities as, in the sole opinion of District Declarant, may be reasonably required, convenient or incidental to the construction or sale of Units or Unplatted Parcels, including, but not limited to, business offices, signs, model units, and sales offices, and siting of construction trailers, construction equipment and materials thereon, and District Declarant, its sales agents, sales representatives,

contractors and other designees shall have an easement for access to and use for such purposes and of such facilities.

Section 3. Approval of Additional Covenants and Plats of the District Property.

So long as District Declarant continues to have rights under this Article, no Person shall record any plat, declaration of covenants, conditions and restrictions, or declaration of condominium or similar instrument, affecting any portion of the District Property owned by such Person without District Declarant's review and written consent thereto, and any attempted recordation without compliance herewith shall result in such plat, declaration of covenants, conditions and restrictions, or declaration of condominium or similar instrument, being void and of no force and effect unless subsequently approved by recorded consent signed by District Declarant.

Section 4. Amendment. This Article may not be amended without the express written consent of District Declarant; provided, however, the rights of District Declarant contained in this Article shall terminate upon the earlier of (a) twenty-five (25) years from the date this District Declaration is recorded in the public records of Brevard County, Florida, or (b) upon recording by District Declarant of a written statement that all sales activity of District Declarant has ceased.

ARTICLE XII  
Amendment

This District Declaration may be amended by a majority of the Board of Directors adopting a resolution setting forth the proposed amendment, if such proposed amendment is approved by the affirmative vote (in person or by proxy) or written consent, or any combination thereof, of two-thirds of the total votes of the District Association. However, the percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause.

In addition, during the Class B Control Period, the District Declarant reserves the right to amend this District Declaration unilaterally at any time, without prior notice and without the consent of any Person, for any purpose including, without limitation, withdrawal of certain portions of the District Property then owned by District Declarant or its affiliates from the provisions of this Declaration, a change in the uses permitted for the District Property under this District Declaration or a change in the name of the District, by recordation of an amendment in the public records of Brevard County, Florida. Any such amendment by the District Declarant shall be consistent with the general development plan for the District Property set forth in this District Declaration, and with the Development Order of the Properties issued by Brevard County, Florida. Covenants and restrictions consistent with the general plan of development may include, without limitation, requirements for insurance and repair of the Common Area and Units or Unplatted Parcels, rights and obligations in respect to condemnation, rights and obligations of the District Association, including the right to promulgate rules and regulations (including without limitation liens), and providing enforcement powers, and reservation of additional easements over the District Property.

Any amendment of the District Declaration shall be recorded in the Public Records of Brevard County, Florida. In addition to the requirements set forth hereinabove, any

amendment of the District Declaration shall require the prior written approval of the Community Declarant. Notwithstanding anything to the contrary set forth herein, the District Declarant may unilaterally amend this District Declaration at any time pursuant to Article VI or to include any provisions which may be required by the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Veterans Administration, the Department of Housing and Urban Development, or any other federal, state or local governmental entity, agency, or authority.

If an Owner consents to the amendment of this District Declaration, it will be conclusively presumed that such Owner has the authority so to consent and no contrary provision in any Mortgage or contract between the Owner and a third party will affect the validity of such amendment.

No amendment shall remove, revoke or modify any right or privilege of District Declarant, Community Declarant, Community Association, District Association or the Golf Course Owner without the written consent of such party or the assignee of such party's right or privilege. No amendment may impair the validity or priority of the lien of any Mortgage held by any Mortgagee or impair the rights granted to Mortgagees herein without the prior written consent of such Mortgagees. Any amendment of or to this District Declaration which alters any provision related to the District Drainage System or the Master Drainage System, including any Common Area or portions thereof used for water management purposes, must have the prior approval of the St. Johns River Water Management District.

By acceptance of a deed of conveyance to a Unit or Unplatted Parcel or other portion of the District Property, each Owner thereof thereby gives its full, irrevocable and unqualified consent on behalf of itself, its mortgagees, and its successors-in-title to the amendment of this District Declaration in the manner provided in this Article.

IN WITNESS WHEREOF, the undersigned District Declarant has executed this District Declaration this 13<sup>th</sup> day of October, 2005.

WITNESSES:

Charlene R. Spangler  
Print Name: Charlene R. Spangler  
Brooke Fredrick  
Print Name: Brooke Fredrick

THE VIERA COMPANY, a Florida corporation

By: [Signature]  
Name: Stephen L. Johnson  
Title: President

Address: 7380 Murrell Road  
Address: Suite 201  
Viera, Florida 32940

STATE OF FLORIDA     )  
COUNTY OF BREVARD    )

The foregoing instrument was acknowledged before me on the 13<sup>th</sup> day of Oct, 2005 by Stephen L. Johnson the President of The Viera Company, a Florida corporation, on behalf of the corporation, who is personally known to me.



Charlene R. Spangler  
MY COMMISSION # DD215777 EXPIRES  
May 27, 2007  
BONDED THRU TROY FAIN INSURANCE, INC

Charlene R. Spangler  
Print Name: \_\_\_\_\_  
Notary Public: \_\_\_\_\_  
Commission No.: \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_

V36760v10

CONSENT OF COMMUNITY DECLARANT

THE VIERA COMPANY, a Florida corporation and Community Declarant under that certain Declaration of Covenants, Conditions, Easements, Reservations and Restrictions for Central Viera Community, recorded in Official Records Book 3904, Page 624, Public Records of Brevard County, Florida, as the same may have been amended, restated, supplemented or otherwise modified (the "Community Declaration"), hereby joins in the execution of the foregoing Declaration of Covenants, Conditions, Easements, Reservations and Restrictions for the Sonoma Residential District for the purpose of consenting thereto as required by Article X of the Community Declaration.

IN WITNESS WHEREOF, THE VIERA COMPANY has caused these presents to be executed by its undersigned officer thereunto duly authorized on this 13<sup>th</sup> day of Oct, 2005.

Signed, sealed and delivered  
in the presence of:

THE VIERA COMPANY, a Florida  
corporation

Charlene R. Spangler  
Print Name: Charlene R. Spangler

By: [Signature]  
Name: Stephen L. Johnson  
Title: President

[Signature]  
Print Name: Brooke Frederick

Address: 7380 Murrell Rd., Ste.201  
Viera, Florida 32940

STATE OF FLORIDA )

COUNTY OF BREVARD )

The foregoing instrument was acknowledged before me on the 13<sup>th</sup> day of Oct, 2005 by Stephen L. Johnson, the President of The Viera Company, a Florida corporation, on behalf of the corporation, who is personally known to me.



Charlene R. Spangler  
MY COMMISSION # DD215777 EXPIRES  
May 27, 2007  
BONDED THRU TROY FAIR INSURANCE, INC.

Charlene R. Spangler  
Print Name: \_\_\_\_\_  
Notary Public  
Commission No.: \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_

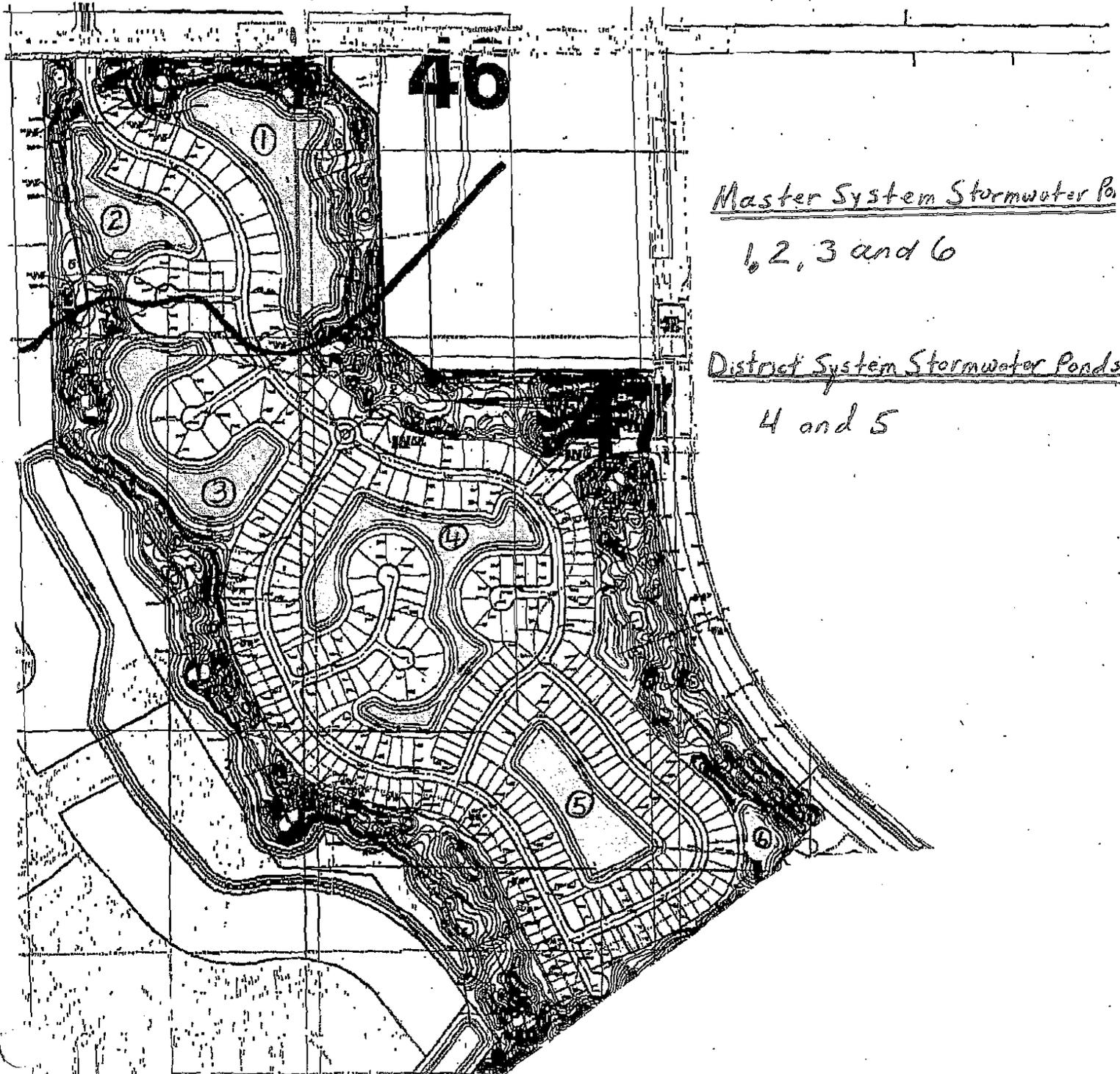
EXHIBIT "A"

Tract A, DURAN GOLF CLUB, according to the Plat thereof, as recorded in Plat Book 51, Page 63 through 65, inclusive, of the Public Records of Brevard County, Florida.

V0050624v1

Exhibit "B"

District Plan



BYLAWS OF  
FAIRWAY LAKES DISTRICT ASSOCIATION, INC.

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BYLAWS OF  
FAIRWAY LAKES DISTRICT ASSOCIATION, INC.

Article I

Name, Principal Office, and Definitions

Section 1. Name. The name of the District Association shall be FAIRWAY LAKES DISTRICT ASSOCIATION, INC. ("District Association").

Section 2. Principal Office. The principal office of the District Association in the State of Florida shall be located in Brevard County. The District Association may have such other offices, either within or outside the State of Florida, as the Board of Directors may determine or as the affairs of the District Association may require.

Section 3. Definitions. The words used in these Bylaws shall have the same meaning as set forth in the Declaration of Covenants, Conditions, Easements, Reservations and Restrictions for Fairway Lakes District, recorded or to be recorded in the public records of Brevard County, Florida, as supplemented, restated, renewed, extended or amended, from time to time ("District Declaration"), unless the context shall otherwise require.

Section 4. Corporate Seal. The seal of the corporation shall bear the name of the District Association, the word "Florida", and the year of incorporation.

Article II

District Association:

Membership, Meeting, Quorum, Voting, Proxies

Section 1. Membership. The District Association shall have two (2) classes of membership, Class "A" and Class "B", as more fully set forth in the District Declaration, the terms of which pertaining to membership are specifically incorporated herein by reference. Meetings of the District Association shall be of the members of the District Association and the members shall cast their votes as provided in the District Declaration on those matters requiring a vote of the membership of the District Association. Notwithstanding the foregoing, as to all matters pertaining to the Community Association related to voting by the District, the Voting Member of the District as defined in the District Declaration shall be responsible for casting all votes of the membership of the District Association on all matters requiring the vote of the membership of the District Association, unless otherwise expressly specified in the Community Declaration or the Bylaws of the Community Association. Such Voting Member shall be entitled to exercise such votes as he in his discretion, deems appropriate.

Section 2. Place of Meetings. Meetings of the District Association shall be held at the principal office of the District Association or at such other suitable place convenient to the members as may be designated by the Board of Directors either within the District Property or as

convenient thereto as possible and practical.

Section 3. Annual Meetings. Annual meetings of the District Association shall be set by the Board of Directors from time to time, provided the first meeting of the District Association occurs no earlier than one year after the District Association is incorporated. The election of directors, if one is required to be held, shall be held at, or in conjunction with, the annual meeting.

Section 4. Special Meetings. The President may call special meetings. In addition, it shall be the duty of the President to call a special meeting of the District Association if so directed by resolution of a majority of a quorum of the Board of Directors. In addition, after the Class "B" Control Period has terminated, it shall be the duty of the President to call a special meeting of the District Association if a petition is signed by members representing at least ten percent (10%) of the total votes of the District Association requesting a special meeting. The notice of any special meeting shall state the date, time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

Section 5. Notice of Meetings. Written or printed notice stating the time and place of any meeting of the members shall be published in such a manner as is reasonably calculated to provide such notice to each member at least forty-eight (48) hours in advance of any meeting, but in no event shall such publication provide less notice than that required by Section 720.306, Florida Statutes (2003), as amended from time to time. When required by statute or these Bylaws, the purpose or purposes for which the meeting is called shall be stated in the notice.

If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States mail addressed to the member at his address as it appears on the records of the District Association, with postage thereon prepaid.

Section 6. Waiver of Notice. Waiver of notice of a meeting of the members shall be deemed the equivalent of proper notice. Any members may, in writing, waive notice of any meeting of the members, either before or after such meeting. Attendance at a meeting by a member shall be deemed a waiver by such member of notice of the time, date and place thereof and of the business transacted thereat (if notice of same is required by statute or by these Bylaws), unless such member specifically objects to lack of proper notice at the time the meeting is called to order, or in the case where the business transacted thereat is required to be contained in the notice, such member specifically objects to proper notice before such business is put to a vote.

Section 7. Adjournment of Meetings. If any meeting of the District Association cannot be held because a quorum is not present, a majority of the members who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than five (5) nor more than thirty (30) days from the time the original meeting was called. At the reconvened meeting, if a quorum is present, any business which might have been transacted at the meeting originally called may be transacted. If a time and place for reconvening the meeting is not fixed by those in attendance at the original meeting or if for any reason a new date is fixed for

reconvening the meeting after adjournment, notice of the time and place for reconvening the meeting shall be given to members in the manner prescribed for regular meetings.

The members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum, provided that members or their proxies representing at least fifteen percent (15%) of the total votes of the District Association remain in attendance, and provided further that any action taken is approved by members or their proxies representing at least a majority of the number of votes of the District Association required to constitute a quorum.

Section 8. Voting. The voting rights of the members shall be as set forth in the District Declaration as supplemented and amended from time to time, and such voting rights provisions are specifically incorporated herein.

Section 9. Designation of Voting Representative. If a Unit or Unplatted Parcel is owned by one person or entity, its rights to vote shall be established by the record title to the Unit or Unplatted Parcel. If a Unit or Unplatted Parcel is owned by more than one person or entity, the person entitled to cast the votes for the Unit or Unplatted Parcel shall be designated by a certificate signed by all of the record Owners (as defined in the District Declaration) of the Unit or Unplatted Parcel and filed with the Secretary of the District Association. If a Unit or Unplatted Parcel is owned by a general or limited partnership, the person entitled to cast the votes for the Unit or Unplatted Parcel shall be designated by a certificate of appointment signed by one of the general partners and filed with the Secretary of the District Association. If a Unit or Unplatted Parcel is owned by a corporation, the person entitled to cast the votes for the Unit or Unplatted Parcel shall be designated by a certificate of appointment signed by the president or vice president of the corporation and filed with the Secretary of the District Association. If a Unit or Unplatted Parcel is owned in trust, the person entitled to vote for the Unit or Unplatted Parcel shall be designated by a certificate of appointment signed by the trustee of record for the trust and filed with the Secretary of the District Association. Such certificates shall be valid until revoked or until superseded by a subsequent certificate or until a change in the ownership of the Unit or Unplatted Parcel concerned. A certificate designating the person entitled to cast the votes of a Unit or Unplatted Parcel may be revoked in writing by any Owner thereof; provided, however, that no Unit or Unplatted Parcel shall vote in excess of the voting rights allocated to that Unit or Unplatted Parcel in the District Declaration.

Section 10. Approval or Disapproval of Matters. Whenever the decision of an Owner is required upon any matter, whether or not the subject of a District Association meeting, such decision shall be expressed by the same person who would cast the votes of such Owner if at a District Association meeting, unless the joinder of record Owners is specifically required by the District Declaration, the Articles of Incorporation of the District Association or these Bylaws.

Section 11. Restraint Upon Assignment of Shares in Assets. The share of a member in the funds and assets of the District Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to that member's Unit or Unplatted Parcel.

Section 12. Proxies. A member may authorize another person to act for him by proxy. Such proxy must be executed in accordance with, and shall be subject to the limitations set forth in, Section 720.306, Florida Statutes (2003), as amended from time to time. Every proxy shall be revocable at the pleasure of the member executing it and shall expire upon the transfer of title to the Unit or Unplatted Parcel giving rise to the voting rights to which the proxy pertains. The authority of the holder of a proxy to act shall not be revoked by the incompetence or death of the member who executed the proxy unless, before the authority is exercised, written notice of an adjudication of such incompetence or of such death is received by the District Association officer responsible for maintaining the list of members.

Section 13. Majority. As used in these Bylaws, the term "majority" shall mean those votes, owners, or other group as the context may indicate totaling more than fifty percent (50%) of the total number.

Section 14. Quorum. Except as otherwise provided in these Bylaws or in the District Declaration, the presence in person or by proxy of the members representing thirty percent (30%) of the total votes in the District Association shall constitute a quorum at all meetings of the District Association. Any provision in the District Declaration concerning quorums is specifically incorporated herein.

Section 15. Conduct of Meetings. The President, or in his absence the Vice President, shall preside over all meetings of the District Association, and the Secretary shall keep the minutes of the meeting and record in a minute book all resolutions adopted at the meeting, as well a record of all transactions occurring at the meeting.

Section 16. Action Without A Meeting. Any action required by law to be taken at a meeting of the members or any action which may be taken at a meeting of the members, may be taken without a meeting if written consent setting forth the action so taken is signed by all of the members entitled to vote with respect to the subject matter thereof; and any such consent shall have the same force and effect as a unanimous vote of the members.

### Article III

#### Board of Directors: Number, Powers, Meetings

##### A. Composition and Selection.

Section 1. Governing Body; Composition. The affairs of the District Association shall be governed by the Board of Directors, each of whom shall have one (1) vote. Except with respect to directors appointed by the District Declarant, the directors shall be members or spouses of such members; provided, however, no person and his or her spouse may serve on the Board of Directors at the same time. In the case of a member which is a corporation, partnership, or other legal entity, the person designated in writing by certificate filed with the Secretary of the District Association as the voting representative (pursuant to Article II, Section 9 hereof) of such corporation, partnership or other legal entity shall be eligible to serve as a director.

Section 2. Directors During Class "B" Control. During the Class "B" Control Period (as defined in the District Declaration), all members of the Board of Directors shall be appointed by the District Declarant acting in its sole discretion and shall serve at the pleasure of the District Declarant.

Section 3. Number of Directors. During the Class "B" Control Period the number of directors on the Board of Directors shall be no less than three (3). The number of directors on the Board of Directors may be increased (i) by the District Declarant during the Class "B" Control Period or (ii) by the approval of a majority of the members after the class "B" Control Period, provided that there shall always be an odd number of directors. The initial Board of Directors shall consist of three (3) directors appointed by the District Declarant. In the event the Declarant elects to increase the number of directors during the Class "B" Control Period, then the majority of the directors shall be appointed by the Declarant and the remaining directors shall be elected by the members, with the directors appointed by the Declarant serving until their resignation or replacement and the directors elected by the members serving two (2) year terms (except as otherwise expressly provided in Section 5 of this Article III hereinbelow). The Declarant may appoint additional directors in its sole discretion to the Board of Directors from time to time to replace directors appointed by it, to fill vacancies of directors appointed by it, or to fill additional positions on the Board of Directors due to its expansion in excess of five (5) members.

Section 4. Nomination of Directors. Except with respect to directors entitled to be selected by the District Declarant as provided in Section 3 of this Article, nominations for election of directors to the Board of Directors shall be made by a Nominating Committee. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two (2) or more members of the District Association appointed by the Board of Directors. The Nominating Committee shall be appointed by the Board of Directors not less than thirty (30) days prior to such annual meeting of the members at which members other than the District Declarant are entitled to elect members to the Board of Directors. Members of the Nominating Committee shall serve a term of one (1) year or until their successors are appointed. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but in no event less than the number of positions to be filled. Nominations shall also be permitted from the floor. All candidates shall have a reasonable opportunity to communicate their qualifications to the members and to solicit votes.

Section 5. Election and Term of Office. Within thirty (30) days after termination of the Class "B" Control Period, the District Association shall call a special meeting at which the Class "A" members shall elect all directors of the Board of Directors; provided, however, in the event the Declarant elected to have more than three (3) directors during the Class "B" Control Period, then only the directors appointed by the Declarant shall be elected at such special meeting and the remaining directors previously elected by the members shall remain as directors until the expiration of their terms. A majority of the directors shall be elected to serve a term of two (2) years, and the remaining directors shall be elected to serve a term of one (1) year (when directors have been elected by the members during the Class "B" Control Period pursuant to Section 3 of

this Article III, they shall be deemed to have been elected to terms ending one (1) year after the date of such special meeting). Upon the expiration of the initial term of office of each such director, a successor shall be elected to serve a term of two (2) years. Thereafter, all directors shall be elected to serve two (2) year terms.

At any election of directors by members, each member shall be entitled to cast with respect to each vacancy to be filled on the Board of Directors, as many votes as it is entitled to vote under the terms of the District Declaration. There shall be no cumulative voting. The candidates receiving the largest number of votes shall be elected to fill the positions for which the election is held. Directors elected by the members shall hold office until their respective successors have been elected. Directors may be elected to serve any number of consecutive terms.

Section 6. Removal of Directors and Vacancies. Except for District Declarant-appointed directors, a director may be removed, with or without cause, by the vote of a majority of the members. Any director elected by members other than the District Declarant whose removal is sought, shall be given notice prior to any meeting called for that purpose. At such meeting as the director is removed, a successor shall be elected by the members to fill the vacancy for the remainder of the term of such director. Directors may also be recalled by an agreement in writing or by written ballot without a membership as provided in section 720.303(10), Florida Statutes. Any director appointed by the District Declarant may only be removed by the District Declarant, in its sole discretion, and the District Declarant shall be entitled to appoint a director to fill the vacancy created.

Any director elected by the members who has three (3) consecutive unexcused absences from Board of Directors meetings or who is delinquent in the payment of any assessment or other charge due the District Association for more than thirty (30) days may be removed by a majority of the directors present at a regular or special meeting at which a quorum is present, and a successor may be appointed by the Board of Directors to fill the vacancy for the remainder of the term. The foregoing shall not apply to directors appointed by District Declarant to the Board of Directors.

Except in the case of directors appointed by District Declarant, in the event of the death, disability or resignation of a director, a vacancy may be declared by the Board of Directors, and it may appoint a successor. Any director appointed by the Board of Directors shall serve for the remainder of the term of the director who vacated the position. In the event of death, disability or resignation of a director appointed by the District Declarant, the District Declarant shall be entitled to appoint a director to fill the vacancy created, and such director shall serve for the remainder of the term of the director who vacated the position.

B. Meetings.

Section 7. Organizational Meetings. The first meeting of the Board of Directors following each annual meeting of the District Association shall be held within ten (10) days thereafter at such time and place as shall be fixed by the Board of Directors.

Section 8. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the directors. Notice of the time and place of the meetings of the Board of Directors shall be communicated to directors not less than forty-eight (48) hours prior to the meeting; provided, however, notice of a meeting need not be given to any director who has signed a waiver of notice or a written consent to holding of the meeting.

Section 9. Special Meetings. Special meetings of the Board of Directors shall be held when called by written notice signed by the President or by any two (2) directors of the Board of Directors if the Board of Directors is three members or by any three (3) directors of the Board of Directors if the Board of Directors is five members. The notice shall specify the time and place of the meeting and the nature of any special business to be considered. The notice shall be given to each director of the Board of Directors by one of the following methods: (a) by personal delivery; (b) written notice by first class mail, postage prepaid; (c) by telephone communication, either directly to the director or to a person at the director's office or home who would reasonably be expected to communicate such notice promptly to the director; or (d) by telegram, telecopy, charges prepaid. All such notices shall be given at the director's telephone number or sent to the director's address as shown on the records of the District Association. Notices shall be delivered at least forty-eight (48) hours before the time set for the meeting.

Section 10. Waiver of Notice. The transactions of any meeting of the Board of Directors, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice if (a) a quorum is present, and (b) either before or after the meeting each of the directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. Notice of a meeting shall also be deemed given to any director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

Section 11. Quorum of Board of Directors. At all meetings of the Board of Directors, a majority of the directors shall constitute a quorum for the transaction of business, and the votes of a majority of the directors present at a meeting at which a quorum is present shall constitute the decision of the Board of Directors. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for that meeting. If any meeting of the Board of Directors cannot be held because a quorum is not present, a majority of the directors who are present at such meeting may adjourn the meeting to a time not less than five (5) nor more than thirty (30) days from the date the original meeting was called. At the reconvened meeting, if a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

Section 12. Compensation. No director shall receive any compensation from the District Association for acting as such unless approved by members representing a majority of the total

votes of the District Association at a regular or special meeting of the District Association; provided any director may be reimbursed for expenses incurred on behalf of the District Association upon approval of a majority of the other directors.

Section 13. Conduct of Meetings. The President shall preside over all meetings of the Board of Directors, and the Secretary shall keep a minute book of meetings of the Board of Directors, recording therein all resolutions adopted by the Board of Directors and all transactions and proceedings occurring at such meetings. Meetings may be conducted by telephone and shall be considered as any other meeting, provided the directors participating in the meeting are able through telephone connection to hear and to be heard.

Section 14. Open Meetings; Notice to Members. Subject to the provisions of Section 15 of this Article and the provisions of Florida law, all meetings of the Board of Directors shall be open to all members, but members other than directors may not participate in any discussion or deliberation unless permission to speak is requested on his or her behalf by a director. In such case, the President may limit the time any member may speak. Except in an emergency, written or printed notice stating the time and place of any meeting of the Board of Directors shall be published in such a manner as is reasonably calculated to provide such notice to each member at least forty-eight (48) hours in advance of any meeting, which publication may be accomplished by posting such notice in a conspicuous place in the District, publishing in a local newspaper, providing a schedule of such meetings or such other method as is determined by the Board of Directors. When required by the provisions of Florida law, the purpose or purposes for which the meeting is called shall be stated in the notice.

If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States mail addressed to the member at his address as it appears on the records of the District Association, with postage thereon prepaid.

Section 15. Action Without a Formal Meeting. Any action to be taken or that may be taken at a meeting of the Board of Directors may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the directors of the Board of Directors, and such consent shall have the same force and effect as a unanimous vote.

#### C. Powers and Duties.

Section 16. Powers. The Board of Directors shall be responsible for the affairs of the District Association and shall have all of the powers and duties necessary for the administration of the District Association's affairs and may do all acts and things as provided by law as are not by the District Declaration, the Articles of Incorporation or these Bylaws directed to be done and exercised exclusively by the membership generally.

The Board of Directors shall delegate to one of its members the authority to act on behalf of the Board of Directors on all matters relating to the duties of the managing agent or manager, if any, which might arise between meetings of the Board of Directors.

The Board of Directors shall have exclusive jurisdiction over and the sole responsibility for the District Association's administration, management, operation, regulation, care, maintenance, repair, restoration, replacement, preservation and protection of the Common Area and Area of Common Responsibility; the establishment, levy, imposition, enforcement and collection of all assessments for which provision is made in the District Declaration; the promotion and advancement of the general interests of the members of the District Association; all as more particularly provided in the District Declaration, Articles of Incorporation, these Bylaws and the rules and regulations of the District Association.

In addition to the duties imposed by the District Declaration, the Articles of Incorporation and these Bylaws or by any resolution of the District Association that may hereafter be adopted, the Board of Directors shall have the power to and shall be responsible for the following, by way of explanation, but not limitation:

- a. preparation and adoption of annual budgets, including provisions for establishing reserve funds for replaceable assets, in which there shall be established the contribution of each Owner to the Common Expenses;
- b. making assessments to defray the Common Expenses, establishing the means and methods of collecting such assessments, and establishing the period of the installment payments of assessments; provided, unless otherwise determined by the Board of Directors, the Regular Assessment shall be payable in one (1) annual payment in advance on the first day of January of each year;
- c. providing for the operation, care, upkeep, and maintenance of all of the Common Area and Area of Common Responsibility;
- d. designating, hiring and dismissing the personnel necessary for the maintenance, operation, repair and replacement of the District Association, its property, Common Area and Area of Common Responsibility, and where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies and materials to be used by such personnel in the performance of their duties;
- e. collecting the assessments, depositing the proceeds thereof in a bank depository which it shall approve, and using the proceeds to administer the District Association; provided, any reserve fund may be deposited, in the directors' best business judgment in depositories other than banks;
- f. making and amending rules and regulations;
- g. opening of bank accounts on behalf of the District Association and designating the signatories required;
- h. making or contracting for the making of repairs, additions and improvements to or alterations of the Common Area in accordance with the District Declaration and these

Bylaws after damage or destruction by fire or other casualty;

i. enforcing by legal means the provisions of the District Declaration, these Bylaws, and the rules and regulations adopted by it and bringing any proceedings which may be instituted on behalf of or against the Owners concerning the District Association;

j. obtaining and carrying insurance against casualties and liabilities, as provided in the District Declaration or as otherwise determined to be appropriate by the Board of Directors, and paying the premium cost thereof;

k. paying the cost of all services rendered to the District Association or its members and not chargeable directly to specific Owners;

l. keeping books with detailed accounts of the receipts and expenditures affecting the District Association and its administration, specifying the maintenance and repair expenses and any other expenses incurred;

m. making available to any prospective purchaser of a Unit or Unplatted Parcel, any Owner, any first Mortgagee, and the holders, insurers, and guarantors of a first Mortgage on any Unit or Unplatted Parcel, current copies of the District Declaration, the Articles of Incorporation, the Bylaws, rules and regulations governing the Unit or Unplatted Parcel, and all other books, records, and financial statements of the District Association;

n. permitting utility suppliers to use portions of the Common Area reasonably necessary to the ongoing development or operation of the District Property; and

o. entering into contracts, granting easements or performing other rights, obligations or duties of the District Association set out in the District Declaration, including without limitation, the right to enter into any cable television agreement.

#### Section 17. Management Agent.

(a) The Board of Directors may employ for the District Association a professional management agent or agents at a compensation established by the Board of Directors to perform such duties and services as the Board of Directors shall authorize. The Board of Directors may delegate to the managing agent or manager, subject to the Board of Directors' supervision, all of the powers granted to the Board of Directors by these Bylaws, other than the powers set forth in subparagraphs (a), (b), (f), (g), (i) and (o) of Section 16 of this Article. The District Declarant, or an affiliate or other related entity of the District Declarant, may be employed as managing agent or manager.

(b) No management contract may have a term in excess of one (1) year and must permit termination by either party without cause and without termination fee on ninety (90) days' or less written notice.

Section 18. Accounts and Reports. Within sixty (60) days after the close of the Association's fiscal year, annual financial reports in conformity with Section 720.303 (7), Florida Statutes (2003), as amended from time to time, shall be prepared. Such reports shall be made available to all members upon request at no charge. In addition to such financial reports, a delinquency report shall be prepared listing all Owners who are delinquent in paying the installments of assessments at the time of the report. The Board of Directors may engage the services of an accountant to prepare, review or audit such reports as determined by the Board of Directors and any expenses in connection therewith shall be Common Expenses.

No remuneration shall be accepted by the managing agent from vendors, independent contractors or others providing goods or services to the District Association, whether in the form of commissions, finder's fees, service fees, prizes, gifts or otherwise; anything of value received shall benefit the District Association; provided, nothing herein shall prohibit the managing agent from earning commissions for services performed by the managing agent in leasing Units on behalf of Owners of such Units.

Section 19. Borrowing. The Board of Directors shall have the power to borrow money for the purpose of maintenance, repair, restoration, replacement, preservation and protection of the Common Area without the approval of the members of the District Association. The Board of Directors shall also have the power to borrow money for other purposes; provided, the Board of Directors shall obtain the approval of members representing a majority of the total votes of the District Association in the event that the proposed borrowing is for the purpose of modifying, improving or adding amenities and the total amount of such borrowing exceeds or would exceed five percent (5%) of the budgeted gross expenses of the District Association for that fiscal year. Notwithstanding anything to the contrary contained in the District Declaration, these Bylaws or the Articles of Incorporation, during the Class "B" Control Period, no mortgage lien shall be placed on any portion of the Common Area owned by the District Association without the affirmative vote or written consent, or any combination thereof, of members representing at least a majority of the total votes of the District Association other than District Declarant.

Section 20. Rights of the District Association. With respect to the Common Area, Areas of Common Responsibility, or other areas of responsibility of the District Association, and in accordance with the Articles of Incorporation, these Bylaws and the District Declaration, the Board of Directors on behalf of the District Association shall have the right to contract with any Person for the performance of various duties and functions. Without limiting the foregoing, this right shall entitle the Board of Directors on behalf of the District Association to enter into common management, operational or other agreements with trusts, condominiums, cooperatives or Districts and other owners or associations, both within and without the Properties. Such agreements shall require the consent of a majority of all directors of the District Association.

Section 21. Enforcement. The Board of Directors shall have the power to impose reasonable fines, which, unless prohibited by Florida law, shall constitute a lien upon the property of the violating Owner, and to suspend an Owner's (and any tenant's, occupant's, guest's or invitee's) right to use the Common Area or Areas of Common Responsibility for violation of any duty imposed upon such Owner under the District Declaration, the Articles of Incorporation,

these Bylaws or any rules and regulations duly adopted hereunder; provided, however, nothing herein shall authorize the District Association or the Board of Directors to limit ingress and egress to or from a Unit or Unplatted Parcel. In the event that any tenant, occupant, guest or invitee of a Unit or Unplatted Parcel violates the District Declaration, Articles of Incorporation, Bylaws or a rule or regulation and a fine is imposed, the fine may first be assessed against such person; provided, however, if the fine is not paid by such person within the time period set by the Board of Directors, the Owner of such Unit or Unplatted Parcel shall pay the fine upon notice from the District Association. All fines and suspensions imposed pursuant to this paragraph shall be imposed in accordance with the applicable requirements of the Florida Statutes. The failure of the Board of Directors to enforce any provision of the District Declaration, Articles of Incorporation, Bylaws or any rule or regulation shall not be deemed a waiver of the right of the Board of Directors to do so thereafter.

(a) Notice. Prior to imposition of any sanction hereunder for any violation other than the failure to pay assessments, the Board of Directors or its delegate (or the Covenants Committee, if any) shall serve the alleged violator with written notice by mail, hand delivery or other delivery at the address of the alleged violator contained in the records of the District Association, or if no address of the alleged violator is on record, then by posting written notice at the site of the alleged violation describing (i) the nature of the alleged violation, (ii) the proposed sanction to be imposed, (iii) a period of not less than fourteen (14) days within which the alleged violator may present a written request to the Board of Directors (or the Covenants Committee, if any) for a hearing; and (iv) a statement that the proposed sanction shall be imposed as contained in the notice unless a challenge is begun within the period of time provided in (iii) for requesting a hearing. If a timely challenge is not made, the sanction stated in the notice shall be imposed. The sanction may include, without limitation, sanctions that will automatically be imposed by the District Association in the event the violation is not abated or recurs within a stated period from the alleged violation. Copies of notices and proof of notice shall be placed in the records of the District Association. Proof of notice shall be deemed adequate if a copy of the notice, together with statement of the date and manner of delivery, is entered by the officer, director or agent who delivered such notice, or if the alleged violator requests a hearing within the time period stated in the notice.

(b) Hearing. If a hearing is requested in a timely manner, the hearing shall be held before a committee of at least three members appointed by the Board of Directors who are not officers, directors or employees of the District Association, or the spouse, parent, child, brother or sister of an officer, director or employee, affording the Owner a reasonable opportunity to be heard. The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction, if any, recommended by the committee to be imposed by the Board of Directors. In the event the committee, by majority vote, does not approve a proposed fine, suspension or other sanction, it may not be imposed.

(c) Appeal. Following a hearing, the violator shall have the right to appeal the decision to the Board of Directors. To perfect this right, a written notice of appeal must be received by the manager, President or Secretary of the District Association within ten (10) days after the hearing date. The decision of the Board of Directors shall be final.

(d) Additional Enforcement Rights. Notwithstanding anything to the contrary herein contained, the District Association, acting through the Board of Directors, may elect to enforce any provision of the District Declaration, the Articles of Incorporation, these Bylaws, or the rules and regulations of the District Association by self-help (specifically including, but not limited to, the towing of vehicles that are in violation of parking rules and regulations) or by suit at law or in equity to enjoin any violation, to recover monetary damages, or to seek any other appropriate remedy, or any combination of the foregoing, without the necessity of compliance with the procedure set forth above. In any such action, to the maximum extent permissible, the Owner or occupant responsible for the violation of which abatement is sought shall pay all costs, including reasonable attorneys' and paralegals' fees incurred by the District Association, whether suit be brought or not, and including those incurred on appeal, if any.

## Article IV

### Officers

Section 1. Officers. The officers of the District Association shall be a President, Vice President, Secretary and Treasurer, to be elected from among the members of the Board of Directors. The Board of Directors may appoint such other officers, including one or more Assistant Secretaries and one or more Assistant Treasurers, as it shall deem desirable, such officers to have the authority and to perform the duties prescribed from time to time by the Board of Directors. Any two (2) or more offices may be held by the same person, except that the offices of President and Secretary may not be held by the same person simultaneously.

Section 2. Election, Term of Office, and Vacancies. The officers of the District Association shall be elected annually by the Board of Directors at the first meeting of the Board of Directors following each annual meeting of the District Association, as herein set forth in Article III. A vacancy in any office arising because of death, resignation, removal, or otherwise may be filled by the Board of Directors for the unexpired portion of the term.

Section 3. Removal. Any officer may be removed by the Board of Directors whenever in its judgment the best interests of the District Association will be served thereby.

Section 4. Powers and Duties. The officers of the District Association shall each have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as may from time to time, specifically be conferred or imposed by the Board of Directors. The President shall be the chief executive officer of the District Association. The Treasurer shall have primary responsibility for the preparation of the budget as provided for in the District Declaration and may delegate all or part of the preparation and notification duties to a finance committee, management agent, or both.

Section 5. Resignation. Any officer may resign at any time by giving written notice to the Board of Directors, the President or the Secretary. Such resignation shall take effect on the date of the 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 6. Agreements, Contracts, Deeds, Leases, Checks, Etc. All agreements, contracts, deeds, leases, checks, and other instruments of the District Association shall be executed by at least two (2) officers or by such other person or persons as may be designated by resolution of the Board of Directors.

## Article V

### Committees

Section 1. General. Committees are hereby authorized to perform such tasks and to serve for such periods as may be provided for in the District Declaration, these Bylaws, the Articles of Incorporation or designated by a resolution adopted by a majority of the directors of the Board of Directors present at a meeting at which a quorum is present. Such committees shall perform such duties and have such powers as may be provided in the District Declaration, the Articles of Incorporation, these Bylaws and the resolution of the Board of Directors. In the event of conflict in the terms of any of the foregoing, the District Declaration, Articles of Incorporation, Bylaws and resolutions of the Board of Directors (in that order) shall prevail. Each committee shall operate in accordance with the terms related thereto, the rules adopted by the Board of Directors and the terms and provisions of the District Declaration, the Articles of Incorporation and these Bylaws.

Section 2. Covenants Committee. In addition to any other committees which may be established by the Board of Directors pursuant to Section 1 of this Article, the Board of Directors may appoint a Covenants Committee consisting of at least three (3) and no more than five (5) members. Members of the Covenants Committee may not be officers, directors or employees of the District Association, or the spouse, parent, child, brother or sister of an officer, director or employee. Acting in accordance with the provisions of the District Declaration, these Bylaws and resolutions the Board of Directors may adopt, the Covenants Committee, if established, shall be the hearing tribunal of the District Association for violations of the District Declaration and shall conduct all hearings held pursuant to Article III, Section 21 of these Bylaws. The Covenants Committee shall be formed and hold its proceedings in accordance with the requirements of the Florida Statutes.

## Article VI

### Indemnification

The District Association shall indemnify every officer, director, committee member and employee of the District Association against any and all costs and expenses, including reasonable attorneys' and paralegals' fees, reasonably incurred by or imposed upon such officer, director, committee member or employee in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the then Board of Directors) to which he may be a party by reason of being or having been an officer, director, committee

member or employee of the District Association. Such officers, directors, committee members and employees shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct, or bad faith. The officers and directors of the District Association shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the District Association (except to the extent they may also be members of the District Association), and the District Association shall indemnify and forever hold each such officer and director free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any officer, director, committee member, or employee, or former officer, director, committee member or employee may be entitled. The District Association shall, as a Common Expense, maintain adequate general liability and officers' and directors' liability insurance to fund this obligation, if such insurance is reasonably available.

## Article VII

### Miscellaneous

Section 1. Fiscal Year. The fiscal year of the District Association shall be the calendar year.

Section 2. Parliamentary Rules. Except as may be modified by Board of Directors' resolution, Robert's Rules of Order (current edition) shall govern the conduct of District Association proceedings when not in conflict with Florida law, the Articles of Incorporation, the District Declaration or these Bylaws.

Section 3. Conflicts. If there are conflicts between the provisions of Florida law, the Articles of Incorporation, the District Declaration, and these Bylaws, the provisions of Florida law, the District Declaration, the Articles of Incorporation and the Bylaws (in that order) shall prevail.

Section 4. Books and Records.

(a) Inspection by Members and Mortgagees. The District Declaration, Articles and Bylaws, membership register, books of account, other official records and minutes of meetings of the members, the Board of Directors, and committees shall be made available for inspection and copying by any Mortgagee, member of the District Association or by his or her duly appointed representative, at any reasonable time and for a purpose reasonably related to his or her interest as a member, at the office of the District Association or at such other place within the District Property as the Board of Directors shall prescribe.

(b) Rules for Inspection. The Board of Directors shall establish reasonable rules with respect to:

(i) notice to be given to the custodian of the records;

(ii) hours and days of the week when such an inspection may be made; and

(iii) payment of the cost of reproducing copies of documents requested.

(c) Inspection by Directors. Every director of the Board of Directors shall have the absolute right at any reasonable time to inspect all books, records, and documents of the District Association and the physical properties owned or controlled by the District Association. The right of inspection by a director of the Board of Directors includes the right to make extracts and a copy of relevant documents at the expense of the District Association.

Section 5. Notices. Unless otherwise provided in these Bylaws, all notices, demands, bills, statements or other communications under these Bylaws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by United States Mail, first class postage prepaid:

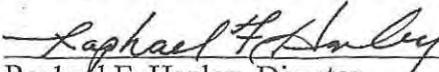
(a) if to a member, at the address which the member has designated in writing and filed with the Secretary or, if no such address has been designated, at the address of the Unit or Unplatted Parcel of such member; or

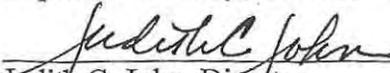
(b) if to the District Association, the Board of Directors, or the managing agent, at the principal office of the District Association or the managing agent, if any, or at such other address as shall be designated by notice in writing to the members pursuant to this Section.

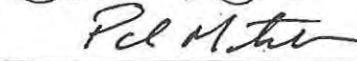
Section 6. Amendment. These Bylaws may be amended only by a majority of the Board of Directors adopting a resolution setting forth the proposed amendment, if such proposed amendment is approved by the affirmative vote (in person or by proxy) or written consent, or any combination thereof, of at least two-thirds of the total votes of the Association. However, the percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause. The amendment shall be effective upon adoption and a copy thereof shall be recorded in the public records of Brevard County, Florida. Notwithstanding anything to the contrary set forth herein, the District Declarant may unilaterally amend these Bylaws at any time to include any provisions which may be required by any federal, state or local governmental entity, agency or authority.

No amendment may remove, revoke, or modify any right or privilege of District Declarant or the Class "B" member without the written consent of District Declarant or the Class "B" member as appropriate, or the assignee of such right or privilege. No amendment may impair the validity or priority of the lien of any Mortgage held by a Mortgagee or impair the rights granted to Mortgagees herein without the prior written consent of such Mortgagees.

IN WITNESS WHEREOF, the members of the Board of Directors and District Declarant have executed and adopted these Bylaws of Fairway Lakes District Association, Inc. this 19 day of JANUARY 2006.

  
\_\_\_\_\_  
Raphael F. Hanley, Director

  
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Judith C. John, Director

  
\_\_\_\_\_  
Paul J. Martell, Director

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