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COMMUNITY CHARTER

FOR

BIG OAKS

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COMMUNITY CHARTER FOR BIG OAKS

PREAMBLE

This Community Charter ("**Charter**") establishes a governance structure and a flexible system of standards and procedures for the development, expansion, administration, maintenance, and preservation of Big Oaks as a residential community. A key component of the governance structure is Big Oaks Community Association, Inc. ("**Association**"), a corporation not-for-profit, created to own, operate, and maintain various properties and community improvements intended for the common use and enjoyment of owners, their families, and their guests, and to administer and enforce this Charter and the other Governing Documents referenced in this Charter in accordance with Chapter 720, Florida Statutes, or its successor statute, as such may be amended from time to time.

DECLARATION OF COVENANT

The property described in Exhibit "A" and any additional property made subject to this Charter in the future by amendment or supplement shall constitute the "**Community**" or "**Big Oaks**," as referred to in this Charter. This Charter shall run with the title to the Community, shall govern the development and use of such property, and shall be binding upon Coin Development I, LLC, a Florida limited liability company, its successors and assigns ("**Founder**"), and any other person or entity that now or hereafter has any legal, equitable, or beneficial interest in any portion of the Community. This Charter shall also be binding upon the Association, its successors and assigns.

PART ONE: INTRODUCTION TO THE COMMUNITY

Chapter 1
Governing Documents

A community is guided and governed by certain principles that each owner and resident, by choosing to own property or reside in the community, agrees to uphold. Those principles are set forth in the community's governing documents, which bind the community together, give it structure, and provide guidance to all who become a part of or have an interest in the Community.

1.1. Scope and Applicability

The Community has been established and is administered pursuant to various documents that have a legal and binding effect on all owners and occupants of property in the Community, as well as on anyone else that may now or in the future have an interest in any portion of the property comprising the Community. Such documents, referred to in this Charter as the "Governing

GOVERNING DOCUMENTS	
Community Charter: (recorded)	this Community Charter for Big Oaks, which creates obligations that are binding upon the Association and all present and future owners of property in the Community
Supplement: (recorded)	a recorded Supplement to this Charter, which may submit additional property to this Charter, create easements over the property described in the Supplement, impose additional obligations or restrictions on such property, or any of the foregoing
Articles of Incorporation: (filed with Department of State) (attached as Exhibit "E")	the Articles of Incorporation of Big Oaks Community Association, Inc., as they may be amended, which establish the Association as a corporation not-for-profit under Florida law. A copy of the Articles of Incorporation is attached to this Charter as Exhibit "E."
Bylaws: (attached as Exhibit "D")	the Bylaws of Big Oaks Community Association, Inc., adopted by the Board, as may be amended, which govern the Association's internal affairs, such as voting, elections, meetings, etc. A copy of the Bylaws is attached to this Charter as Exhibit "D."
Design Guidelines: (Founder adopts)	the design standards and architectural and aesthetics guidelines adopted pursuant to Chapter 5, as they may be amended, which govern new construction and modifications to property in the Community, including structures, landscaping, and other items constructed or installed by anyone other than the Founder
Rules: (initial set attached as Exhibit "C")	the rules of the Association adopted pursuant to Chapter 7, which regulate use of property, activities, and conduct within the Community
Board Resolutions: (Board adopts)	the resolutions the Board adopts to establish rules, policies, and procedures for internal governance and Association activities and to regulate the operation and use of property the Association owns or controls

Governing Documents

Documents, " include this Charter and the other documents described in Table 1.1, as they may be amended. All owners and occupants, as well as their tenants, guests, and invitees, are required to comply with the Governing Documents.

1.2. Additional Covenants

The Owner of any property within the Community may impose additional covenants on its property with such approval as may be required pursuant to Chapter 17. If the provisions of any such additional covenants are more restrictive than the provisions of this Charter, the more restrictive provisions control. The Association shall have standing and the power, but not the obligation, to enforce any such additional covenants.

1.3. Conflicts

If there are conflicts between any of the Governing Documents and Florida law, Florida law shall control. If there are conflicts between or among any of the Governing Documents, then the Charter, the Articles, and the Bylaws (in that order) shall control. If there is a conflict between the Governing Documents and any additional covenants recorded on any property within the Community (or the rules or policies adopted pursuant to any such additional covenants), the Governing Documents shall control.

The Governing Documents use diagrams, tables, and keynotes (text set apart in boxes with "key" icons) to illustrate concepts and assist the reader. If there is a conflict between any diagram and the text of the Governing Documents, the text shall control.

Space has been set aside throughout this Charter to allow the reader to make notes. Any such notes are not part of this Charter and have no legal or binding effect.

If any court determines that any provision of this Charter is invalid, or invalid as applied in a particular instance, such determination shall not

affect the validity of other provisions or applications of such provision in other instances.

1.4. Definitions

Capitalized terms used in the Governing Documents have the meaning described in the paragraph where they first appear in bold print. An index to defined terms follows the Table of Contents. All other terms used in the Governing Documents have their natural, commonly accepted definitions.

1.5. Interpretation of Certain References

Community-Wide Standard. Where the Governing Documents require compliance with the "**Community-Wide Standard**," the standard to be applied is the highest of: (a) the standard of use, conduct, architecture, landscaping, or aesthetic matters generally prevailing in the Community, or (b) the minimum standards described in this Charter, the Design Guidelines, the Rules, and Board resolutions. The Community-Wide Standard may contain objective elements, such as specific maintenance requirements, and subjective elements, such as matters subject to the discretion of the Board or the Reviewer (as defined in Chapter 5) discretion. The Community-Wide Standard may or may not be set out in writing. The Founder initially shall establish such standard; however, the Community-Wide Standard may evolve as development progresses and as the Community matures.

Consent or Approval. All references in the Governing Documents to "**consent**" or "**approval**" shall refer to permission or approval, which unless otherwise expressly qualified in the specific provision, may be granted or withheld in the discretion of the Person whose consent or approval is required.

Discretion and Determination. All references in the Governing Documents to "**discretion**" or to the right to "**determine**" any matter shall refer to the sole and absolute power or

Governing Documents

right to decide or act. Unless otherwise expressly limited in the Governing Documents or by law, any one authorized in the Governing Documents to exercise its discretion or make a determination may do so without regard to the reasonableness of, and without the necessity of justifying, the decision, determination, action, or inaction.

Maintenance. Unless otherwise expressly limited, any reference in this Charter to "**main-tenance**" shall refer to maintenance, repair, and replacement.

Person. References in the Governing Documents to a "**Person**" or "**Persons**" shall refer to an individual, a corporation, a partnership, a limited liability company, or any other legal entity.

Recording. All references in the Governing Documents to a "**recorded**" legal instrument, or to "**recordation**" or the "**recording**" of a legal instrument, shall refer to an instrument filed or the filing of a legal instrument in the official public records of St. Johns County, Florida, or such other place designated as the official location for filing documents affecting title to real estate in St. Johns County in order to make them a matter of public record.

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

NOTES

Chapter 2

Community Administration

Vibrant communities depend upon all of their stakeholders working together to uphold community standards and achieve the vision and goals for the community. The Founder, the Association, the Owners, the Builders, and others have a role in the functioning of the community and in helping to fulfill that vision. This Chapter identifies these stakeholders and describes their roles in administering the Community.

2.1. The Founder

The Founder has established the vision for the Community and, through the Governing Documents, has set forth the founding principles that will guide the Community during the initial period of development and sale and thereafter. The Founder's proposed plan for development of the Community is described in the land use plan(s) for Big Oaks approved by St. Johns County, as may be supplemented and amended from time to time, which plan(s) encompass(es) all of the property described in Exhibit "A" and all or a portion of the property described in Exhibit "B" (the "**Development Plan**").

The Founder reserves the right to make changes in the Development Plan and is not obligated to submit property shown on or otherwise included in the Development Plan to this Charter. In addition, the Founder may submit property to this Charter that is not a part of the Development Plan. No representation is made that the Community will be developed as shown on the Development Plan.

The Founder has reserved various rights in the Governing Documents with respect to development and administration of the Community. The Founder may exercise certain of these rights throughout the "**Development and Sale Period**," which is the period of time during which the Founder or any "Founder Affiliate" owns real

property in the Community or has an unexpired option to expand the Community pursuant to Chapter 16. A "**Founder Affiliate**" is any Person that controls, is controlled by, or is under common control with the Founder, and any Person that is an owner, a member, a partner, or a shareholder of the Founder.

During the "**Founder Control Period**," the Founder is entitled to appoint a majority of the members of the Association's board of directors ("**Board**"). The Founder Control Period begins on the date of the Association's incorporation and terminates upon the first of the following to occur:

(a) three months after 90% of the total number of Units permitted by applicable zoning for the property described in the Development Plan have been conveyed to persons other than builders holding title for purposes of construction and resale;

(b) December 31, 2025; or

(c) when, in its discretion, the Founder so determines and declares in a recorded instrument.

The Founder has certain approval rights over Association actions for a limited period as provided in the Bylaws after the termination of the Founder Control Period.

The Founder may assign its status and rights as the Founder under the Governing Documents to any person who takes title to any portion of the property described in Exhibit "A" or "B" for the purpose of development and/or sale. Such assignment shall be made only in a recorded instrument signed by both parties.

Community Administration

2.2. The Association

The Association is the entity primarily responsible for administering the Community in accordance with the Governing Documents.

The Association may exercise all rights and powers that the Governing Documents and Florida law expressly grant to it, as well as any rights and powers that may reasonably be implied under the Governing Documents. It may also take any action reasonably necessary to effectuate any such right or privilege.

2.3. The Board

The Board is responsible for administration, management, and operation of the Association. The Board is selected as provided in the Bylaws.

On most matters, the Association acts through the Board. However, in some instances the Governing Documents or applicable law limits the Board's ability to act without the approval of the Association's members. Unless the Governing Documents or Florida law specifically provide otherwise, the Board may exercise the Association's rights and powers without a vote of the membership.

The Board may institute, defend, settle, or intervene on behalf of the Association in mediation, binding or non-binding arbitration, litigation, or administrative proceedings in matters pertaining to the Area of Common Responsibility, as defined in Chapter 3, enforcement of the Governing Documents, or any other civil claim or action. However, the Board has no legal duty to institute litigation or any other proceeding on behalf of or in the name of the Association or its members.

In exercising the Association's rights and powers, making decisions on the Association's behalf (including, without limitation, deciding whether to file a lawsuit or take other legal action under any circumstances), and conducting the Associa-

tion's affairs, Board members and the Association's officers are required to comply with, and shall be judged by, the standards set forth in the Bylaws.

2.4. The Owners

Each Person that holds record title to a Unit, as defined in Chapter 3, is referred to in the Governing Documents as an "**Owner**." However, a Person who holds title merely as security for the performance of an obligation (such as a lender holding a mortgage or similar security instrument) is not considered an "Owner." If a Unit is sold under a recorded contract of sale, and the contract specifically so states, the purchaser (rather than the holder of fee simple title) will be considered the Owner. If a Unit has more than one Owner, all Co-Owners are jointly and severally obligated to perform the responsibilities of the Owner under the Governing Documents.

Every Owner has a responsibility to comply with the Governing Documents and uphold the community standards described in Part Two of this Charter. Each Owner also has an opportunity to participate in the administration of the Community through membership in the Association and through service on the Board and in other committee and leadership roles.

2.5. Builders

Some of the Units in the Community will be purchased by builders for the purpose of constructing dwellings for resale in the ordinary course of their business ("**Builders**").

The Builders have the same privileges and responsibilities as Owners during the time that they own property in the Community for development, construction, and/or resale, including the privileges of membership in the Association for each Unit that they own. In addition, the Founder may extend any of the rights it has reserved under the Governing Documents with respect to

Community Administration

development, marketing, and sale of property in the Community to such Builders as it may designate.

2.6. Mortgagees

If a Unit is made subject to a mortgage or other form of security instrument affecting title to a Unit ("**Mortgage**"), then the holder or beneficiary of that Mortgage ("**Mortgagee**") also has an interest in the administration of the Community. The Governing Documents contain various provisions for the protection of Mortgagees, including those set forth in Chapter 15.

NOTES

Chapter 3

Community Structure and Organization

The Community consists of Units intended for the use of the Owner and other occupants of the Unit, as well as property that is intended for common use.

Units. A "Unit" is a portion of the Community depicted as a separately identified lot or parcel on a recorded subdivision plat. A Unit may be independently owned and conveyed and is zoned or otherwise intended for development, use, and occupancy as a residence for a single family. The term "Unit" refers to the land, if any, which is part of the Unit, as well as to any structures or other improvements on the Unit.

A parcel of land intended for further subdivision and development into one or more Units is considered a single Unit until a subdivision plat or survey is recorded subdividing it into more than one Unit. The term does not include Common Areas, as defined below or property dedicated to the public.

Common Area. Any property and facilities that the Association owns or in which it otherwise holds possessory or use rights for the common use or benefit of more than one Unit is referred to as "Common Area." The Common Area also includes any property that the Association holds under a lease. The Common Area also includes the Surface Water or Storm Water Management System.

Area of Common Responsibility. All of the properties and facilities for which the Association has responsibility under the Governing Documents, or for which the Association otherwise agrees to assume responsibility, are collectively referred to in the Governing Documents as the "Area of Common Responsibility," regardless of who owns them. The Area of Common Responsibility includes all of the Common Area and may also include Units or portions of Units

and property dedicated to the public, such as public rights-of-way adjacent to the Community. The initial Area of Common Responsibility is described in Chapter 9.

NOTES

Chapter 4

Association Membership and Voting Rights

The Association is an entity through which each Owner can participate in the governance and administration of the Community. While many powers and responsibilities are vested in the Board in order to facilitate day-to-day management and operation, the membership and voting rights vested in the Owners allow the Owners to participate in administration of the Community and influence the outcome of major decisions.

4.1. Membership

The Association initially has two classes of membership: the Owner membership, which is comprised of all Owners, including Builders, and the Founder membership, which consists solely of the Founder and any Founder Affiliate which owns a Unit.

(a) Owner Membership. Every Owner is automatically a member of the Association. However, there shall be only one membership per Unit. Thus, if a Unit has more than one Owner, all co-Owners of the Unit shall share the privileges of such membership, subject to reasonable Board regulation and the restrictions on voting set forth below and in the Bylaws. If an Owner is a corporation, a partnership, or other legal entity, its membership rights may be exercised by any officer, director, partner, or trustee, or by an individual the Owner designates from time to time in a writing to the Association's Secretary.

(b) Founder Membership. The Founder and any Founder Affiliate holding title to a Unit shall be the Founder members. The Founder membership shall terminate two years after expiration of the Founder Control Period or on such earlier date as the Founder determines and declares in a recorded instrument.

4.2. Voting

Each Unit is assigned one equal vote, subject to the limitations on voting set forth in this Charter and the other Governing Documents. No vote shall be exercised for any property exempt from assessment under Section 12.8. Further, during such time as there is a Founder membership, no vote shall be exercised for Units that the Founder or any Founder Affiliate owns; rather, the Founder's consent shall be required for various actions of the Board, the membership, and committees, as specifically provided elsewhere in the Governing Documents. Unless the Founder specifically delegates such authority, the Founder shall act as, and on behalf of, the Founder Members on all matters.

In any situation in which an Owner is entitled personally to exercise the vote for his or her Unit, if there is more than one Owner of a Unit, the vote for such Unit may be exercised by any co-Owner or by the proxy of any co-Owner; however, the Unit's vote shall be suspended if more than one authorized Person seeks to exercise it and they do not agree on the manner in which the vote is to be cast. The Unit's vote may not be split, and no more than one vote may be cast for any Unit.

NOTES

PART TWO: COMMUNITY STANDARDS

Chapter 5

Architecture, Landscaping, and Aesthetic Standards

The Community derives its unique character from a mix of compatible architectural styles and from the cooperation of all Builders and Owners in upholding minimum design, landscaping, and aesthetic standards. This Chapter explains how those standards are established and how they are applied and maintained through a process requiring prior approval for construction on and exterior modifications to improvements on property within the Community initiated by anyone other than the Founder or the Association during the Founder Control Period.

5.1. General

All site work; landscaping; structures; improvements; sports, play, and maintenance equipment; yard and decorative items; and similar items placed or stored on any property in the Community in a manner or location visible from outside of any existing structure ("**Improvements**") are subject to standards for design, landscaping, and aesthetics adopted pursuant to this Chapter ("**Design Guidelines**") and the approval procedures set forth in this Chapter, except as this Chapter or the Design Guidelines may otherwise specify.

No prior approval is necessary to repaint the exterior of existing structures using the most recently approved color scheme or to rebuild or restore any damaged structures in a manner consistent with the plans and specifications most recently approved for such structures. Generally, no approval is required for work done to the interior of a structure; however, modifications to the interior of screened porches, patios, and any other portions of a structure visible from outside of the structure do require prior approval.

Any dwelling constructed on a Unit shall be designed by and built in accordance with the plans and specifications of a licensed architect or a residential designer approved by St. Johns County, unless the Founder or its designee in its sole discretion otherwise approves.

Approval under this Chapter shall be obtained prior to requesting any building or other permit or submitting any documentation to any governmental authority whose review or approval may be required for the proposed work. The Founder and the Association shall have the right and standing to take action to suspend or enjoin processing of any request for review or approval by a governmental authority submitted prior to any necessary approval being granted hereunder. Approval under this Chapter is not a substitute for any approvals or reviews required by St. Johns County or any municipality or governmental agency or entity having jurisdiction over architectural or construction matters.

This Chapter shall not apply to the Founder's design and construction activities or to the Association's activities during the Founder Control Period.

5.2. Design Review Authority

(a) **Founder.** The Founder shall have exclusive authority to review and act upon all applications for review of proposed Improvements until the later of (i) the expiration of the Development and Sale Period, or (ii) such time as all Units planned for the property described in Exhibits "A" and "B" have been improved with dwellings for which a certificate of occupancy has been issued. The Founder may designate one or more

Architecture, Landscaping, and Aesthetic Standards

persons to act on its behalf in reviewing any application. In reviewing and acting upon any request for approval, or otherwise exercising or declining to exercise its authority under this Chapter, the Founder and its designee act solely in the Founder's interest and owe no duty and shall have no liability to the Association or any other Person.

From time to time, the Founder may delegate any or all of its rights under this Chapter to other Persons or committee, including the committee appointed pursuant to Section 5.2(b). Any such delegation shall be in writing, shall specify the scope of responsibilities delegated, and shall be subject to (i) the Founder's right to revoke such delegation at any time and reassume its prior control, and (ii) the Founder's right to veto any decision that it determines, in its discretion, to be inappropriate or inadvisable. So long as the Founder has any rights under this Chapter, the jurisdiction of others shall be limited to such matters as the Founder specifically delegates.

(b) Design Review Committee. Upon the Founder's delegation of authority pursuant to Section 5.2(a), or upon expiration or termination of the Founder's rights under this Chapter, the Board shall appoint a Design Review Committee ("**Design Review Committee**" or "**DRC**") to assume jurisdiction over matters within the scope of the delegated authority or this Chapter, respectively. The DRC shall consist of at least three, but not more than five, persons who shall serve and may be removed and replaced in the Board's discretion. DRC members need not be Owners or representatives of Owners. The DRC may, but need not, include architects, engineers, or similar professionals. The Association may compensate DRC members in such manner and amount, if any, as the Board may determine appropriate.

Until expiration of the Founder's rights under this Chapter, the DRC shall notify the Founder in writing within three business days of any action (*i.e.*, approval, partial approval, or disapproval) it

takes under this Chapter. A copy of the application and any additional information the Founder may require shall accompany the notice. The Founder shall have 10 business days after receipt of such notice to veto any such action, in its discretion, by written notice to the DRC.

Unless and until such time as the Founder delegates all or a portion of its reserved rights to the DRC or the Founder's rights under this Chapter terminate, the Association shall have no jurisdiction over architectural matters.

(c) Reviewer. For purposes of this Chapter, the entity having jurisdiction in a particular case shall be referred to as the "**Reviewer**."

(d) Fees; Assistance. The Reviewer may establish and charge reasonable fees for its review of applications and may require that such fees be paid in advance. Such fees also may include reasonable costs incurred in having professionals review any application. The Board may include the compensation of such persons in the Association's annual operating budget.

5.3. Guidelines and Procedures

(a) Design Guidelines. The Founder may prepare the initial Design Guidelines, which may contain general provisions applicable to all of the Community as well as specific provisions that vary among uses, housing types, or locations within the Community. The Design Guidelines are intended to provide guidance to Owners and contractors regarding matters of particular concern to the Reviewer. The Design Guidelines are not the exclusive basis for the Reviewer's decisions, and compliance with the Design Guidelines does not guarantee approval.

The Founder shall have sole and full authority to amend the Design Guidelines for so long as it has review authority under Section 5.2(a). The Founder's right to amend the Design Guidelines shall continue even if it delegates reviewing authority to the DRC, unless the Founder also dele-

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gates the power to amend to the DRC. Upon termination or delegation of the Founder's right to amend, the DRC may amend the Design Guidelines with the Board's consent.

Amendments to the Design Guidelines shall apply prospectively only. They shall not require modifications to or removal of any structures previously approved once the approved construction or modification has begun. However, any new work on such structures must comply with the Design Guidelines as amended. There shall be no limitation on the scope of amendments to the Design Guidelines, and such amendments may eliminate requirements previously imposed or otherwise make the Design Guidelines less restrictive.

The Reviewer shall make the Design Guidelines available to Owners and their contractors upon request and may charge a reasonable fee to cover reproduction costs. In the Founder's discretion, such Design Guidelines may be recorded, in which event the recorded version, as it may be amended from time to time, shall control in the event of any dispute as to which version of the Design Guidelines was in effect at any particular time.

(b) Procedures. Unless the Design Guidelines provide otherwise, no activities within the scope of this Chapter (as described in Section 5.1) may begin on any portion of the Community until a written application is submitted to and approved by the Reviewer. The application must be accompanied by plans and specifications and such other information as the Reviewer or the Design Guidelines require.

If the Reviewer is the DRC, notice of any meeting to consider an application for architectural review shall be given in the same manner as notice of Board meetings, as provided in the Bylaws. Meetings of the DRC shall be open to all members, subject to the same exceptions as Board meetings under the Bylaws. This provision

shall not apply when the Founder is the Reviewer.

In reviewing each application, the Reviewer may consider any factors it deems relevant, including, without limitation, harmony of the proposed external design with surrounding structures and environment. Decisions may be based on purely aesthetic considerations. Each Owner acknowledges that such determinations are purely subjective and that opinions may vary as to the desirability and/or attractiveness of particular improvements.

The Reviewer shall have the sole discretion to make final, conclusive, and binding determinations on matters of aesthetic judgment, and such determinations shall not be subject to the procedures in Chapter 18 or judicial review so long as they are made in good faith and in accordance with required procedures.

The Reviewer shall make a determination on each application after receipt of a completed application with all required information and fees. The Reviewer may permit or require that an application be submitted or considered in stages, in which case a final decision shall not be required until after the final, required submission. The Reviewer may (i) approve the application with or without conditions; (ii) approve a portion of the application and disapprove other portions; or (iii) disapprove the application.

The Reviewer shall notify the applicant in writing of the final determination on any application no later than 30 business days after its receipt of a completed application and all required submissions; however, with respect to any DRC determination subject to the Founder's veto right under Section 5.2(b), the Reviewer shall notify the applicant of the final determination within 40 business days after its receipt of the final determination and all required submissions.

Notice shall be deemed given at the time the envelope containing the response is deposited in

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the U.S. mail. Hand delivery, facsimile, electronic mail, or similar delivery of such written notice also shall be sufficient and shall be deemed given at the time of confirmed delivery to the applicant.

If the Reviewer fails to respond or request additional information within the time required under the preceding paragraph, approval shall be deemed given. However, no approval, whether expressly granted or deemed granted, shall be inconsistent with the Design Guidelines unless a written variance has been granted pursuant to Section 5.5.

As part of any approval, the Reviewer may require that construction commence within a specified time period. If construction does not commence within the required period, the approval shall expire, and the Owner must reapply for approval before commencing any activities. Once construction is commenced, it shall be diligently pursued to completion. All work shall be completed within one year of commencement unless otherwise specified in the notice of approval or unless the Reviewer, in its discretion, grants an extension in writing.

The Reviewer may exempt certain activities from the application and approval requirements of this Chapter, if such activities are undertaken in compliance with the Design Guidelines and the Community-Wide Standard.

(c) Appeals Process. After the Board's appointment of the DRC, an applicant may appeal any disapproval of its application to the Board. To request an appeal, the applicant must submit to the Association's Secretary, no later than 15 days after the delivery of the notification of disapproval, a copy of the original application, the notification of disapproval, and a letter requesting review of the decision. The appeal request also shall contain a response to any specific concerns or reasons for disapproval listed in the notification of disapproval. The Board may (i) affirm the DRC's decision, (ii) affirm a portion and

overturn a portion of the DRC's decision, or (iii) overturn the DRC's entire decision.


The Board shall notify the applicant and the DRC in writing of its decision no later than 30 days after its receipt of the request for appeal with all required information. The Board's decision shall include a description of its reasons for overturning the DRC's decision. During the appeal process, the Owner shall not commence any work requiring approval hereunder.

This subsection shall not apply while the Founder is the Reviewer.

5.4. No Waiver of Future Approvals

The people reviewing applications under this Chapter will change from time to time, and opinions on aesthetic matters, as well as interpretation and application of the Design Guidelines, may vary accordingly. It may not always be possible to identify objectionable features until work is completed. In such cases, the Reviewer may elect not to require changes to objectionable features. However, the Reviewer may refuse to approve similar proposals in the future. Approval of applications or plans shall not constitute a waiver of the right to withhold approval as to any similar applications, plans, or other matters subsequently or additionally submitted for approval.

5.5. Variances

 When unusual circumstances exist that make it difficult or impossible to comply with a particular requirement of the Design Guidelines, the Owner may file a request with the Reviewer to be excused from complying with such requirement. The Reviewer has the discretion to determine when a variance is appropriate.

The Reviewer may authorize variances from compliance with any of the Design Guidelines and any procedures set forth in this Chapter or in the Design Guidelines when, in its judgment,

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circumstances justify an exception. No variance shall (a) be effective unless in writing; (b) be contrary to this Charter; or (c) prevent the Reviewer from denying a variance in other circumstances. A variance requires the Founder's written consent during the Development and Sale Period and, thereafter, requires the Board's written consent.

5.6. Limitation of Liability

This Chapter establishes standards and procedures as a mechanism for maintaining and enhancing the overall aesthetics of the Community; it does not create any duty to any Person. Review and approval of any application pursuant to this Chapter may be based purely on aesthetic considerations. The Reviewer is not responsible for the structural integrity or soundness of approved construction or modifications, for compliance with building codes and other governmental requirements, or for ensuring that all dwellings are of comparable quality, value, size, or design or are aesthetically pleasing or otherwise acceptable to other Owners.

With respect to any property owned or improved by any Person subject to the requirements of this Chapter, the Founder, the Association, its officers, the Board, any committee, and member of any of the foregoing shall not be liable for (a) soil conditions, drainage, or other general site work; (b) any defects in plans revised or approved hereunder; (c) any loss or damage arising out of the action, inaction, integrity, financial condition, or quality of work of any contractor or its subcontractors, employees, or agents, whether or not the Founder has approved or featured such contractor as a Builder; or (d) any injury, damages, or loss arising out of the manner or quality or other circumstances of construction or modifications, whether or not approved hereunder. In all such matters, the Association shall defend and indemnify the Board, the Reviewer, and the members of each, as provided in the Bylaws.

5.7. Certificate of Compliance

Any Owner may request in writing that the Reviewer issue a certificate of compliance certifying that there are no known violations of this Chapter or the Design Guidelines. The Reviewer shall either grant or deny such written request within 30 days after receipt, and may charge a reasonable administrative fee. Issuance of such a certificate shall prevent the Association from taking enforcement action against an Owner for any condition known to the Association or the Reviewer on the date of such certificate.

NOTES

Chapter 6

Maintenance, Repair, and Replacement

One of the benefits of owning property in a planned community is the commitment among neighbors to maintain their property in a neat and attractive condition to enhance the overall beauty and aesthetic appeal of the community. This Chapter describes the Owners' responsibilities for maintenance and repair of their Units and for insuring their Units against property damage so that funds will be available for repair and restoration if needed.

6.1. Maintenance of Units

Each Owner shall maintain his or her Unit, including all structures, landscaping, and other improvements comprising the Unit, in a manner consistent with the Governing Documents and the Community-Wide Standard unless such maintenance responsibility is otherwise assumed by or assigned to the Association.

Each Owner also must maintain the sidewalk and landscaping located in the public right-of-way adjacent to his or her Unit unless the Association assumes all or part of such maintenance responsibility.

The Founder may have drainage swales constructed on any Unit within the Community for the purpose of managing and containing the flow of excess surface water, if any, found upon that Unit from time to time. Each Owner, including any Builder, shall be responsible for the maintenance, operation, and repair of the drainage swales located on that Owner's Unit. Maintenance, operation, and repair shall mean the exercise of practices, such as mowing and erosion repair, which allow the drainage swales to provide drainage, water storage, conveyance, or other storm water management capabilities as permitted by the St. Johns River Water Management District. Filling, excavation, construction of fences, construction of walls, construction

of any Improvement and/or any other activity which obstructs the surface water flow in the drainage swales is strictly prohibited. No Owner may alter, modify, change, re-direct and/or obstruct any drainage swale located within the Community. Any damage to any drainage swale located on any Unit, whether caused by natural or human-induced phenomena, shall be repaired and such drainage swale shall be returned to its former condition as soon as possible by the Owner of the Unit upon which that drainage swale is located.

6.2. Responsibility for Repair and Replacement

Unless otherwise specifically provided in the Governing Documents or in other instruments creating and assigning maintenance responsibility, responsibility for maintenance shall include responsibility for repair and replacement necessary to maintain the property to a level consistent with the Community-Wide Standard.

Each Owner shall carry property insurance for the full replacement cost of all insurable improvements on his or her Unit, less a reasonable deductible.

Within 90 days after any damage to or destruction of a structure on a Unit, the Owner shall promptly repair or reconstruct in a manner consistent with the original construction or such other plans and specifications as are approved pursuant to Chapter 5 unless the Board, in its discretion, agrees to extend such period. Alternatively, the Owner shall clear the Unit of debris and maintain it in a neat and attractive condition consistent with the Community-Wide Standard. The Owner shall pay any costs that insurance proceeds do not cover.

Maintenance, Repair, and Replacement

6.3. Maintenance and Repair of Party Walls and Similar Structures

NOTES

Except as may otherwise be provided by law, a written agreement between Owners of adjacent Units, or other recorded documents applicable to adjacent Units:

(a) Each wall, fence, driveway, or similar structure built as part of the original construction on the Units that serves and/or separates any two adjoining Units shall be considered a party structure. The cost of reasonable repair and maintenance of a party structure shall be shared equally by the Owners whose Units are served by the party structure.

(b) If a party structure is destroyed or damaged by fire or other casualty, then to the extent that such damage is not covered by insurance and repaired out of the proceeds of insurance, any Owner whose Unit is served by the structure may restore it. Other Owners whose Units are served by the structure also shall contribute to the restoration cost in equal proportions, subject to the right to call for a larger contribution from the other users under any rule of law regarding liability for negligent or willful acts or omissions.

(c) The right to and the obligation of contribution for party walls and similar structures between Owners, as provided in this Section, shall be appurtenant to the land and shall pass to such Owner's successor-in-title.

(d) To the extent not inconsistent with the provisions of this Section, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply to any party structure. Any dispute concerning a party structure shall be subject to the provisions of Chapter 18.

Chapter 7

Use and Conduct

This Chapter sets forth basic standards regarding use, occupancy, and transfer of interests in Units. In addition, it provides a procedure by which the Board and the membership can adopt and change rules regulating use, conduct, and activities within the Community to address particular needs and desires of the Community over time.

7.1. Use, Occupancy, and Transfer of Interests in Units

(a) Residential and Related Uses. Units may be used only for residential and related purposes, except as the Founder may otherwise authorize with respect to construction, marketing, and sale activities of the Founder and Builders it designates.

A business activity within a Unit shall be considered "related" to a residential use and thus permitted under this Section only if conducted by a person or persons residing in the Unit and only if the business activity:

(i) is not apparent or detectable by sight, sound, or smell from outside of a permitted structure;

(ii) complies with applicable zoning requirements;

(iii) does not involve regular visitation of the Unit by employees who do not reside in the Unit, clients, customers, suppliers, or other business invitees, or door-to-door solicitation within the Community;

(iv) is consistent with the Community's residential character and does not constitute a nuisance or a hazardous or offensive use, or threaten the security or safety of others, as the Board determines in its sole and absolute discretion; and

(v) does not involve real estate brokerage or sales activities as the agent of an Owner other than the Founder or Builders it may authorize, unless the Founder has specifically approved such activities in writing.

"Business" shall have its ordinary, generally accepted meaning and shall include, without limitation, any occupation, work, or activity undertaken on an ongoing basis that involves providing goods or services to Persons other than the family of the producer and for which the producer receives a fee, compensation, or other form of consideration, regardless of whether (i) such activity is engaged in full or part time; (ii) such activity is intended to or does generate a profit; or (iii) a license is required.

Leasing a Unit for residential purposes shall not be considered a "business" within the meaning of this subsection, provided that the Owner and any other Owners with whom such Owner is affiliated, individually or collectively, do not collectively lease or offer for lease more than one Unit at any time. This provision shall not preclude an institutional lender from leasing a Unit upon taking title following foreclosure of its security interest in the Unit or upon acceptance of a deed in lieu of foreclosure. For purposes of this Charter, the terms "**Lease**" and "**Leasing**" shall refer to the regular, exclusive occupancy of a Unit by any Person other than the Owner, for which the Owner receives any consideration or benefit.

(b) Leasing. Any dwelling that is leased shall be leased only in its entirety; separate rooms, floors, or other areas within a dwelling may not be separately leased.

All leases shall be in writing and shall disclose that the tenants and all occupants

Use and Conduct

of the leased Unit are bound by and obligated to comply with the Governing Documents. However, the Governing Documents shall apply regardless of whether such a provision is specifically set forth in the lease.

Prior to a tenant taking occupancy under a lease or rental agreement of any kind, the Owner of the leased Unit shall notify the Board or the Association's managing agent of the lease and provide any additional information the Board may reasonably require. The Owner must give the tenant copies of the Governing Documents. In addition to, but consistent with this subsection, the Association or the Board may adopt Rules and Regulations governing and/or restricting leasing and subleasing of Units.

This subsection and any Rules and Regulations governing or restricting leasing and subleasing shall not apply to Units leased by or on behalf of the Founder or any Founder Affiliate.

(c) Transfer of Title. Any Owner desiring to sell or otherwise transfer title to his or her Unit shall give the Board at least seven days' prior written notice of the name and address of the purchaser or transferee, the date of such transfer of title, and such other information as the Board may reasonably require. The Person transferring title shall continue to be jointly and severally responsible with the Person accepting title for all obligations of the Owner, including assessment obligations, until the date upon which the Board receives such notice, notwithstanding the transfer of title.

(d) Subdivision and Combination of Units. No Person other than the Founder and Builders whom the Founder may authorize shall subdivide or change the boundary lines of any Unit or combine Units without the Board's prior written approval. Any such action that the Board approves shall be effective only upon recording of a plat or other legal instrument reflecting the subdivision or new boundaries of the affected

Unit(s). In the absence of such recorded instrument, adjacent Units owned by the same Owner shall continue to be treated as separate Units for purposes of voting and assessment, even though such Units may be improved with a single dwelling.

(e) Timesharing. No Unit shall be used for operation of a timesharing, fraction-sharing, or similar program whereby the right to exclusive use of the Unit rotates among participants in the program on a fixed or floating time schedule over a period of years.

7.2. Rulemaking Authority and Procedures

The Governing Documents establish a framework of covenants and conditions that govern the Community. The initial Rules attached as Exhibit "C" are a part of that framework. However, within that framework, the Association must be able to respond to unforeseen issues and changes affecting the Community. Therefore, the Board and the Owners are authorized to change the Rules in accordance with the following procedures, subject to the limitations set forth in Section 7.3.

(a) Board Authority. Subject to the notice requirements in Section 7.2(c) and the Board's duty to exercise judgment and reasonableness on behalf of the Association and its Members, the Board may adopt new Rules and modify or rescind existing Rules by majority vote of the directors at any duly called Board meeting at which a quorum is present.

(b) Membership Authority. Subject to the notice requirements in Section 7.2(c), the Owners representing a majority of the votes in the Association also may adopt new Rules and modify or rescind existing Rules at any meeting of the Association duly called for such purpose, regardless of the manner in which the original Rule was adopted. However, as long as the Founder mem-

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bership exists, any such action also shall be subject to the Founder's approval.

(c) *Notice.* The Board shall send notice to all Owners concerning any proposed Rule change which governs the use of Units at least fourteen days prior to the meeting of the Board or the Owners at which such action is to be considered. At any such meeting, Owners shall have a reasonable opportunity to be heard before the proposed action is put to a vote.

This notice requirement does not apply to administrative and operating policies that the Board may adopt relating to the Common Areas or to any other Rule changes which do not affect the use of Units, notwithstanding that such policies may be published as part of the Rules.

In addition, the Board shall have discretion, without the necessity of complying with such notice requirement, to enact such Rules as are necessary or appropriate to comply with any governmental or quasi-governmental order, permit, or approval applicable to the Community.

(d) *Effective Date.* A Rules change adopted under this Section shall take effect 7 days after the date on which written notice of the Rules change is given to the affected Owners.



Since it is impossible to foresee all potential situations and problems that may arise within the Community, the Board and the Owners have the authority to adopt and modify rules as needed to address new or changing circumstances.

(e) *Conflicts.* No action taken under this Section shall have the effect of modifying or repealing the Design Guidelines or any provision of this Charter other than the Rules. In the event of a conflict between the Design Guidelines and the Rules, the Design Guidelines shall control. In the event of a conflict between the Rules and any

provision of this Charter (exclusive of the Rules), the Charter shall control.

7.3. Protection of Owners and Others

Except as may be set forth in this Charter (either initially or by amendment) or in the initial Rules set forth in Exhibit "C," all Rules shall comply with the following provisions:

(a) *Similar Treatment.* Similarly situated Units shall be treated similarly.

(b) *Displays.* No Rule shall abridge an Owner's right to display on his or her Unit one United States flag and political, religious, or holiday symbols and decorations of the kinds normally displayed in single-family residential neighborhoods, nor shall any Rule regulate the content of political signs. However, the Association may adopt time, place, and manner restrictions with respect to flags, signs, symbols, and displays visible from outside structures on the Unit, including reasonable limitations on size and number.

(c) *Household Composition.* No Rule shall interfere with an Owner's freedom to determine household composition, except that the Association may impose and enforce reasonable occupancy limitations and conditions based on Unit size and facilities and its fair share use of the Common Area.

(d) *Activities Within Dwellings.* No Rule shall interfere with the activities carried on within a dwelling, except that the Association may prohibit activities not normally associated with residential property and may adopt rules to further define, clarify, and implement the restrictions in Section 7.1. It also may restrict or prohibit activities that create monetary costs for the Association or other Owners, that create a danger to anyone's health or safety, that generate excessive noise or traffic, that create unsightly conditions visible from outside the dwelling, or that are an unreasonable source of annoyance.

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(e) Allocation of Burdens and Benefits.

No Rule shall alter the allocation of financial burdens among the various Units or rights to use the Common Area to the detriment of any Owner over that Owner's objection expressed in writing to the Association. Nothing in this provision shall prevent the Association from changing the Common Area available, from adopting generally applicable rules for use of Common Area, or from denying use privileges to those who are delinquent in paying assessments, abuse the Common Area, or violate the Governing Documents. This provision does not affect the right to increase the amount of assessments as provided in Chapter 12.

(f) Leasing and Transfer of Units. Except as set forth in Section 7.1(b), no Rule shall prohibit leasing or transfer of any Unit or require approval prior to leasing or transferring a Unit; however, the Rules may require a minimum lease term of up to 12 months. The Rules may also require that Owners use Board-approved lease forms (or include specific lease terms) and may impose a reasonable review or administrative fee in connection with the Board's review of a lease.

(g) Abridging Existing Rights. No Rule shall require that an Owner dispose of personal property kept in or on a Unit in compliance with the Rules in effect at the time such personal property was brought onto the Unit. This exemption shall apply only during the period of such Owner's ownership of the Unit and shall not apply to subsequent Owners who take title to the Unit after adoption of the Rule.



This provision protects the existing personal property of Owners. It is intended to prevent a situation in which an Owner is forced to get rid of an item that was allowed prior to a change in the Rules. For example, if basketball hoops are allowed in driveways and then a Rule is passed prohibiting basketball hoops, the Board cannot force the Owners who have basketball hoops at that time to remove them. However, they can enforce this Rule against any other Owner desiring to install one, or against any Owner who takes title to a Unit after the effective date of the new Rule.

(h) Reasonable Rights to Develop. No Rule may unreasonably interfere with the Founder's ability to develop, market, and sell property in the Community.

(i) Interference with Easements. No Rule may unreasonably interfere with the exercise of any easement, except as set forth in Section 13.1(c).

7.4. Owners' Acknowledgment and Notice to Purchasers

By accepting a deed, each Owner acknowledges and agrees that the use, enjoyment, and marketability of his or her Unit is limited and affected by the Rules, which may change from time to time. All Unit purchasers are hereby notified that the Association may have adopted changes to the Rules and that such changes may not be set forth in a recorded document. A copy of the current Rules and all administrative policies are available from the Association upon request. The Association may charge a reasonable fee to cover its reproduction cost.

Chapter 8

Compliance and Enforcement

The covenants, standards, and rules set forth in the Governing Documents are for the benefit of all Owners and occupants of the Community. However, if they are to have any real meaning, there must be a commitment by the stakeholders in the Community to comply with them, and there must be a mechanism in place to enforce that compliance in the event that someone fails or refuses to do so. This Chapter sets forth the obligation to comply and the remedies available to the Association in the event of noncompliance.

8.1. Compliance



All Owners and occupants of Units, as well as their tenants, guests, and other visitors, must abide by the Governing Documents. If any of them fail or refuse to comply with the Governing Documents, they may be subject to various penalties, including fines and the loss of the right to use the Common Areas.

Every Owner, occupant, and visitor to a Unit must comply with the Governing Documents and shall be subject to sanctions for violations as described in this Chapter. In addition, each Owner shall be responsible for, and may be sanctioned for, all violations of the Governing Documents by the occupants or visitors to their Units, and for any damage to the Area of Common Responsibility that occupants or visitors may cause.

8.2. Remedies for Non-Compliance

The Association, the Founder, and every affected Owner shall have the right to file suit at law or in equity to enforce the Governing Documents. In addition, the Board may impose sanctions for violation of the Governing Documents, including those listed below and any others described elsewhere in the Governing Documents.

The St. Johns River Water Management District shall have the right to enforce, by any proceeding at law or in equity, the provisions contained in this Charter which relate to the maintenance, operation, management, and/or repair of the Surface Water or Storm Water Management System.

(a) Sanctions Requiring Prior Notice and Hearing. After written notice and an opportunity for a hearing in accordance with the Bylaws, the Board may:

(i) impose reasonable monetary fines, not to exceed \$100.00 per violation (or per day in the case of a continuing violation, except that, in the case of a continuing violation, only a single notice and opportunity for hearing is required). Fines may be imposed within a graduated range. There is no limit on the aggregate amount of any fine for a continuing violation;

(ii) suspend any Person's right to use any Common Area facilities (A) for any period during which any charge against such Owner's Unit remains delinquent, and (B) for a period not to exceed 30 days for a single violation or for a longer period in the case of any continuing violation (except that no hearing is required if the Owner is more than 60 days delinquent in paying any assessment or other charge owed the Association); however, nothing herein shall authorize the Board to limit ingress or egress to or from a Unit;

(iii) suspend services the Association provides (except that no hearing is required if the Owner is more than 60 days delinquent in paying any assessment or other charge owed to the Association), except that nothing herein shall authorize the Board to suspend essential utilities (i.e., electricity, natural gas, or water);

Compliance and Enforcement

(iv) exercise self-help or take action to abate any violation of the Governing Documents in a non-emergency situation (including removing personal property that violates the Governing Documents);

(v) without liability to any Person, preclude any contractor, subcontractor, agent, employee, or other invitee of an Owner who causes damage to any property in the Community owned by others or fails to comply with the terms and provisions of Chapter 5 and the Design Guidelines from continuing or performing any further activities in the Community;

(vi) levy Specific Assessments to cover costs the Association incurs in bringing a Unit into compliance with the Community-Wide Standard or other requirements under the Governing Documents, or in repairing damage to any portion of the Area of Common Responsibility resulting from actions of any Owner or occupant of a Unit, their contractors, subcontractors, agents, employees, or invitees; and

(vii) record a notice of violation with respect to any Unit on which a violation exists.

(b) Other Sanctions. The Board may take the following actions to obtain compliance with the Governing Documents without prior notice or a hearing:

(i) suspend the vote allocated to any Unit if the Owner is more than 90 days delinquent in paying any Base Assessment levied on the Unit pursuant to Chapter 12;

(ii) exercise self-help or take action to abate a violation on a Unit in any situation that requires prompt action to avoid potential injury or damage or unreasonable inconvenience to other persons or their property (specifically including, but not limited to, the towing of vehicles that are in violation of parking rules and regulations);

(iii) exercise self-help or take action to abate a violation on the Common Area under any circumstances;

(iv) require an Owner, at its own expense, to perform maintenance or to remove any structure or improvement on such Owner's Unit that is in violation of the Community-Wide Standard or other requirements under the Governing Documents and to restore the property to its previous condition;

(v) enter the property and exercise self-help to remove or cure a violating condition if an Owner fails to take action as required pursuant to Section 8.2(b)(iv) within 10 days after receipt of written notice to do so, and any such entry shall not be deemed a trespass; or

(vi) bring suit at law for monetary damages or in equity to stop or prevent any violation, or both.

(c) Founder's Right to Impose Sanctions. In the event that the Association fails or refuses to take action or impose sanctions under this Chapter after notice from the Founder of a violation of the Governing Documents, the Founder shall have the right to levy monetary fines on behalf of the Association after notice and hearing in the same manner as the Association under Section 8.2(a). In addition, the Founder may exercise self-help or take action to abate a violation or bring suit at law or in equity in the same manner as the Association under Section 8.2(b).

8.3. Board Decision to Pursue Enforcement Action

The Association's decision to pursue enforcement action in any particular case shall be left to the Board's discretion, except that the Board shall not be arbitrary or capricious in taking enforcement action. For example, the Board may determine that, in a particular case:

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(a) the Association's position is not strong enough to justify taking any or further action;

(b) the covenant, restriction, or rule being enforced is, or is likely to be construed as, inconsistent with applicable law;

(c) although a technical violation may exist or may have occurred, it is not of such a material nature as to be objectionable to a reasonable person or to justify expending the Association's resources; or

(d) that it is not in the Association's best interests, based upon hardship, expense, or other reasonable criteria, to pursue enforcement action.

A decision not to enforce a particular provision shall not prevent the Association from enforcing the same provision at a later time or prevent the enforcement of any other covenant, restriction, or rule.

8.4. Attorneys' Fees and Costs

In any action to enforce the Governing Documents, the prevailing party shall be entitled to recover all costs, including, without limitation, attorneys fees and court costs, whether incurred pre-trial, at trial, on appeal, in bankruptcy or post-judgment collection, reasonably incurred in such action.

8.5. Enforcement of Ordinances

The Association, by contract or other agreement, may enforce applicable laws, regulations, ordinances, and governmental requirements. In addition, St. Johns County and other governmental entities having jurisdiction, may enforce laws, regulations, ordinances, and governmental requirements within the Community.

8.6 Election of Remedies. All rights, remedies and privileges granted to the Founder, the Association or any Unit Owner pursuant to any terms, provisions, covenants or conditions of the Governing Documents shall be deemed to be cumulative and the exercise of any one or more shall not be deemed to constitute an election of remedies, nor shall it preclude the party thus exercising the same from exercising such other and additional rights, remedies or privileges as may be granted to such other party by the Governing Documents, or at law or in equity.

NOTES

PART THREE: ASSOCIATION OPERATIONS

Chapter 9

Property Management

One of the Association's primary functions is maintaining and operating property and facilities for the common benefit of the Owners and residents of the Community. This Chapter establishes the Association's obligation to accept property that the Founder designates as Common Area and to maintain, operate, and insure it, along with certain other properties, for the benefit of the Community.

9.1. Acceptance and Control of Association Property

(a) Transfers and Conveyances by Founder. The Founder and its designees may transfer or convey to the Association interests in real or personal property within or for the benefit of the Community, and the Association shall accept such transfers and conveyances. Such property may be improved or unimproved and may consist of fee simple title, easements, leases, licenses, or other real or personal property interests.

Upon the Founder's written request, the Association shall re-convey to the Founder any real property that the Founder originally conveyed to the Association for no payment, to the extent conveyed in error or needed to make minor adjustments in property lines or accommodate changes in the development plan.

(b) Management and Control. The Association is responsible for management, operation, and control of the Common Area, subject to any covenants set forth in the deed or other instrument transferring the property to the Association. The Association may enter into leases, licenses, or operating agreements with respect to portions of the Common Area for payment or no payment, as the Board deems appropriate, sub-

ject to the requirements of Florida law. The Association may permit use of Common Area facilities and Association property by persons other than Owners and occupants of Units and may charge use fees, in such amount as the Board may establish, for such use.

9.2. Maintenance of Area of Common Responsibility

The Association shall maintain the Area of Common Responsibility in accordance with the Community-Wide Standard. The Area of Common Responsibility includes, but is not limited to:

(a) the Common Area serving all or portions of the Community;

(b) landscaping within public rights-of-way within or abutting the Community, to the extent that responsible governmental authorities or Unit Owners do not maintain it to the Community-Wide Standard; and

(c) such portions of any additional property as may be dictated by the Founder, this Charter, any Supplement, or any covenant or agreement for maintenance entered into by, or otherwise binding on the Association; and

The Association shall also be responsible for the maintenance, operation, and repair of the Surface Water or Storm Water Management System. Maintenance of the Surface Water or Storm Water Management System shall mean the exercise of practices which allow the systems to provide drainage, water storage, conveyance, or other surface water or storm water management

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capabilities pursuant to the permit issued by the St. Johns River Water Management District. Any repair and/or reconstruction of the Surface Water or Storm Water Management System shall be as permitted or, if modified, as approved by the St. Johns River Water Management District. The Association shall have no responsibility for landscaping or other maintenance of Units burdened by storm water drainage easements unless otherwise specifically set forth in a Supplement or in a recorded agreement or plat.

The Association may maintain other property it does not own, including, without limitation, Units and property dedicated to the public, if the Board determines that such maintenance is necessary or desirable to maintain the Community-Wide Standard. The Association shall not be liable for any damage or injury occurring on, or arising out of the condition of, property it does not own except to the extent that it has been negligent in performing its maintenance responsibilities.

9.3. Discontinuation of Operation

After termination of the Founder Control Period, the Association shall maintain the Common Area facilities in continuous operation unless Owners representing 75% of the total votes in the Association consent in writing to discontinue such operation. In addition, the Founder's consent is required to discontinue operation of any Common Area facilities during the Development and Sale Period.

This Section shall not apply during the Founder Control Period and shall not apply to restrict the Board's ability to establish reasonable operating hours, which may vary by season, or to preclude temporary closures or interruptions in operation, as the Board may determine appropriate to perform maintenance or repairs.

9.4. Restoring Damaged Improvements

In the event of damage to or destruction of portions of the Area of Common Responsibility for which the Association has insurance responsibility, the Board or its duly authorized agent shall file and adjust all insurance claims and obtain reliable and detailed estimates of the cost of repairing or restoring the property to substantially its condition prior to the damage, allowing for changes or improvements necessitated by changes in applicable building codes.

The Association shall repair or reconstruct damaged Common Area improvements unless Owners representing at least 75% of the total votes in the Association decide within 60 days after the loss not to repair or reconstruct. The Founder's approval is required for the decision not to repair or reconstruct portions of the Common Area prior to the termination of the Development and Sale Period.

If either the insurance proceeds or estimates of the loss, or both, are not available to the Association within such 60-day period, then the period shall be extended until such funds or information are available. No Mortgagee shall have the right to participate in determining whether the damage or destruction to the Common Area shall be repaired or reconstructed.



This provision ensures that desirable Common Area improvements will be replaced if destroyed, but it also makes it possible *not* to repair or rebuild if the Owners who benefit from the Common Area prefer not to rebuild.

If a decision is made not to restore the damaged improvements and no alternative improvements are authorized, the affected property shall be cleared of all debris and ruins and thereafter shall be maintained by the Association in a neat and attractive condition consistent with the Community-Wide Standard.

Property Management

The Association shall retain and place in a capital improvements account for the benefit of all Owners any insurance proceeds remaining after paying the costs of repair or reconstruction or after such settlement as is necessary and appropriate. This is a covenant for the benefit of Mortgagees and may be enforced by the Mortgagee of any affected Unit.

If insurance proceeds are insufficient to cover the costs of repair or reconstruction, the Board may, without a vote of the Owners, levy Special Assessments to cover the shortfall against those Owners responsible for the premiums for the applicable insurance coverage under Section 11.4.

9.5. Relationships with Other Properties

The Association may contract with third parties to provide for sharing of costs associated with (a) maintenance and operation of mutually beneficial properties or facilities, or (b) provision of mutually beneficial services.

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Chapter 10

Provision of Services

In addition to its property management role, the Association is a vehicle for providing a variety of services for the benefit of the Community at large and individual Units. This Chapter describes some of the services the Association may provide.

10.1. Provision of Services to Units

The Association may arrange for or provide services to Owners and their Units, directly or through contracts with the Founder or other third parties. The Association may enter into bulk service agreements by which a particular service is provided to all Units, or it may offer various services at the option of each Owner, or both. By way of example and not limitation, such services might include such things as cable television, technology services, utilities, fire protection, security, trash collection, landscape maintenance, pest control, caretaker services, and concierge services.

Services may be provided to all Units, or to particular Units upon request. Services may be provided as a Common Expense or the Association shall charge a separate use fee, in such amount as the Board may determine appropriate in its discretion, for any services offered at the option of an Owner, which fee shall be assessed against the benefited Unit as a Specific Assessment pursuant to Chapter 12.

Any Association contract for services may require individual Owners or occupants to execute separate agreements directly with the Persons providing components or services in order to gain access to or obtain specified services. Such contracts and agreements may contain terms and conditions that, if violated by the Owner or occupant of a Unit, may result in termination of services provided to such Unit. Any such termination shall not relieve the Owner of the con-

tinuing obligation to pay assessments for any portion of the charges for such service that are assessed against the Unit as a Common Expense.

In its discretion, the Board may discontinue offering particular services and may modify or cancel existing contracts for services, subject to the contract terms and any provision that may exist elsewhere in the Governing Documents requiring the Association to provide such services.

10.2. Community Technology

(a) Community Systems. Without limiting the generality of Sections 10.1 and 10.2, the Association is specifically authorized to provide, or to enter into contracts with other Persons to provide, central telecommunication receiving and distribution systems (*e.g.*, cable television, high speed data/Internet/intranet services, and security monitoring) and related components, including associated infrastructure, equipment, hardware, and software to serve the Community ("**Community Systems**"). Any such contracts may provide for installation, operation, management, maintenance, and upgrades or modifications to the Community Systems as the Board determines appropriate. The Association shall have no obligation to utilize any particular provider(s). However, except for cause (as defined by written agreement with the provider), the Association may not, without the Founder's consent, terminate any contract entered into during the Founder Control Period.

(b) Opportunities for Community Interaction. The Association may make use of computers, the Internet, and expanding technology to facilitate community interaction and encourage participation in Association activities. For example, the Association may sponsor a commu-

Provision of Services

nity cable television channel, create and maintain a community intranet or Internet home page, maintain an "online" newsletter or bulletin board, and offer other technology-related services and opportunities for Owners and residents to interact and participate in Association-sponsored activities. To the extent Florida law permits, and unless otherwise specifically prohibited in the Governing Documents, the Association may send notices electronically, hold Board or Association meetings and permit attendance and voting by electronic means, and electronically send and collect assessment and other invoices.

NOTES

Chapter 11

Association Insurance

The Association is responsible for insuring against various types of risks, including property damage, personal injury, and liability. This Chapter describes the minimum types and amounts of coverage that the Association must obtain, the specific requirements for such policies, and the handling of deductibles and premiums for such insurance.

11.1. Required Coverages

The Association shall obtain and maintain in effect the following insurance coverage, if reasonably available, or if not reasonably available, the most nearly equivalent coverage as is reasonably available:

(a) Blanket property insurance covering "risks of direct physical loss" on a "special form" basis (or comparable coverage by whatever name denominated) for all insurable improvements on

(i) the Common Area; and

(ii) other portions of the Area of Common Responsibility, to the extent that the Association has responsibility for repair or replacement in the event of a casualty.

If such coverage is not generally available at reasonable cost, then "broad form" coverage may be substituted. The limits of Association property insurance policies shall be sufficient to cover the full replacement cost of the insured improvements under current building ordinances and codes.

(b) Commercial general liability insurance on the Area of Common Responsibility, insuring the Association and its Members for damage or injury caused by the negligence of the Association or any of its Members, employees, agents, or contractors while acting on its behalf. If generally available at reasonable cost, such coverage

shall have a limit of at least \$2,000,000.00 per occurrence with respect to bodily injury, personal injury, and property damage. Such coverage may be provided through a combination of primary and umbrella policies. However, if additional coverage and higher limits are available at reasonable cost that a reasonably prudent person would obtain, the Association shall obtain such additional coverages or limits;

(c) Workers compensation insurance and employers liability insurance, if and to the extent required by law;

(d) Directors and officers liability coverage; and

(e) Commercial crime insurance, including fidelity insurance covering all Persons responsible for handling Association funds in an amount determined in the Board's business judgment but not less than an amount equal to one fourth of the annual Base Assessments on all Units plus reserves on hand. Fidelity insurance policies shall contain a waiver of all defenses based upon the exclusion of Persons serving without compensation.

Unless otherwise specifically provided in a Supplement, Association property and liability insurance covers only the Area of Common Responsibility and improvements within the Area of Common Responsibility but does not cover Units, and it is the responsibility of each Owner to insure its Unit and the contents of its Unit.

The Association shall arrange for an annual review of the sufficiency of its insurance coverage by one or more qualified Persons, at least one of whom must be familiar with insurable replace-

Association Insurance

ment costs in St. Johns County. In the exercise of its business judgment, the Board may obtain additional insurance coverage and higher limits than this Section requires.

11.2. Deductibles



The Board may hold any Persons who cause damage to insured improvements responsible for the insurance deductible payable on any insurance claim related to such damage.

The Association's policies may contain a reasonable deductible, which shall not be subtracted from the face amount of the policy in determining whether the policy limits satisfy the requirements of Section 11.1. In the event of an insured loss, the deductible shall be treated as a Common Expense in the same manner as the premiums for the applicable insurance coverage. However, if the Board reasonably determines, after notice and an opportunity to be heard in accordance with the Bylaws, that the loss is the result of the negligence or willful misconduct of one or more Owners, their guests, invitees, or lessees, then the Board may assess the full amount of such deductible against such Owner(s) and their Units as a Specific Assessment.

11.3. Policy Requirements

All Association policies shall provide for a certificate of insurance to be furnished to the Association and, upon request, to each Owner.

To the extent available at reasonable cost and terms, all Association insurance shall:

(a) be written with a company authorized to do business in Florida that satisfies the requirements of the Federal National Mortgage Association or such other secondary mortgage market agencies or federal agencies as the Board deems appropriate;

(b) be written in the name of the Association as trustee for the benefited parties. All policies

shall be for the benefit of the Association and its members, and their Mortgagees, as their interests may appear;

(c) not be brought into contribution with insurance purchased by Owners, occupants, or their Mortgagees individually;

(d) contain an inflation guard endorsement;

(e) include an agreed amount endorsement, if the policy contains a co-insurance clause;

(f) provide that each Owner is an insured person with respect to liability arising out of such Owner's status as a member of the Association;

(g) provide a waiver of subrogation against any Owner or household member of an Owner; and

(h) include an endorsement precluding cancellation, invalidation, suspension, or non-renewal by the insurer on account of any act or omission of one or more Owners, unless acting on the Association's behalf within the scope of their authority, or on account of any curable defect or violation, without prior written demand to the Association and allowance of a reasonable time to cure the defect or violation.



Subrogation is a legal concept by which one person is substituted in the place of another with respect to a lawful claim or right. For example, once they have paid a claim by an insured party, insurance companies generally have the right to step into the shoes of the insured party and sue anyone that the insured party could have sued.

In addition, the Board shall use reasonable efforts to secure insurance policies that list the Owners as additional insureds and provide:

(a) a waiver of subrogation as to any claims against the Association's directors, officers, employees, and manager;

Association Insurance

(b) a waiver of the insurer's right to repair and reconstruct instead of paying cash;

(c) an endorsement excluding Owners' individual policies from consideration under any "other insurance" clause;

(d) an endorsement requiring at least 30 days' prior written notice to the Association of any cancellation, substantial modification, or non-renewal;

(e) a cross liability provision; and

(f) a provision vesting in the Board exclusive authority to adjust losses. However, Mortgagees having an interest in such losses may not be precluded from participating in the settlement negotiations, if any, related to the loss.

11.4. Insurance Premiums

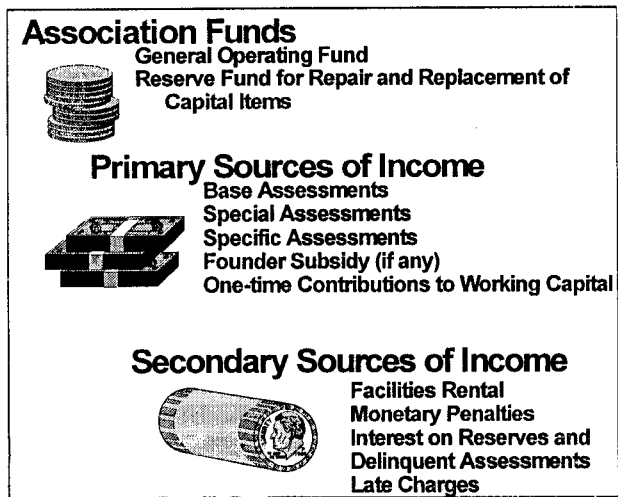
Premiums for all Association insurance shall be a Common Expense.

NOTES

Chapter 12

Association Finances

This Chapter provides for various types of funding to cover expenses that the Association incurs or expects to incur in exercising its authority and performing its responsibilities under the Governing Documents. The primary source of funding is the assessments this Chapter authorizes the Association to levy against the Units and collect from the Owner of each Unit. Assessments are secured by a lien on each Unit as described in this Chapter.



12.1. Association Expenses

Except as the Governing Documents otherwise specifically provide, all of the expenses that the Association incurs, or expects to incur, in connection with the ownership, maintenance, and operation of the Area of Common Responsibility, and otherwise for the general benefit of the Owners, are considered "**Common Expenses.**" Common Expenses include such operating reserves and reserves for repair and replacement of capital items within the Area of Common Responsibility as the Board finds necessary or appropriate. Common Expenses shall also include the costs of maintenance, operation, management, and repair of the Surface Water or Storm Water Management System, including,

but not limited to, work within retention areas, drainage structures, and/or drainage easements.

Common Expenses shall not include any expenses incurred during the Founder Control Period for initial development or original construction costs unless Owners (other than Founder appointees) representing a majority of the total vote in the Association approve such expenditure. Payments due under leases of capital improvements such as streetlights shall not be considered an initial development or original construction cost.

The characterization of a particular expense as a "Common Expense" shall not preclude the Association from seeking reimbursement for, or a contribution toward, such expenses from other Persons who may be responsible for the expenses incurred or for sharing such expenses pursuant to this Charter, any Supplement, or any other recorded covenants or agreements.

12.2. Budgeting for and Allocating Association Expenses

(a) *Preparation of Budget.* At least 60 days before the beginning of each fiscal year, the Board shall prepare a budget of the estimated Common Expenses for the coming year.

The estimated expenses in each budget shall include, in addition to any operating reserves, a reasonable contribution to a reserve fund for repair and replacement of any capital items to be maintained as a Common Expense. In determining the amount of such reserve contribution, the Board shall take into account the number and nature of replaceable assets, the expected useful life of each, the expected repair or replacement cost, and the contribution required to fund the projected needs by annual contributions over the

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useful life of the asset. So long as the Board exercises business judgment, which may include relying in good faith on the advice of its accountants or other professional advisers in determining the amount or necessity of the reserve fund, the amount shall be considered adequate.

Each budget shall also reflect the sources and estimated amounts of funds to cover such expenses, which may include any surplus to be applied from prior years, any income expected from sources other than assessments levied against the Units (including amounts to which the Association is entitled pursuant to any covenant or agreement to share costs), and the amount to be generated through the levy of Base Assessments.

(b) Calculation of Base Assessments. The total budgeted Common Expenses, less any surplus in the Common Expense budget from prior years and any income anticipated from sources other than assessments against the Units, shall be allocated equally among all Units subject to assessment and levied as a "**Base Assessment**."

(c) Founder's Subsidy Option. The Founder may, but shall not be obligated to, reduce the Base Assessment for any fiscal year by payment of a subsidy (in addition to any amounts paid by the Founder under Section 12.6(b)). Any such subsidy may be treated as a contribution, an advance against future assessments due from the Founder, or a loan, in the Founder's discretion. Any such subsidy and the characterization thereof shall be conspicuously disclosed as a line item in the income portion of the budget. Payment of such subsidy in any year shall not obligate the Founder to continue payment of such subsidy in future years, unless otherwise provided in a written agreement between the Association and the Founder.

(d) Notice of Budget and Assessment; Right to Disapprove. The Board shall send a copy of the budget, together with notice of the amount of the Base Assessment to be levied pur-

suant to such budget, to each Owner at least 30 days before the fiscal year begins. The budget shall not be subject to Owner approval.

Notwithstanding any provision to the contrary, and except for assessment increases necessary for emergency situations, after termination of the Founder Control Period, any Base Assessment that is more than 25% greater than such assessment for the immediately preceding fiscal year is subject to disapproval at a meeting by Owners representing at least 75% of the Units subject to such assessment.

An emergency situation is any one of the following:

(i) an extraordinary expense required by an order of a court;

(ii) an extraordinary expense necessary to repair or maintain any portion of the Community for which the Association is responsible where a threat to personal safety is discovered;

(iii) an extraordinary expense necessary to repair or maintain any portion of the Community for which the Association is responsible and which could not reasonably have been foreseen by the Board in preparing and distributing the pro forma budget. However, prior to the imposition or collection of such an assessment, the Board shall pass a resolution containing written findings as to the necessity of the extraordinary expense involved and why the expense was not or could not have been reasonably foreseen in the budgeting process. Notice of the Board meeting at which such resolution is to be considered, explaining the nature of the assessment proposed, shall be provided to the Owners along with the notice of such assessment; or

(v) to defend itself in litigation, arbitration, or other legal or administrative actions brought against it.

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There shall be no obligation to call a meeting for the purpose of considering any budget except, in the case of the Common Expense budget, on petition of Owners representing at least 25% of the Units subject to assessment. Any such petition must be presented to the Board within 10 days after delivery of the budget and notice of any assessment. In addition, to the extent required by Florida law, Owners shall be given notice of and the opportunity to attend Board meetings at which assessments are to be considered and levied.

If any proposed budget is disapproved or the Board fails for any reason to determine the budget for any year, then the budget most recently in effect shall continue in effect until a new budget is determined.

(e) **Budget Revisions.** The Board may revise the budget and adjust the Base Assessment anytime during the year, subject to the same notice requirements and rights to disapprove set forth in Section 12.2(d).

12.3. Special Assessments

In addition to other authorized assessments, the Association may levy "**Special Assessments**" to cover unbudgeted expenses or expenses in excess of those budgeted. Special Assessments may be levied against the entire membership to cover unbudgeted expenses or expenses in excess of those budgeted. Special Assessments shall be levied equally against all Units subject to assessment.

Any Special Assessment shall require the affirmative vote or written consent of Owners representing at least a majority of the total votes in the Association, and the affirmative vote or written consent of the Founder Member, if any.

Special Assessments shall be payable in such manner and at such times as determined by the Board, and may be payable in installments ex-

tending beyond the fiscal year in which the Special Assessment is approved.

12.4. Specific Assessments

The Association may levy "**Specific Assessments**" against a particular Unit as follows:

(a) to cover the costs, including overhead and administrative costs, of providing services to the Unit upon request of the Owner pursuant to any menu of optional services the Association may offer pursuant to Section 10.1. Specific Assessments for optional services may be levied in advance of the provision of the requested service; and

(b) to cover costs incurred, including overhead and administrative costs, in bringing the Unit into compliance with the Governing Documents, or costs incurred as a consequence of the conduct of the Owner or occupants of the Unit, their agents, contractors, employees, licensees, invitees, or guests; however, the Board shall give the Unit Owner prior written notice and an opportunity for a hearing in accordance with the Bylaws before levying any Specific Assessment under this subsection.

12.5. Authority to Assess Owners; Time of Payment

The Founder hereby establishes and the Association is hereby authorized to levy assessments as provided for in this Chapter and elsewhere in the Governing Documents. The obligation to pay assessments shall commence as to each Unit on the later to occur of: (a) the date on which the Association first adopts a budget and levies assessments; or (b) the date on which the Unit is made subject to this Charter. The first annual Base Assessment levied on each Unit shall be adjusted according to the number of months remaining in the fiscal year at the time assessments commence on the Unit.

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Assessments shall be paid in such manner and on such dates as the Board may establish. If the Board so elects, assessments may be paid in two or more installments. Unless the Board otherwise provides, the Base Assessment shall be due and payable in advance on the first day of each fiscal year. The Board may require advance payment of assessments at closing of the transfer of title to a Unit and impose special requirements for Owners with a history of delinquent payment. If any Owner is delinquent in paying any assessments or other charges levied on his Unit, the Board may require the outstanding balance on all assessments to be paid in full immediately.

12.6. Obligation for Assessments



By buying a Unit in the Community each Owner agrees to pay all assessments levied against his or her Unit. If the Owner does not pay on time, that Owner will be charged late fees on all past due amounts. Owners may not claim a reduction in their assessments due to action or inaction by the Association.

(a) Personal Obligation. By accepting a deed or entering into a recorded contract to purchase any Unit, each Owner covenants and agrees to pay all assessments authorized in the Governing Documents. All assessments, together with interest (computed from its due date at a rate of 15% per annum or such higher rate as the Board may establish, subject to the limitations of Florida law), late charges of \$50.00 or such higher rate as determined by Board resolution, costs, and reasonable attorneys fees, shall be the personal obligation of each Owner and a lien upon each Unit until paid in full. Upon a transfer of title to a Unit, the grantee shall be jointly and severally liable for any assessments and other charges due at the time of conveyance.

The Board's failure to fix assessment amounts or rates or to deliver or mail each Owner an assessment notice shall not be deemed a waiver, modification, or a release of any Owner from the

obligation to pay assessments. In such event, each Owner shall continue to pay Base Assessments at the rate established for the last year for which an assessment was made, if any, until a new assessment is levied, at which time the Association may retroactively assess any shortfall.

No Owner may exempt himself or herself from liability for assessments by non-use of Common Area, abandonment of his or her Unit, or non-use of services provided to all Units. The obligation to pay assessments is a separate and independent covenant on the part of each Owner. No diminution or abatement of assessments or set-off shall be claimed or allowed for any alleged failure of the Association or Board to take some action or perform some function required of it, for inconvenience or discomfort arising from the making of repairs or improvements, or from any other action it takes.

Upon written request, the Association shall furnish to any Owner liable for any type of assessment a certificate signed by an Association officer setting forth whether such assessment has been paid. Such certificate shall be conclusive evidence of payment. The Association may require the advance payment of a reasonable processing fee for the issuance of such certificate.

(b) Founder's Financial Obligations to Association. The Founder shall be liable for assessments on any Units it owns that are subject to assessment under this Section, except that during the Founder Control Period, the Founder may satisfy its obligation to pay Base Assessments and Special Assessments for Common Expenses on Units it owns either by paying such assessments in the same manner as any other Owner or by paying any operating expenses incurred by the Association in excess of the assessments receivable from all other members plus other income of the Association.

Unless the Founder otherwise notifies the Board in writing at least 60 days before the beginning of each fiscal year, the Founder shall be

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deemed to have elected to continue paying on the same basis as during the immediately preceding fiscal year. After termination of the Founder Control Period, the Founder shall pay Base Assessments on any Units it owns that are subject to assessment under Section 12.5 in the same manner as any other Owner liable for such assessments.

Regardless of the Founder's election under this Section, any of the Founder's financial obligations to the Association may be satisfied in the form of cash, by "in kind" contributions of services or materials, or by a combination of these.

12.7. Lien for Assessments

(a) Existence of Lien. The Association shall have a lien against each Unit to secure payment of assessments, as well as interest, late charges (subject to the limitations of Florida law), and costs of collection (including attorneys fees and expenses). Such lien shall be superior to all other liens except (i) the liens of all taxes, bonds, assessments, and other levies which by law would be superior, (ii) the lien or charge of any recorded Mortgage made in good faith and for value having first priority over any other Mortgages on the Unit and (c) to the extent Florida law permits, the Association's lien for any "Capital Improvement Assessment," as described below.

Notwithstanding the above, and subject to Florida law, any lien for Association assessments or charges levied solely for the purpose of acquisition, development, or construction of infrastructure or capital improvements serving the Community (or to pay the cost to underwrite, service, and repay any debt incurred to finance any such acquisition, development, or construction) may be designated by the Board as a Capital Improvement Assessment which shall be superior to (a) the Association's lien for other Common Expenses, and (b) all other liens except those deemed superior under Florida law and which may not be made subordinate by this provision.

Although no further action is required to create or perfect the lien, the Association may, as further evidence and notice of the lien, execute and record a document setting forth as to any Unit the amount of the delinquent sums due the Association at the time such document is executed and the fact that a lien exists to secure the repayment thereof. However, the Association's failure to execute and record any such document shall not affect the validity, enforceability, or priority of the lien.

(b) Enforcement of Lien. The Association may bid for the Unit at the foreclosure sale and acquire, hold, lease, mortgage, and convey the Unit. While a Unit is owned by the Association following foreclosure: (i) no right to vote shall be exercised on its behalf; (ii) no assessment shall be levied on it; and (iii) each other Unit shall be charged, in addition to its usual assessment, its pro rata share of the assessment that would have been charged such Unit had it not been acquired by the Association. The Association may sue for unpaid assessments and other charges authorized hereunder without foreclosing or waiving the lien securing the same in addition to pursuing any and all remedies allowed by law to enforce the lien.

(c) Effect of Sale or Transfer. Sale or transfer of any Unit shall not affect the assessment lien or relieve such Unit from the lien for any subsequent assessments. However, the sale or transfer of any Unit pursuant to foreclosure of the first Mortgage shall extinguish the lien as to any installments of such assessments due prior to the Mortgagee's foreclosure, except that the foreclosure of the first Mortgage shall not extinguish the lien for amounts due under any Capital Improvement Assessment. The subsequent Owner of the foreclosed Unit shall not be personally liable for assessments on such Unit, other than any Capital Improvement Assessment, due prior to such acquisition of title. Such unpaid assessments shall be deemed to be Common Expenses collectible from Owners of all Units subject to as-

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assessment under Section 12.5, including such acquirer, its successors and assigns.



If an Owner does not pay his or her assessments on time, the Association may foreclose its lien on the Owner's Unit, causing it to be sold to pay the past due assessments. The Association also may sue an Owner in court to recover past due assessments.

12.8. Exempt Property

The following property shall be exempt from payment of Base Assessments and Special Assessments:

(a) All Common Area and such portions of the property owned by the Founder as are included in the Area of Common Responsibility; and

(b) Any property dedicated to and accepted by any governmental authority or public utility.

In addition, both the Founder and the Association shall have the right, but not the obligation, to grant exemptions to schools, houses of worship, hospitals, or Units owned by and used by Persons qualifying for tax-exempt status under Section 501(c) of the Internal Revenue Code. Exemptions granted by the Founder shall be binding on the Association.

12.9. Capitalization of Association

The first Owner of each Unit other than the Founder or a Builder designated by the Founder shall make a contribution to the working capital of the Association in an amount equal to one sixth of the annual Base Assessment per Unit for that year. This amount shall be in addition to, not in lieu of, the annual Base Assessment levied on the Unit and shall not be considered an advance payment of such assessments. This amount shall be due and payable to the Association immediately upon transfer of title for its use in covering initial start-up expenses, operating ex-

penses, and other expenses that it incurs pursuant to this Charter and the Bylaws.

12.10. Use and Consumption Fees

The Board may charge use, consumption, and activity fees to any Person using Association services or facilities or participating in Association-sponsored activities. Different fees may be charged to different classes of users (*e.g.*, Owners and non-Owners).

NOTES

PART FOUR: RELATIONSHIPS WITHIN AND OUTSIDE THE COMMUNITY

Chapter 13

Easements

The easements created in this Chapter establish the rights of Owners to use the Common Area and create various rights for the benefit of owners, the Founder, the Association, and others over property within the Community. Some of these rights are related to development and construction within the Community and on adjacent property while others relate to the rights of Association to come upon property of others to fulfill its responsibilities and the interrelationships between the Community and the owners of adjacent property.

13.1. Easements in Common Area



An easement is one person's right to go onto the property of another.

The Founder grants to each Owner a nonexclusive right and easement of use, access, and enjoyment in and to the Common Area, subject to:

(a) The Governing Documents and any other applicable covenants;

(b) Any restrictions or limitations contained in any deed conveying such property to the Association; and

(c) The Board's right to:

(i) adopt rules regulating Common Area use and enjoyment, including rules limiting the number of guests who may use the Common Area, and to charge use fees for such use except that no such rule shall unreasonably restrict an Owner's right to peaceably assemble on the Common Area or to invite public officers or candidates for public office to appear and speak on the Common Area;

(ii) suspend an Owner's right to use Common Area facilities;

(iii) dedicate or transfer all or any part of the Common Area, subject to such approval requirements as may be set forth in this Charter; and

(iv) mortgage, pledge (including assessments), or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred.

Any Owner may extend his or her right of use and enjoyment to the members of his or her family, lessees, and social invitees, as applicable, subject to reasonable Board regulation. An Owner who leases his or her Unit shall be deemed to have assigned all such rights to the lessee of such Unit for the period of the lease, except that an Owner who leases a garage apartment or similar accessory dwelling approved pursuant to Chapter 5 may extend such rights of use and enjoyment to the lessee of such accessory dwelling without relinquishing such rights for the benefit of the occupants of the main dwelling on the Unit.

Any Person's use and enjoyment of the Common Area is subject to the Board's authority to promulgate and enforce Rules governing such use. The posting of rules and regulations and fees in a conspicuous manner and location within Big Oaks or the publication in a community newsletter of general circulation within Big Oaks shall be deemed sufficient notice to all permitted users; provided, the Board, in its discretion, may provide notice of rules, regulations, and fees by other means or methods.

Easements

13.2. Easements of Encroachment



An encroachment occurs when a person's home, fence, or other structure extends onto his or her neighbor's property. This Section permits minor, inadvertent encroachments to remain.

The Founder grants reciprocal appurtenant easements of encroachment, and for maintenance and use of any permitted encroachment, between each Unit and any adjacent Common Area and between adjacent Units. A permitted encroachment is a structure or fixture that extends unintentionally from one person's property onto another's a distance of less than three feet, as measured from any point on the common boundary along a line perpendicular to such boundary. An encroachment easement shall not exist if the encroachment results from willful and knowing conduct on the part of, or with the knowledge and consent of, the Person claiming the benefit of such easement.

13.3. Easements for Utilities and Other Infrastructure

(a) Installation and Maintenance. The Founder reserves for itself and grants to the Association and all utility providers perpetual non-exclusive easements throughout the Community (but not through a structure) to the extent reasonably necessary to:

(i) install utilities and other Community Systems, security and similar systems, drainage systems, and other infrastructure to serve the Community;

(ii) install walkways, pathways and trails, street lights, and signage on property the Founder or the Association owns or within public rights-of-way or easements reserved for such purpose on a recorded plat;

(iii) inspect, maintain, repair, and replace the utilities, infrastructure, and other improvements described above; and

(iv) access and read utility meters.

Notwithstanding the above, the Founder reserves the right to deny access to any utility or service provider, to the extent permitted by law, or to condition such access on negotiated terms.

The Founder grants to the Association a perpetual non-exclusive easement over all areas of the Surface Water or Storm Water Management System for access to operate, maintain, manage, and/or repair any portion of the Surface Water or Storm Water Management System. By this easement, the Association shall have the right to enter upon any portion of any Unit which is a part of the Surface Water or Storm Water Management System, at a reasonable time and in a reasonable manner, to operate, maintain, manage, and/or repair the Surface Water or Storm Water Management System as required by the St. Johns River Water Management District permit. Additionally, the Association shall have a perpetual non-exclusive easement for drainage over the entire Surface Water or Storm Water Management System. No person shall alter the drainage flow of the Surface Water or Storm Water Management System, including any buffer areas and/or drainage swales located within the Community, without first obtaining the written approval of the St. Johns River Water Management District.

(b) Specific Easements. The Founder also reserves the non-exclusive right and power to grant and record such specific easements consistent with Section 13.3(a) as it deems necessary to develop the property described in Exhibits "A" and "B." The location of the specific easement shall be subject to the written approval of the Owner of the burdened property, which approval shall not unreasonably be withheld, delayed, or conditioned.

(c) Minimal Interference. All work associated with the exercise of the easements described in Section 13.3(a) and (b) shall be performed so as to minimize interference with the use and en-

Easements

joyment of the property burdened by the easement. Upon completion of the work, the Person exercising the easement shall restore the property, to the extent reasonably possible, to the condition existing prior to the commencement of the work. The exercise of these easements shall not extend to permitting entry into the structures on any Unit, nor shall it unreasonably interfere with the use of any Unit and, except in an emergency, entry onto any Unit shall be made only after reasonable notice to the Owner or occupant.

13.4. Easements to Serve Additional Property

The Founder hereby reserves for itself and its duly authorized agents, successors, assigns, and Mortgagees, an easement over the Common Area for the purposes of enjoyment, use, access, and development of the property described in Exhibit "B," regardless of whether such property is made subject to this Charter. This easement includes, but is not limited to, a right of ingress and egress over the Common Area for construction of roads and for connecting and installing utilities on such property. The Person exercising such easement rights shall be responsible for any damage caused to the Common Area as a result of their actions in connection with development of such property.

If the above easement grants permanent access to any property that is not submitted to this Charter, the Founder or its successors or assigns shall enter into a reasonable agreement with the Association to share the cost of maintenance that the Association provides for the benefit of the easement holder. The shared maintenance costs may include maintenance to or along any roadway providing access to the benefited property.

13.5. Easements for Maintenance, Emergency, and Enforcement



The Association may come onto the exterior portions of a Unit to do maintenance or to address violations of the covenants but will give prior notice unless there is an urgent need to enter the property before notice can be given.

By this Charter, the Founder grants to the Association easements over such portions of the Units as necessary to enable the Association to exercise its authority and fulfill its maintenance responsibilities under this Charter and to exercise its enforcement rights under Chapter 8. The Association also shall have the right, but not the obligation, to enter upon any Unit for emergency, security, and safety reasons, to inspect for compliance with the Governing Documents, and to enforce the Governing Documents. Any member of the Board and its duly authorized agents and assignees and all emergency personnel in the performance of their duties may exercise such right. Except in an emergency situation, entry shall only be during reasonable hours and after notice to the Owner.

13.6. Easements for Maintenance of Water Bodies and Flooding



The Founder and the Association have the right to access property adjacent to wetlands and water bodies to perform maintenance and for irrigation purposes. They also have the right to cause water levels in lakes or ponds in the Community to rise above normal. They will be responsible for repairing any damage they cause in so doing.

The Founder reserves for itself and its respective successors, assigns, and designees, the non-exclusive right and easement, but not the obligation, to enter upon bodies of water and wetlands located within the Area of Common Responsibility to (a) install, operate, maintain, and replace

Easements

pumps to supply irrigation water to the Area of Common Responsibility; (b) construct, maintain, and repair structures and equipment used for retaining water; and (c) maintain such areas in a manner consistent with the Community-Wide Standard. The Founder, the Association, and their respective successors, assigns, and designees shall have an access easement over and across any portion of the Community that abuts or contains bodies of water or wetlands, to the extent reasonably necessary to exercise their rights under this Section.

The Founder reserves for and grants to the Association a perpetual non-exclusive easement over all areas of the Surface Water or Storm Water Management System for access to operate, maintain, manage, and/or repair any portion of the Surface Water or Storm Water Management System. By this easement, the Association shall have the right to enter upon any portion of any Unit which is a part of the Surface Water or Storm Water Management System, at a reasonable time and in a reasonable manner, to operate, maintain, manage, and/or repair the Surface Water or Storm Water Management System as required by the St. Johns River Water Management District permit. Additionally, the Association shall have a perpetual non-exclusive easement for drainage over the entire Surface Water or Storm Water Management System. No person shall alter the drainage flow of the Surface Water or Storm Water Management System, including any buffer areas and/or drainage swales located within the Community, without first obtaining the written approval of the St. Johns River Water Management District.

The Founder further reserves for itself, the Association, and their respective successors, assigns, and designees, a perpetual, nonexclusive right and easement of access and encroachment over the Common Area and Units (but not the dwellings thereon) adjacent to or within 30 feet of bodies of water and wetlands within the Community, in order to (a) temporarily flood and back water upon and maintain water over

such property; (b) alter in any manner and generally maintain the bodies of water and wetlands within the Area of Common Responsibility; and (c) maintain and landscape the slopes and banks pertaining to such areas. All Persons entitled to exercise these easements shall use reasonable care in, and repair any damage resulting from, the intentional exercise of such easements. Nothing herein shall be construed to make the Founder or any other Person liable for damage resulting from flooding due to weather events or other natural occurrences.

NOTES

Chapter 14

Disclosures and Waivers

This Chapter discloses some important information about the Community for the benefit of prospective purchasers of property in the Community. Each Owner, by accepting a deed to property in the Community, also accepts and agrees to the matters set forth in this Chapter.

14.1. Safety and Security

Each Owner and occupant of a Unit, and their respective guests and invitees, shall be responsible for their own personal safety and the security of their property in the Community. The Association may, but shall not be obligated to, maintain or support certain activities within the Community designed to promote or enhance the level of safety or security that each person provides for himself or herself and his or her property. However, neither the Association nor the Founder shall in any way be considered insurers or guarantors of safety or security within the Community, nor shall either be held liable for any loss or damage by reason of failure to provide adequate security or ineffectiveness of security measures undertaken.

No representation or warranty is made that any systems or measures, including security monitoring systems or any mechanism or system for limiting access to the Community, cannot be compromised or circumvented, or that any such systems or security measures undertaken will in all cases prevent loss or provide the detection or protection for which the system is designed or intended. Each Owner acknowledges, understands, and shall be responsible for informing any tenants and other occupants of such Owner's Unit and their guests that the Association, its Board and committees, and the Founder are not insurers or guarantors of security or safety and that each Person within the Community assumes all risks of personal injury and loss or damage to

property, including Units and the contents of Units, resulting from acts of third parties. Owners shall include in each lease for any Unit or any portion thereof provisions informing and binding tenants to these provisions.

14.2. Changes in Development Plan

The Founder reserves the right to make changes in the Development Plan in its sole discretion, subject to such governmental approvals as may be required. Each Owner acknowledges that the Community is a planned community, and agrees that the Association shall not, without the Founder's prior written consent, engage in or use Association funds to support, any protest, challenge, or other form of objection to (a) changes in uses or density of property within the Community, or (b) changes in the Development Plan.

14.3. Notices and Disclaimers as to Community Systems

Any Community System and its providers, managers, and operators may be subject to federal, state, or municipal regulations, laws, and ordinances. Such regulations, laws, and ordinances may have a significant impact on certain aspects of the system including, but not limited to, the fees charged, the method of delivery, the rights of the system users, as well as the rights of the system providers or operators. These regulations and their impact are beyond the Association's and Founder's control.

In recognition of the fact that interruptions in cable television and other Community Systems services will occur from time to time, neither the Founder nor any Founder Affiliates, successors, or assigns shall in any manner be liable for, and no Community System user shall be entitled to

Disclosures and Waivers

refund, rebate, discount, or offset in applicable fees for, any interruption in Community Systems services, regardless of whether such interruption is caused by reasons within the service provider's control.

Each Owner acknowledges and agrees that the Association, by virtue of contractual relationships with Community Systems providers, may gain access to information relating to individual use of the Community Systems, including account and content information. In recognition of this fact, each Owner waives any privacy rights he or she may have in such information and any claims against the Association, the Board, Founder, and Founder Affiliates relating to the acquisition of such information. Further, each Owner acknowledges and agrees that the acquisition of such information by the Association shall not create any duty on the part of the Association, Founder, or Founder Affiliates to any Person to act in any manner with respect to such information.

14.4. Construction Activities

All Owners, occupants, and users of Units are hereby placed on notice that the Founder, any Founder Affiliates, and/or their agents, contractors, subcontractors, licensees, and other designees, successors, or assigns, shall conduct development and construction activities within Big Oaks and that such activities shall be conducted in phases and may cause disturbance and disruption that impact the use and enjoyment of a Unit.

By the acceptance of a deed or other conveyance or mortgage, leasehold, license, or other interest and by using any portion of a Unit or the Community generally, the Owners and all occupants and users of Units acknowledge, stipulate, and agree: (a) such activities shall not be deemed nuisances or noxious or offensive activities under any applicable covenants or at law generally; (b) not to enter upon, or allow their children or other Persons under their control or direction to enter upon (regardless of whether such entry is a

trespass or otherwise), any property within or in proximity to the Unit or any other portion of the Community where such activities are being conducted (even if not being actively conducted at the time of entry, such as at night or otherwise during non-working hours); (c) that the Founder, any Founder Affiliates, and all of their agents, contractors, subcontractors, licensees, and other designees, successors, and assigns, shall not be liable but, rather, shall be held harmless for any and all losses, damages (compensatory, consequential, punitive, or otherwise), injuries, or deaths arising from or relating to the aforesaid activities; (d) that any purchase or use of any portion of a Unit or any other portion of the Community has been and will be made with full knowledge of the foregoing; and (e) this acknowledgment and agreement is a material inducement to the Founder or Founder Affiliates to sell, convey, lease, and/or allow the use of Units and other facilities within the Community.

14.5. Liability for Association Operations

The Association shall, to the fullest extent permitted by law, indemnify, defend, and hold harmless the Founder (including Founder Affiliates, successors, and assigns) from and against any and all losses, claims, demands, damages, costs, and expenses of whatever kind or nature (including, without limitation, reasonable attorneys fees and costs at all tribunal levels and whether or not suit is instituted, including those incurred in establishing the right to be indemnified, defended, and held harmless pursuant hereto), which relate to or arise out of Association management and operations, including, without limitation, improvement, maintenance, and operation of amenities and other portions of the Area of Common Responsibility and the collection of assessments.

14.6. Hurricane Preparedness

Big Oaks is located in a region that is vulnerable to the dangerous effects of hurricanes, including extremely high winds, floods, ocean

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surges, flying debris, and lightning. Each Owner and occupant of a Unit shall be responsible for his or her own safety in the event of a hurricane and should take appropriate safety precautions (which may include evacuating the Community and/or the region) to avoid personal injury, including death, and property damage. Each Owner and occupant of a Unit shall be obligated to adhere to any established hurricane plan for Community residents. Hurricane shutters shall be allowed on all structures, subject to compliance with any requirements in the Design Guidelines.

NOTES

Chapter 15

Rights of Lenders

In order to enhance each Owner's ability to obtain financing for the purchase of his or her Unit, this Chapter sets forth various provisions for the benefit of lenders who make mortgage loans and for the benefit of those agencies that guarantee and insure mortgage loans made by institutional lenders.

The following provisions are for the benefit of holders, insurers, and guarantors of first Mortgages on Units in the Community. The provisions of this Chapter apply to both this Charter and to the Bylaws, notwithstanding any other provisions contained therein.

15.1. Notices of Action

An institutional holder, insurer, or guarantor of a first Mortgage that provides a written request to the Association (such request to state the name and address of such holder, insurer, or guarantor and the street address of the Unit to which its Mortgage relates, thereby becoming an "**Eligible Holder**"), will be entitled to timely written notice of:

(a) Any condemnation loss or any casualty loss that affects a material portion of the Community or that affects any Unit on which there is a first Mortgage held, insured, or guaranteed by such Eligible Holder;

(b) Any delinquency in the payment of assessments or charges owed by a Unit subject to the Mortgage of such Eligible Holder, where such delinquency has continued for a period of 60 days, or any other violation of the Governing Documents relating to such Unit or the Owner or occupant which is not cured within 60 days;

(c) Any lapse, cancellation, or material modification of any insurance policy maintained by the Association; and

(d) Any proposed action that would require the consent of a specified percentage of Eligible Holders.

15.2. No Priority

No provision of this Charter or the Bylaws gives or shall be construed as giving any Owner or other party priority over any rights of the first Mortgagee of any Unit in the case of distribution to such Owner of insurance proceeds or condemnation awards for losses to or a taking of the Common Area.

15.3. Notice to Association

Upon request, each Owner shall be obligated to furnish to the Association the name and address of the holder of any Mortgage encumbering such Owner's Unit.

15.4. Failure of Mortgagee to Respond

Any Mortgagee who receives a written request from the Board to respond to or consent to any action shall be deemed to have approved such action if the Association does not receive a written response from the Mortgagee within 30 days of the date of the Association's request, provided such request is delivered to the Mortgagee by certified or registered mail, return receipt requested.

15.5. Construction of Chapter 15

Nothing contained in this Chapter shall be construed to reduce the percentage vote that must otherwise be obtained under this Charter, the Bylaws, or Florida law for any of the acts set out in this Chapter.

PART FIVE: COMMUNITY DEVELOPMENT

Chapter 16

Expansion of the Community

The Community may be developed in phases and the Founder or the Association may expand the initial property submitted to the Charter as set forth in this Chapter.

16.1. Expansion by the Founder

From time to time, the Founder may submit to the terms of this Charter all or any portion of the property described in Exhibit "B" by recording a Supplement describing the additional property to be submitted. The Founder may record such a Supplement without the consent of any Person except the owner of such property, if not the Founder.

The Founder's right to expand the Community under this Section expires when all property described in Exhibit "B" has been submitted to this Charter or 10 years after this Charter is recorded, whichever is earlier. Until then, the Founder may transfer or assign this right to any Person who is the developer of at least a portion of the real property described in Exhibit "A" or "B." Any such transfer shall be described in a recorded instrument executed by the Founder.

Nothing in this Charter shall require the Founder or any successor to submit additional property to this Charter or to develop any of the property described in Exhibit "B" in any manner whatsoever.

16.2. Expansion by the Association

The Association also may submit additional property to this Charter by recording a Supplement describing the additional property. Any Supplement that the Association records must be

approved by Owners representing more than 50% of the total votes in the Association at a meeting duly called for such purpose and by the owner of the property to be submitted. In addition, during the Development and Sale Period, the Founder's consent is required. The Association's President and Secretary, the owner of the property, and the Founder, if the Founder's consent is required, shall sign the Supplement.

16.3. Additional Covenants and Easements

Any Supplement that the Founder records may impose additional covenants and easements on the property described in such Supplement, such as covenants obligating the Association to maintain and insure such property. Such provisions may be included in a Supplement submitting new property to this Charter or may be set forth in a separate Supplement applicable to property previously submitted to this Charter. If someone other than the Founder owns the property, then the Supplement must be signed by such owner evidencing such owner's consent. Any Supplement may add to, create exceptions to, or otherwise modify the terms of this Charter as it applies to the property described in the Supplement, in order to reflect the different character and intended use of such property.

16.4. Effect of Filing a Supplement

A Supplement shall be effective upon recording unless otherwise specified in the Supplement. On the effective date of the Supplement, any additional property made subject to this Charter shall be assigned voting rights in the Association and assessment liability in accordance with the provisions of this Charter.

Chapter 17

Additional Rights Reserved to the Founder

This Chapter reserves various rights to the Founder, in addition to those specifically reserved elsewhere in the Governing Documents, in order to facilitate the Founder's development and sale of property in the Community, to enable the Founder to respond to Owners' concerns, and to protect various property rights and other interests of the Founder.

17.1. Withdrawal of Property

During the Development and Sale Period, the Founder may amend this Charter to remove any portion of the Community from the coverage of this Charter, provided that (a) it is the owner or has the consent of the owner of the property being withdrawn; (b) such withdrawal does not reduce the total number of Units then subject to the Charter by more than 10%; and (c) such withdrawal would not be contrary to the overall uniform scheme of development established for the Community.

17.2. Marketing and Sales Activities

Notwithstanding anything in the Governance Documents to the contrary, during the Development and Sale Period the Founder and its designees or assigns may construct, use, and maintain upon portions of the Common Area and other property they own, such facilities and activities as, in the Founder's opinion, may reasonably be required, convenient, or incidental to the construction or sale of Units, subject to any limitations imposed by applicable zoning. Such permitted facilities and activities shall include business offices, signs, flags (whether hung from flag poles or attached to a structure), model homes, sales offices, holding or sponsoring special events, and exterior lighting features or displays. In addition, if reasonably required, convenient, or incidental to construction or sales

activities, the Founder and its employees, agents, and designees may park vehicles in designated parking areas.

During and after the Development and Sale Period, the Founder shall have a right of access to and the right to use all Common Area facilities for parties, special events, and marketing activities in connection with the marketing and sale of other communities being developed, marketed, or sold by the Founder, its agents, or affiliates, subject to any limitations imposed by applicable zoning. Any such use after the Development and Sale Period shall be subject to reasonable notice to the Association and payment by the Founder of all reasonable costs the Association directly incurs in connection with such use (*i.e.*, over and above costs the Association would incur in the absence of such use).

17.3. Right to Improve, Replat

During the Development and Sale Period, the Founder and its employees, agents, and designees shall have a right of access and use and an easement over and upon all of the Common Area for the purpose of making, constructing, and installing such improvements to the Common Area and to the Exhibit "B" property as it deems appropriate.

In addition, during the Development and Sale Period, the Founder may replat property that it owns and convert Units it owns into Common Area.

17.4. Right to Approve Changes in Community Standards

During the Development and Sale Period, no amendment to or modification of any Rules or Design Guidelines shall be effective without prior

Additional Rights Reserved to the Founder

notice to and the written approval of the Founder.

17.5. Additional Covenants and Restrictions

During the Development and Sale Period, no one other than the Founder may record any additional covenants or restrictions affecting any portion of the Community without the Founder's written consent. Any instrument recorded without the required consent shall be void and of no force and effect.

17.6. Rights to Use Names; License Agreements

No Person shall use the name "Big Oaks" or any derivative of such names or any logo or depiction associated with Big Oaks in any printed or promotional material without the Founder's prior written consent. However, Owners may use the name "Big Oaks" in printed or promotional matter where such term is used solely to specify that particular property is located within Big Oaks, and the Association shall be entitled to use the words "Big Oaks" in its name.

17.7. Community Systems

The Founder reserves for itself, Founder Affiliates, and their respective successors and assigns, a perpetual right and easement over all property in the Community to install and operate such Community Systems as the Founder, in its discretion, deems appropriate to serve any portion of the Community. Such right shall include, without limitation, the Founder's right to select and contract with companies licensed to provide telecommunications, cable television, and other Community Systems services in the region. The Founder also has the right to charge individual users a reasonable fee not to exceed the maximum allowable charge for such service, as from time to time is defined by the laws, rules, and regulations of the relevant government authority, if applicable.

Notwithstanding the above, there is no guarantee or representation that any particular Community System will be made available.

17.8. Easement to Inspect and Right to Correct



The Founder, or someone it designates, may enter onto any Unit to inspect and correct problems with the Unit. The Founder must give the Owner of the Unit prior notice, and if entering an enclosed structure on the Unit, obtain the Owner's prior consent unless it is an emergency.

The Founder reserves for itself and others it may designate the right, but not the obligation, to inspect, monitor, test, redesign, and correct any structure, improvement, or condition that may exist on any portion of the property within the Community, including Units, and a perpetual nonexclusive easement of access throughout the Community to the extent reasonably necessary to exercise such right. Except in an emergency, entry onto a Unit shall be only after reasonable notice to the Owner, and no entry into an enclosed structure shall be permitted without the Owner's consent. The person exercising this easement shall promptly repair, at such person's own expense, any damage he or she causes. Nothing in this paragraph shall relieve an Owner of the responsibility for the maintenance and repair of his or her Unit.

17.9. Right to Notice of Design or Construction Claims

No Person shall retain an expert for the purpose of inspecting the design or construction of any structures or improvements within the Community in connection with or in anticipation of any potential or pending claim, demand, or litigation involving such design or construction unless the Founder and any builder involved in the design or construction have been first notified in writing and given an opportunity to meet with

Additional Rights Reserved to the Founder

the owner of the property to discuss the owner's concerns and conduct their own inspection.

17.10. Right to Transfer or Assign the Founder's Rights

Any or all of the Founder's rights and obligations set forth in this Charter or the Bylaws may be transferred in whole or in part to other Persons without transferring the status of the Founder. However, such a transfer shall not reduce an obligation or enlarge a right beyond that which the Founder has under this Charter or the Bylaws. No such transfer or assignment shall be effective unless it is in a recorded instrument the Founder signs. The foregoing sentence shall not preclude the Founder from permitting other Persons to exercise, on a one-time or limited basis, any right reserved to the Founder in this Charter where the Founder does not intend to transfer such right in its entirety. In such case, it shall not be necessary to record any written assignment unless necessary to evidence the Founder's consent to such exercise.

17.11. Termination of Rights

If the term of any rights contained in this Chapter is not specified, such right shall terminate upon the earlier of (a) termination of the Development and Sale Period; or (b) the Founder's recording of a written statement that all sales activity has ceased.

NOTES

PART SIX: PROCEDURES FOR AND LIMITATIONS ON CERTAIN ACTIONS

Chapter 18

Dispute Resolution and Limitation on Litigation

From time to time, disputes may arise between Owners or between an Owner and the Association, the Founder, or others involved in the Community. This Chapter commits the parties to any such dispute to work together in an attempt to resolve certain types of disputes without litigation in order to facilitate the prompt resolution of such disputes in a manner that respects and builds upon the relationships between the parties. It also requires substantial support of the Association's membership before the Association can engage in certain types of litigation that could result in significant legal and emotional costs to the Community.

18.1. Agreement to Encourage Resolution of Disputes Without Litigation

(a) **Bound Parties.** The Founder; the Association and its officers, directors, and committee members; all Persons subject to this Charter; and any Person not otherwise subject to this Charter who agrees to submit to this Chapter (collectively, "**Bound Parties**"), agree that it is in the best interest of all concerned to encourage the amicable resolution of disputes involving the Community without the emotional and financial costs of litigation. Accordingly, each Bound Party agrees not to file suit in any court with respect to a Claim described in Section 18.1(b), unless and until it has first submitted such Claim to the alternative dispute resolution procedures set forth in Section 18.2 in a good faith effort to resolve such Claim.

(b) **Claims.** As used in this Chapter, the term "**Claim**" shall refer to any claim, grievance, or dispute arising out of or relating to:

(i) the interpretation, application, or enforcement of the Governing Documents;

(ii) the rights, obligations, and duties of any Bound Party under the Governing Documents; or

(iii) the design or construction of improvements within the Community, other than matters of aesthetic judgment under Chapter 5, which shall not be subject to review and shall not be subject to this Chapter.

(c) The following shall not be considered "Claims" unless all parties to the matter otherwise agree to submit the matter to the procedures set forth in Section 18.2:

(i) any suit by the Association to collect assessments or other amounts due from any Owner;

(ii) any suit by the Association to obtain a temporary restraining order (or emergency equitable relief) and such ancillary relief as the court may deem necessary in order to maintain the status quo and preserve the Association's ability to enforce the provisions of Part Two of this Charter (relating to creation and maintenance of community standards);

(iii) any suit that does not include the Founder or the Association as a party, if such suit asserts a Claim that would constitute a cause of action independent of the Governing Documents;

(iv) any dispute that affects the material rights or obligations of a party who is not a Bound Party and has not agreed to submit to the procedures set forth in Section 18.2; and

Dispute Resolution and Limitation on Litigation

(v) any suit as to which any applicable statute of limitations would expire within 180 days of giving the Notice required by Section 18.2(a) unless the party or parties against whom the Claim is made agree to toll, or extend, the Claim's statute of limitations to comply with this Chapter.

18.2. Dispute Resolution Procedures

(a) *Notice.* The Bound Party asserting a Claim ("Claimant") against another Bound Party ("Respondent") shall give written notice ("Notice") by mail or personal delivery to each Respondent and to the Board, stating plainly and concisely:

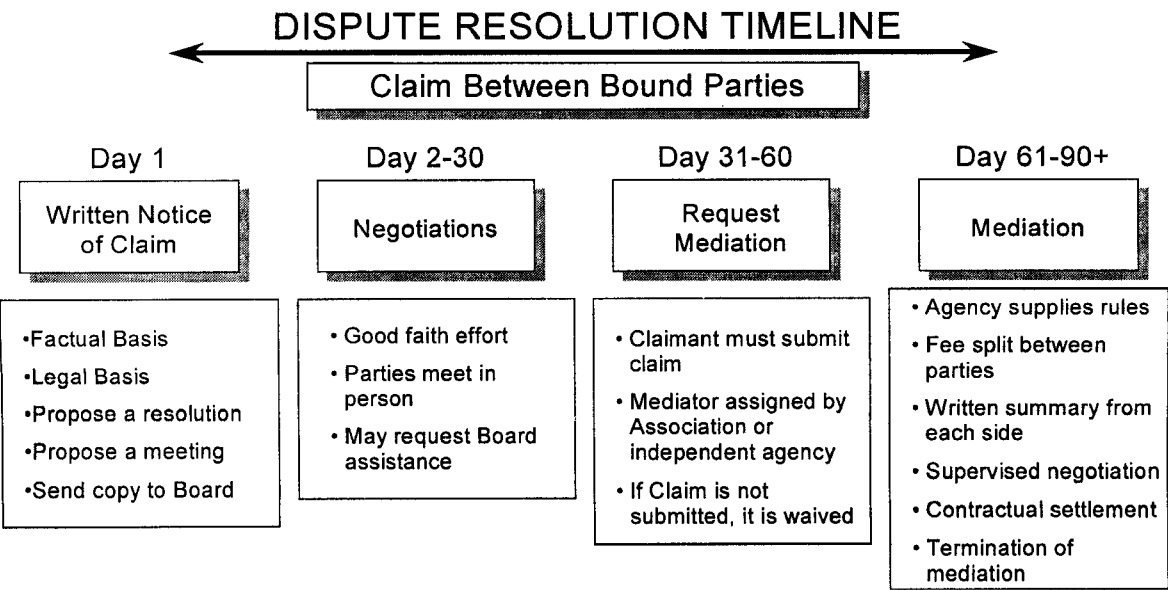
- (i) the nature of the Claim, including the Persons involved and the Respondent's role in the Claim;
- (ii) the legal basis of the Claim (*i.e.*, the specific authority out of which the Claim arises);
- (iii) the Claimant's proposed resolution or remedy; and
- (iv) the Claimant's desire to meet with the Respondent to discuss, in good faith, ways to resolve the Claim.

(b) *Negotiation.* The Claimant and Respondent shall make every reasonable effort to meet in person and confer for the purpose of resolving the Claim by good faith negotiation. If requested in writing, accompanied by a copy of the Notice, the Board may appoint a representative to assist the parties in negotiating a resolution of the Claim.

(c) *Mediation.* If the parties have not resolved the Claim through negotiation within 30 days of the date of the Notice (or within such other agreed upon period), the Claimant shall have 30 additional days to submit the Claim to mediation with an entity designated by the Association (if the Association is not a party to the Claim) or to an independent agency providing dispute resolution services in the St. Johns County area. Each Bound Party shall present the mediator with a written summary of the Claim.

If the Claimant does not submit the Claim to mediation within such time, or does not appear for and participate in good faith in the mediation when scheduled, the Claimant shall be deemed to have waived the Claim, and the Respondent shall be relieved of any and all liability to the Claimant (but not third parties) on account of such Claim.

If the parties do not settle the Claim within 30 days after submission of the matter to mediation



Dispute Resolution and Limitation on Litigation

or within such time as determined reasonable by the mediator, the mediator shall issue a notice of termination of the mediation proceedings indicating that the parties are at an impasse and the date that mediation was terminated. The Claimant shall thereafter be entitled to file suit or to initiate administrative proceedings on the Claim, as appropriate.

Each Bound Party shall bear its own costs of the mediation, including attorneys' fees, and each Party shall pay an equal share of the mediator's fees.

Notwithstanding the above, in any dispute as to which the Association is a party, the parties may waive mediation by mutual agreement and proceed to file suit or initiate other proceedings.

(d) Settlement. Any settlement of the Claim through negotiation or mediation shall be documented in writing and signed by the parties. If any party thereafter fails to abide by the terms of such agreement, then any other party may file suit or initiate administrative proceedings to enforce such agreement without the need to comply again with the procedures set forth in this Section. In such event, the party taking action to enforce the agreement or award shall, upon prevailing, be entitled to recover from the non-complying party (or if more than one non-complying party, from all such parties in equal proportions) all costs incurred in enforcing such agreement or award, including, without limitation, attorneys fees and court costs.

(e) Actions Involving the Founder – Final and Binding Arbitration. Any dispute between an Owner or the Association and the Founder or any Founder Affiliate, including Claims which remain after conclusion of the dispute resolution procedures described in this Section 18.2, shall be resolved by final and binding arbitration in accordance with this subsection. Such disputes shall not be submitted as a lawsuit or other proceeding in any Florida state court or federal court. Notwithstanding the above, disputes af-

fecting the material rights or obligations of a third party who is not a party to or bound by such arbitration shall not be subject to this subsection.

This subsection is an agreement to arbitrate and is specifically enforceable under Florida law. Judgment may be entered upon the arbitration award in any court of competent jurisdiction to the fullest extent permitted under Florida law.

The Owner, the Association, the Founder, or a Founder Affiliate, as applicable, shall have until expiration of the applicable statute of limitations under Florida law (as would apply to the same claim being brought in a Florida or federal court) to submit the dispute to the American Arbitration Association for arbitration in St. Johns County. The American Arbitration Association shall appoint one neutral arbitrator to conduct the arbitration in accordance with its rules, unless all of the parties to such dispute agree to a greater number of arbitrators. The arbitrator(s) shall render a written judgment accompanied by findings of fact and conclusions of law.

If not timely submitted to arbitration or if the Claimant fails to appear for the arbitration proceeding, the Claim shall be deemed abandoned, and the Respondent shall be released and discharged from any and all liability to the Claimant arising out of the dispute. The parties shall share equally the costs of conducting the arbitration until a prevailing party is determined; provided, the prevailing party shall be entitled to recover all of its costs incurred in the action, including, without limitation, reasonable attorneys fees.

18.3. Initiation of Litigation by Association

In addition to compliance with the foregoing alternative dispute resolution procedures, if applicable, the Association shall not initiate any judicial or administrative proceeding unless first approved by a vote of Owners entitled to cast 75% of the total votes in the Association, except

Dispute Resolution and Limitation on Litigation

that no such approval shall be required for actions or proceedings:

(a) initiated during the Founder Control Period;

(b) initiated to enforce the provisions of this Charter, including collection of assessments and foreclosure of liens;

(c) initiated to challenge *ad valorem* taxation or condemnation proceedings;

(d) initiated against any contractor, vendor, or supplier of goods or services arising out of a contract for services or supplies; or

(e) to defend claims filed against the Association or to assert counterclaims in proceedings instituted against it.

This Section shall not be amended unless such amendment is approved by the same percentage of votes necessary to institute proceedings.

NOTES

Chapter 19

Changes in the Common Area

Various influences and circumstance within and outside the Community may give rise to a need or desire to make changes in the ownership of or rights to use Common Area. This Chapter explains the procedures for dealing with matters such as changing use rights in Common Area, partition of the Common Area, and condemnation.

19.1. Condemnation



A public entity such as a town, county, or state has the power to condemn property for its own uses and generally has to pay the value of the property to do so.

If any part of the Common Area is taken by any authority having the power of condemnation or eminent domain, or conveyed by the Association in lieu of and under threat of condemnation, each Owner shall be entitled to written notice of such taking or conveyance prior to disbursement of any condemnation award or proceeds from such conveyance. Such award or proceeds shall be payable to the Association to be disbursed as follows:

If the taking or conveyance involves a portion of the Common Area on which improvements have been constructed, the Association shall restore or replace such improvements on the remaining land included in the Common Area to the extent available, unless within 60 days after such taking the Founder, during the Development and Sale Period, and Owners representing at least 75% of the total votes in the Association shall otherwise agree. Any such construction shall be in accordance with plans approved by the Board. The provisions of Section 9.4 regarding funds for restoring improvements shall apply.

If the taking or conveyance does not involve any improvements on the Common Area, if a

decision is made not to repair or restore, or if net funds remain after any such restoration or replacement is complete, then such award or net funds shall be treated in the same manner as proceeds from the sale of Common Area under Section 19.3.

19.2. Partition



Partition is a legal action in which a party requests to have a portion of one interest in property split off so that the party can possess that portion or interest separately from other parties who have rights in the property.

Except as permitted in this Charter, the Common Area shall remain undivided, and no Person shall bring any action to partition any portion of the Common Area without the written consent of all Owners and Mortgagees and, during the Development and Sale Period, the Founder. This Section shall not prohibit the Board from acquiring and disposing of tangible personal property or from acquiring and disposing of real property that may or may not be subject to this Charter.

19.3. Transfer or Dedication of Common Area

The Association may dedicate portions of the Common Area to St. Johns County, Florida or to any other local, state, or federal governmental or quasi-governmental entity; may subject Common Area to a security interest; or may transfer or convey Common Area, upon the written direction of Owners representing at least 75% of the total votes in the Association, and the Founder during the Development and Sale Period.

Notwithstanding the above, during the Founder Control Period, the Founder may cause the

Changes in the Common Area

Association to dedicate to St. Johns County, Florida, or to any other local, state, or federal governmental or quasi-governmental entity, any streets within the Community over which access is not limited, without the consent of the Owners (upon acceptance by the entity to whom they are being dedicated) and may cause the Association to take such steps as may be necessary to transfer or assign responsibility for any conservation easements within Big Oaks to a third party without consent of the Owners.

The proceeds from the sale or mortgaging of Common Area shall be an asset of the Association to be used as the Board determines.

No conveyance or encumbrance of Common Area may deprive any Unit of rights of access or support.

NOTES

Chapter 20

Termination and Amendment of Community Charter

As the Community matures and grows, the rules by which it is governed must be flexible enough to adapt to changes in the development plan as well as changes in the needs and desires of the Community that inevitably will occur. This Chapter sets out procedures by which either the Founder or the Owners as a group may amend this Charter to address such changes.

20.1. Term and Termination

This Charter shall be effective, subject to amendments adopted pursuant to Section 20.2, for a minimum of 25 years from the date it is recorded. After 25 years, this Charter shall be extended automatically for successive 10-year periods unless at least 75% of the then Owners sign a document stating that the Community Charter is terminated and that document is recorded within the year before any extension. In such case, this Charter shall terminate on the date specified in the termination document.

In any event, if any provision of this Charter would be invalid under the Florida Uniform Statutory Rule Against Perpetuities, that provision shall expire 90 years after this Charter is recorded.

This Section shall not permit termination of any easement created in this Charter without the consent of the holder of such easement.

In the event of termination of this Charter and/or the termination, dissolution, or final liquidation of the Association, the responsibility for the operation, management, maintenance, and repair of the Surface Water or Storm Water Management System must be transferred to and accepted by an entity which would comply with Section 40C-42.027 of the Florida Administrative Code, and shall be approved by the St. Johns

River Water Management District prior to any such termination, dissolution, or liquidation.

20.2. Amendment

(a) By Founder. In addition to specific amendment rights granted elsewhere in this Charter, until termination of the Founder Control Period, the Founder may unilaterally amend this Charter for any purpose.

(b) By the Board. After termination of the Founder Control Period, the Board may unilaterally amend this Charter if such amendment is necessary (i) to bring any provision into compliance with any applicable governmental statute, rule, regulation, or judicial determination; (ii) to enable any reputable title insurance company to issue title insurance coverage on the Units; (iii) to enable any institutional or governmental lender, purchaser, insurer, or guarantor of mortgage loans, including, for example, the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, to make, purchase, insure, or guarantee mortgage loans on the Units; or (iv) to satisfy the requirements of any local, state, or federal governmental agency. However, any amendment under this paragraph shall not adversely affect the title to any Unit unless the Owner shall consent in writing.

(c) By Owners. Except as otherwise specifically provided above and elsewhere in this Charter, this Charter may be amended only by the affirmative vote or written consent, or any combination thereof, of Owners entitled to cast 67% of the total votes in the Association, including 67% of the total votes held by Owners other than the Founder. In addition, during the Development and Sale Period, any such amendment shall also require the Founder's written consent.

Termination and Amendment of Community Charter

Notwithstanding the above, 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.

(d) *Validity and Effective Date.* No amendment may remove, revoke, or modify any right or privilege of the Founder or the Founder Member without the written consent of the Founder or the Founder Member, respectively (or the assignee of such right or privilege).

Any amendment to this Charter which alters, modifies, and/or changes any provision relating to the Surface Water or Storm Water Management System beyond maintenance in its original condition, including the water management portions of the Common Area and/or Area of Common Responsibility, must have the prior written approval of the St. Johns River Water Management District.

If an Owner consents to any amendment to this Charter or the Bylaws, it will be conclusively presumed that such Owner has the authority 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.

Any amendment shall become effective upon recording unless a later effective date is specified in the amendment. Any procedural challenge to an amendment must be made within six months of its recordation, or such amendment shall be presumed to have been validly adopted. In no event shall a change of conditions or circumstances operate to amend any provisions of this Charter.

(e) *Exhibits.* Exhibits "A" and "B" are incorporated by this reference, and this Chapter shall govern amendment of those exhibits. Exhibit "C" is incorporated by this reference and may be amended under Chapter 7 or pursuant to this Section. All other exhibits are attached for informational purposes and may be amended as

provided in those exhibits or in the provisions of this Charter that refer to such exhibits.

NOTES

IN WITNESS WHEREOF, the Founder has executed this Charter this 21st day of February, 2007.

FOUNDER: COIN DEVELOPMENT I, LLC, a Florida limited liability company

By: [Signature]
Name: John H. Latshaw, Jr.
Its: Authorized Managing Member

Witnessed By:

By: [Signature]
Print Name: ADAM K. FELDMAN

Witnessed By:

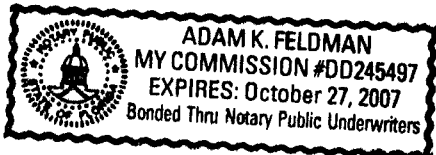
By: [Signature]
Print Name: LINDSY D. GREENE

State of Florida)

County of Duval ^{SS})

The foregoing instrument was acknowledged before me this 21st day of February, 2007, by John H. Latshaw, Jr., as the Authorized Managing Member of Coin Development I, LLC, a Florida limited liability company, on behalf of the company. He is personally known to me.

[NOTARIAL SEAL]



By: [Signature]
Name: ADAM K. FELDMAN
Title: Notary Public
Serial Number, if any: _____
My Commission Expires: _____

CONSENT AND JOINDER OF MORTGAGEE

The undersigned as the holder of a mortgage as recorded in Official Records Book **2522**, page **1795**, in the public records of St. Johns County, Florida, hereby joins in and consents to the recording of the Community Charter of Big Oaks, dated February **21**, 2007, to which this consent and joinder is attached and hereby subordinates the lien and operation of its mortgage to the terms and conditions thereof. However, the previous sentence ~~to~~ the contrary notwithstanding, the lien of the mortgage shall not be subordinated to any liens or lien rights created under the Community Charter of Big Oaks.

IN WITNESS WHEREOF, the undersigned sets its hand and seal on this 26th day of February, 2007.

Signed, sealed and delivered
in the presence of:

COMPASS BANK, an Alabama banking
corporation

Frenett V. Apperough
Print Name: FRENETT V. APPEROUGH
Marlene Co
Print Name: Marlene Co

By: *Rakesh Patel*
Name: Rakesh Patel
Its: A.V.P.

(Corporate Seal)

STATE OF FLORIDA
COUNTY OF Duval

The foregoing instrument was acknowledged before me this 26th day of February, 2007, by Rakesh Patel, as the Asst. Vice Pres of Compass Bank, an Alabama banking corporation, on behalf of the corporation. He/she is personally known to me or has produced _____ as identification.

Laurie Livingston
Printed Name: Laurie Livingston

[NOTARIAL SEAL]

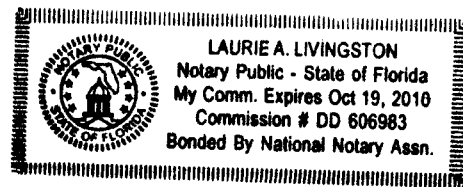


EXHIBIT "A"
Land Initially Submitted

[TO BE ATTACHED]

EXHIBIT A

A PARCEL OF LAND IN SECTION 2 AND IN GOVERNMENT LOTS 8, 9 AND 10, SECTION 3, TOWNSHIP 7 SOUTH, RANGE 29 EAST, ST. JOHNS COUNTY, FLORIDA, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

FOR A POINT OF REFERENCE COMMENCE AT THE NORTHEAST CORNER OF SECTION 37, SAID TOWNSHIP AND RANGE AND RUN SOUTH 14° 16' 32" EAST, ALONG THE EAST LINE OF SAID SECTION 37 AND THE WEST LINE OF SAID SECTION 3, A DISTANCE OF 149.11 FEET TO THE NORTHWEST CORNER OF SAID GOVERNMENT LOT 9, SECTION 3; THENCE NORTH 89° 41' 42" EAST, ALONG THE NORTH LINE OF SAID GOVERNMENT LOT 9, A DISTANCE OF 682.79 FEET TO THE POINT OF BEGINNING.

FROM THE POINT OF BEGINNING THUS DESCRIBED RUN NORTH 89° 41' 42" EAST, ALONG THE NORTH LINE OF SAID GOVERNMENT LOT 9, A DISTANCE OF 340.06 FEET; THENCE NORTH 00° 30' 35" EAST, ALONG THE EAST LINE OF LOT 1, BLOCK 2, ROOSEVELT TERRACE, AN UNRECORDED SUBDIVISION PREPARED BY GEORGE F. KENDRICK IN JUNE, 1925, A DISTANCE OF 127.12 FEET TO A POINT ON THE SOUTH RIGHT OF WAY LINE OF KENNEDY DRIVE, A 50 FOOT RIGHT OF WAY (ALSO KNOWN AS WELTERS DRIVE); THENCE NORTH 89° 44' 58" EAST, ALONG SAID SOUTH RIGHT OF WAY LINE, A DISTANCE OF 50.00 FEET; THENCE SOUTH 00° 30' 35" WEST, ALONG THE WEST LINE OF LOT 18, BLOCK 1, SAID ROOSEVELT TERRACE, A DISTANCE OF 127.07 FEET TO A POINT ON SAID NORTH LINE OF GOVERNMENT LOT 9, SECTION 3; THENCE NORTH 89° 41' 42" EAST, ALONG SAID NORTH LINE OF GOVERNMENT LOT 9, A DISTANCE OF 850.00 FEET; THENCE NORTH 00° 46' 10" EAST, ALONG THE EAST LINE OF LOT 2, BLOCK 1, SAID ROOSEVELT TERRACE, TO AND ALONG THE EAST LINE OF LOT 2, BLOCK 18, SAID ROOSEVELT TERRACE, AND ALSO TO AND ALONG AN EAST LINE OF LANDS DESCRIBED IN DEED RECORDED IN OFFICIAL RECORDS BOOK 1900, PAGE 1383 OF THE PUBLIC RECORDS OF SAID COUNTY, A DISTANCE OF 429.51 FEET; THENCE NORTH 89° 42' 42" EAST, ALONG A SOUTH LINE OF SAID OFFICIAL RECORDS BOOK 1900, PAGE 1383, A DISTANCE OF 14.39 FEET TO A POINT ON THE SOUTHWESTERLY RIGHT OF WAY LINE OF WOODLAWN ROAD (A VARIABLE WIDTH RIGHT OF WAY); THENCE SOUTH 32° 59' 00" EAST, ALONG SAID SOUTHWESTERLY RIGHT OF WAY LINE, A DISTANCE OF 89.21 FEET TO A POINT ON THE EAST LINE OF SAID SECTION 3; THENCE SOUTH 00° 47' 09" WEST, ALONG SAID EAST LINE OF SECTION 3, A DISTANCE OF 1,472 FEET, MORE OR LESS, TO THE CENTERLINE OF RED HOUSE BRANCH; RUN THENCE IN A NORTHWESTERLY DIRECTION ALONG THE MEANDERINGS OF SAID CENTERLINE OF RED HOUSE BRANCH, A DISTANCE OF 350 FEET, MORE OR LESS; THENCE SOUTH 00° 47' 09" WEST, ALONG A LINE PARALLEL TO AND 241.26 FEET WESTERLY OF THE EAST LINE OF SAID SECTION 3, TOWNSHIP 7 SOUTH, RANGE 29 EAST, AS MEASURED AT RIGHT ANGLES THERETO, A DISTANCE OF 570 FEET, MORE OR LESS, TO THE SOUTHWESTERLY CORNER OF LANDS DESCRIBED IN DEED RECORDED IN OFFICIAL RECORDS BOOK 723, PAGE 153 OF THE PUBLIC RECORDS OF SAID COUNTY; THENCE NORTH 86° 47' 01" EAST, ALONG THE SOUTH LINE OF SAID OFFICIAL RECORDS BOOK 723, PAGE 153, TO AND ALONG THE SOUTH LINE OF LANDS DESCRIBED IN DEED RECORDED IN OFFICIAL RECORDS BOOK 1751, PAGE 891 OF SAID PUBLIC RECORDS, A DISTANCE OF 374.00 FEET TO AN ANGLE POINT; THENCE SOUTH 86° 55' 29" EAST, ALONG SAID SOUTH LINE OF OFFICIAL RECORDS BOOK 1751, PAGE 891, A DISTANCE OF 59.62 FEET TO A POINT ON THE WESTERLY RIGHT OF WAY LINE OF SAID WOODLAWN ROAD; THENCE SOUTH 01° 18' 13" EAST, ALONG SAID WESTERLY RIGHT OF WAY LINE, A DISTANCE OF 87.25 FEET TO THE SOUTHEAST CORNER OF LANDS DESCRIBED IN DEED RECORDED IN OFFICIAL RECORDS BOOK 84, PAGE 231 (PARCEL 4); THENCE SOUTH 86° 31' 00" WEST ALONG THE SOUTH LINE OF SAID PARCEL 4, A DISTANCE OF 195.13 FEET TO THE SOUTHWESTERLY CORNER THEREOF AND A POINT ON THE EASTERLY LINE OF SAID SECTION 3; THENCE SOUTH 00° 47' 09" WEST, ALONG SAID EAST LINE, A DISTANCE OF 247.55 FEET; THENCE SOUTH 89° 44' 24" WEST, ALONG THE NORTH LINE OF LANDS DESCRIBED IN DEED RECORDED IN OFFICIAL RECORDS BOOK 1985, PAGE 265 OF SAID PUBLIC RECORDS, A DISTANCE OF 425.96 FEET TO A POINT ON THE EAST RIGHT OF WAY LINE OF LONG ROAD (A 25 FOOT RIGHT OF WAY); THENCE NORTH 01° 19' 00" EAST, ALONG SAID EAST RIGHT OF WAY LINE, A DISTANCE OF 29.48 FEET TO THE SOUTHEAST CORNER OF LANDS DESCRIBED IN FINAL SUMMARY JUDGEMENT OF QUIET TITLE RECORDED IN OFFICIAL RECORDS BOOK 2477, PAGE 1555; THENCE NORTH 89° 59' 48" WEST ALONG THE SOUTH LINE OF SAID FINAL SUMMARY JUDGEMENT TO AND ALONG THE NORTH LINE OF LANDS DESCRIBED IN DEED RECORDED IN OFFICIAL RECORDS BOOK 1186, PAGE 353, A DISTANCE OF 502.08 FEET; THENCE SOUTH 85° 17' 30" WEST, CONTINUING ALONG LAST MENTIONED NORTH LINE, A DISTANCE OF 102.53 FEET; THENCE NORTH 00° 02' 50" EAST, A DISTANCE OF 659.77 FEET; THENCE SOUTH 89° 57' 10" EAST, A DISTANCE OF 269.23 FEET; THENCE NORTH 00° 21' 22" WEST, A DISTANCE OF 386.34 FEET; THENCE SOUTH 89° 36' 01" WEST, A DISTANCE OF 157.25 FEET; THENCE NORTH 00° 23' 59" WEST, A DISTANCE OF 25.00 FEET; THENCE SOUTH 89° 36' 01" WEST, A DISTANCE OF 81.13 FEET; THENCE NORTH 00° 20' 50" EAST, A DISTANCE OF 50.00 FEET; THENCE NORTH 40° 11' 59" WEST, A DISTANCE OF 97.62 FEET; THENCE NORTH 13° 30' 25" WEST, A DISTANCE OF 149.79 FEET; THENCE NORTH 07° 53' 37" WEST, A DISTANCE OF 66.89 FEET; THENCE NORTH 86° 40' 41" WEST, A DISTANCE OF 66.66 FEET; THENCE NORTH 16° 11' 43" WEST, A DISTANCE OF 34.81 FEET; THENCE NORTH 62° 18' 39" WEST, A DISTANCE OF 60.37 FEET; THENCE NORTH 00° 37' 39" WEST, A DISTANCE OF 44.19 FEET; THENCE NORTH 29° 04' 01" WEST, A DISTANCE OF 70.80 FEET; THENCE NORTH 15° 35' 40" EAST, A DISTANCE OF 49.88 FEET; THENCE NORTH 12° 22' 31" WEST, A DISTANCE OF 98.79 FEET TO THE POINT OF BEGINNING.

The above constituting one and the same as the following described lands:

Lots 1 - 63, inclusive, and Tracts A - J, inclusive, BIG OAKS, according to the map or plat thereof, recorded in Map Book 61, pages 1 - 8, inclusive, of the public records of St. Johns County, Florida.

EXHIBIT "B"
Expansion Property

Note to clerk and title examiners:

This Charter is not intended to create an encumbrance on title to the property described on this Exhibit "B." Such title may be encumbered only with the consent of the owner by filing a Supplement in accordance with Chapter 16.

Exhibit "B"

A parcel of land in Government Lot 9, Section 3, Township 7 South, Range 29 East, St. Johns County, Florida, and being more particularly described as follows:

For a point of reference commence at the Northeast corner of Section 37, said Township and Range and run South 14 degrees 16 minutes 32 seconds East, along the East line of said Section 37 and the West line of said Section 3, a distance of 149.11 feet to the Northwest corner of said Government Lot 9, Section 3; thence North 89 degrees 41 minutes 42 seconds East, along the North line of said Government Lot 9, a distance of 196.17 feet to the Point of Beginning; from the Point of Beginning thus described continue North 89 degrees 41 minutes 42 seconds East, along the North line of said Government Lot 9, a distance of 486.62 feet; thence South 12 degrees 22 minutes 31 seconds East, a distance of 98.79 feet; thence South 15 degrees 35 minutes 40 seconds West, a distance of 49.88 feet; thence South 29 degrees 04 minutes 01 seconds East, a distance of 70.80 feet; thence South 00 degrees 37 minutes 39 seconds East, a distance of 44.19 feet; thence South 62 degrees 18 minutes 39 seconds East, a distance of 60.37 feet; thence South 16 degrees 11 minutes 43 seconds East, a distance of 34.81 feet; thence South 86 degrees 40 minutes 41 seconds East, a distance of 66.66 feet; thence South 07 degrees 53 minutes 37 seconds East, a distance of 66.89 feet; thence South 13 degrees 30 minutes 25 seconds East, a distance of 149.79 feet; thence South 40 degrees 11 minutes 59 seconds East, a distance of 97.62 feet; thence South 00 degrees 20 minutes 50 seconds West, a distance of 75.00 feet; thence South 62 degrees 28 minutes 05 seconds West, a distance of 61.27 feet; thence South 78 degrees 28 minutes 23 seconds West, a distance of 327.75 feet; thence South 51 degrees 20 minutes 52 seconds West, a distance of 117.92 feet; thence North 20 degrees 09 minutes 48 seconds West, a distance of 807.92 feet; thence North 13 degrees 10 minutes 29 seconds West, a distance of 86.16 feet to the Point of Beginning.

TOGETHER WITH a 50 foot wide access easement being a parcel of land in Section 2, and in Government Lot 9 and 10, Section 3, Township 7 South, Range 29 East, St. Johns County, Florida, and described as lying 25 feet to the left and 25 feet to the right, as measured at right angles to the following described centerline:

For a point of reference commence at the Northeast corner of Section 37, said Township and Range and run South 14 degrees 16 minutes 32 seconds East, along the East line of said Section 37 and the West line of said Section 3, a distance of 149.11 feet to the Northwest corner of said Government Lot 9, Section 3; thence North 89 degrees 41 minutes 42 seconds East, along the North line of said Government Lot 9, a distance of 196.17 feet; continue North 89 degrees 41 minutes 42 seconds East, along the North line of said Government Lot 9, a distance of 486.62 feet; thence South 12 degrees 22 minutes 31 seconds East, a distance of 98.79 feet; thence South 15 degrees 35 minutes 40 seconds West, a distance of 49.88 feet; thence South 29 degrees 04 minutes 01 seconds East, a distance of 70.80 feet; thence South 00 degrees 37 minutes 39 seconds East, a distance of 44.19 feet; thence South 62 degrees 18 minutes 39 seconds East, a distance of 60.37 feet; thence South 16 degrees 11 minutes 43 seconds East, a distance of 34.81 feet; thence South 86 degrees 40 minutes 41 seconds East, a distance of 66.66 feet; thence South 07 degrees 53 minutes 37 seconds East, a distance of 66.89 feet; thence South 13 degrees 30 minutes 25 seconds East, a distance of 97.15 feet to the Point of Beginning of said centerline. From the Point of Beginning thus described run South 89 degrees 57 minutes 10 seconds East, a distance of 300.89 feet to a point on a curve; run thence in a Southerly direction along the arc of a curve concave Easterly and having a radius of 275.00 feet, an arc distance of 119.18 feet to a point of reverse curve, said arc subtended by a chord of South 12 degrees 47 minutes 10 seconds East, 118.25 feet; run thence in a Southerly direction along the arc of a curve concave Westerly and having a radius of 525.00 feet, an arc distance of 64.47 feet to the point of tangency of said curve, said arc subtended by a chord of South 21 degrees 41 minutes 01 seconds East, 64.42 feet; thence South 18 degrees 09 minutes 57 seconds East, a distance of 392.42 feet to a point of curvature; run thence in a Southerly direction along the arc of a curve concave Westerly and having a radius of 275.00 feet, an arc distance of 38.73 feet to the point of tangency of said curve, said arc subtended by a chord of South 14 degrees 07 minutes 54 seconds East, 38.69 feet; thence South 10 degrees 05 minutes 51 seconds East, a distance of 71.55 feet to a point of curvature; run thence in a Southeasterly direction along the arc of a curve concave Northeasterly and having a radius of 275.00 feet, an arc distance of 136.11 feet to a point of reverse curve, said arc subtended by a chord of South 24 degrees 16 minutes 36 seconds East, 134.73 feet; run thence in a Southeasterly direction along the arc of a curve concave Southwesterly and having a radius of 275.00 feet, an arc distance of 143.84 feet to the point of tangency of said curve, said arc subtended by a chord of South 23 degrees 28 minutes 18 seconds East, 142.20 feet; thence South 08 degrees 29 minutes 15 seconds East, a distance of 61.74 feet to a point of curvature; run thence in a Southerly direction along the arc of a curve concave Westerly and having a radius of 125.00 feet, an arc distance of 18.37 feet to the Point of Tangency of said curve, said arc subtended by a chord of South 04 degrees 16 minutes 35 seconds East, 18.36 feet; thence South 00 degrees 03 minutes 55 seconds East, a distance of 112.19 feet to a point on a curve; run thence in a Northeasterly direction along the arc of a curve concave Northwesterly and having a radius of 275.00 feet, an arc distance of 145.01 feet to the point of tangency of said curve, said arc being subtended by a chord of North 63 degrees 26 minutes 33 seconds East, 143.34 feet; thence North 48 degrees 20 minutes 10 seconds East, a distance of 51.80 feet to a point of curvature; run thence in a Northeasterly direction along the arc of a curve concave Southeasterly and having a radius of 125.00 feet, an arc distance of 85.38 feet to the point of tangency of said curve, said arc being subtended by a chord of North 67 degrees 54 minutes 17 seconds East, 83.73 feet; thence North 87 degrees 28 minutes 24 seconds East, a distance of 410.76 feet to the terminus point of said centerline. Said easement being bounded on the West by a line that bears South 13 degrees 30 minutes 25 seconds East, and bounded on the East by the Westerly right of way line of Woodlawn Road (a variable width right of way) having a bearing of South 01 degrees 18 minutes 13 seconds East.

EXHIBIT "C"

Initial Rules

The purpose of Rules is not to anticipate all acceptable or unacceptable behavior in advance and eliminate all improvements or activities that fall outside of "the norm." In fact, it is expressly intended that the Reviewer under Chapter 5, and the Board, as appropriate, have discretion to approve or disapprove items, or to enforce or not enforce technical violations of the Governing Documents, based upon aesthetic or other considerations consistent with the established guidelines. As such, while something may be approved or permitted for one Unit under one set of circumstances, the same thing may be disapproved for another Unit under a different set of circumstances. The exercise of discretion in approving or enforcement shall not be construed as a waiver of approval or enforcement rights, nor shall it preclude the Board from taking enforcement action in any appropriate circumstances.

The following initial Rules shall be subject to amendment or modification in accordance with the procedures set forth in the Charter.

1. **General.** Units shall be used only for residential purposes consistent with this Charter and any applicable Supplement.

2. **Restricted Activities.** Unless expressly authorized by, and then subject to such conditions as may be imposed by, the Board or the Charter, the following activities are prohibited within the Community:

(a) Parking any vehicles on roadways or parking commercial vehicles or equipment, motor homes, recreational vehicles, golf carts, boats, jet skis and other watercraft, trailers, stored vehicles, or inoperable vehicles in places other than enclosed garages; provided, construction, service, and delivery vehicles shall be exempt from this provision during normal business hours for such period of time as is reasonably necessary to provide service or to make a delivery to a Unit or the Common Area;

(b) Raising, breeding, capturing, trapping, keeping, or killing animals or wildlife, except that (i) a reasonable number of dogs, cats, or other usual and common household pets may be permitted in a Unit, and (ii) the Association, its contractors, agents, and employees may engage in such activities as part of a continuing resource management plan for the Community. Pets that are permitted to roam free or, in the Board's sole discretion, make objectionable noise, endanger the health or safety of, or constitute a nuisance or inconvenience to the occupants of other Units shall be removed from the Community upon the Board's request. If the pet owner fails to honor such request, the Board may remove the pet. Dogs shall be kept on a leash or otherwise confined in a manner acceptable to the Board whenever outside the dwelling. Pets shall be registered, licensed, and inoculated as required by law;

(c) Any activity that emits foul or obnoxious odors outside the Unit or creates noise or other conditions that, in the Board's reasonable discretion, tend to disturb the peace or threaten the safety of or cause embarrassment, discomfort, annoyance, or nuisance to the occupants of other Units or persons using the Common Area, except that this Rule shall not restrict the ability of the Association and its contractors, agents, or employees to engage in such activities as part of a continuing resource management plan for the Community;

(d) Any activity that violates local, state, or federal laws or regulations; however, the Board shall have no obligation to take action to enforce such laws or regulations or to prevent a violation;

(e) Pursuing hobbies or other activities that tend to cause an unclean, unhealthy, or untidy condition to exist outside of enclosed structures on the Unit;

(f) Outside burning of trash, leaves, debris, or other materials, except that the Association and its contractors or agents may engage in ecological burning as part of a continuing resource management plan;

(g) Using or discharging any radio, loudspeaker, horn, whistle, bell, or other sound device so as to be audible to occupants of other Units, except fire and security alarm devices used exclusively for such purposes;

(h) Using or discharging firecrackers and other fireworks;

(i) Accumulating rubbish, trash, or garbage except between regular garbage pick ups, and then only in approved, wildlife-proof containers;

(j) Discharging firearms; provided, the Board shall have no obligation to take action to prevent or stop such discharge;

(k) On-site storage of fuel, except that a reasonable amount of fuel may be stored on each Unit for emergency purposes and operation of mowers and similar tools or equipment, and the Association shall be permitted to store and sell fuel for operation of maintenance vehicles, generators, and similar equipment. This provision shall not apply to any underground fuel tank authorized pursuant to Chapter 5;

(l) Dumping, pumping out, or discharging fuel, gray water, pesticides, or toxic substances onto the land within or adjacent to the Community;

(m) Any activities that materially disturb or destroy the vegetation, wildlife, wetlands, or air quality within the Community, that use excessive amounts of water, or that result in unreasonable levels of sound or light pollution;

(n) Operating motorbikes, mini-bikes, or all-terrain vehicles anywhere in the Community, on or off roadways;

(o) Converting any carport or garage to finished space for use as an apartment or other integral part of the living area on any Unit without prior approval pursuant to Chapter 5;

(p) Constructing or modifying any thing, permanently or temporarily, on the outside portions of the Unit, whether such portion is improved or unimproved, except in strict compliance with the provisions of Chapter 5. This shall include, without limitation, signs, basketball hoops, and swing sets and similar sports and play equipment; clotheslines; garbage cans; woodpiles; above-ground swimming pools; hedges, walls, dog runs, animal pens, or fences of any kind; and satellite dishes and antennas, except that:

(i) an antenna designed to receive direct broadcast satellite services, including direct-to-home satellite services, that is one meter or less in diameter;

(ii) an antenna designed to receive video programming services via multipoint distribution services, including multi-channel multipoint distribution services, instructional television fixed services, and local multipoint distribution services, that is one meter or less in diameter or diagonal measurement; or

(iii) an antenna that is designed to receive television broadcast signals;

shall be permitted on Units, subject to such reasonable requirements as to location and screening as may be set forth in the Design Guidelines, consistent with applicable law, in order to minimize obtrusiveness as viewed from streets and adjacent property. The Founder and/or the Association shall have the right, without obligation, to erect an aerial, satellite dish, or other apparatus for a master antenna, cable, or other communication system for the benefit of all or a portion of the Community, should any master system or systems be utilized by the Association and require such exterior apparatus.

3. Prohibited Conditions. The following shall be prohibited in the Community:

(a) Accumulation or storage of combustible materials or debris on Units, except to the extent reasonably necessary during construction of a dwelling on the Unit. This Rule shall not preclude storage of a reasonable amount of firewood on a Unit provided it is stacked and stored in a safe manner and location; and

(b) Structures, equipment, or other items on the exterior portions of a Unit that have become rusty, dilapidated, or otherwise fallen into disrepair.

4. Signs. No sign advertising the sale or lease of a Unit (*i.e.*, "For Sale" or "For Lease") signs may be placed on any Unit or any other portion of the Community during the Development and Sale Period without the Founder's prior consent, which it shall not be obligated to give. After the termination of the Development and Sale Period, the placement of "For Sale" and "For Lease" signs within the Community shall be subject to such regulations and limitations (which may include a prohibition on such signs) as the Board may impose. Notwithstanding the above, the Founder and Founder Affiliates may display such signs within the Community with respect to Units they own.

EXHIBIT "D"
Bylaws of Big Oaks Community Association, Inc.

BYLAWS
OF
BIG OAKS COMMUNITY ASSOCIATION, INC.

DEFINITIONS

All capitalized terms in these Bylaws shall have the same meaning ascribed to them in the Articles of Incorporation of Big Oaks Community Association, Inc. filed with the Secretary of State contemporaneously herewith (sometimes referred to herein as the "Articles") and the Community Charter for Big Oaks, to be recorded contemporaneously herewith in the public records of St. Johns County, Florida (the "Declaration").

ARTICLE I

NAME AND LOCATION

The name of the corporation is BIG OAKS COMMUNITY ASSOCIATION, INC., a Florida non profit corporation (the "Association"). The principal office of the corporation shall be located at 158 Barberry Lane, Ponte Vedra Beach, FL 32082.

ARTICLE II

MEETING OF MEMBERS

2.1 Annual Meetings. The annual meeting of the Members shall be held during the first calendar quarter of each year at a time and date and at a place within St. Johns County, Florida established by the Board of Directors.

2.2 Special Meetings. Special meetings of the Members may be called at any time by the President or by the Board of Directors, or upon written request of one-fourth (1/4) of all of the votes of the Membership who are entitled to vote.

2.3 Notice of Meetings. Notice of meetings of the Members shall be given to the Members in accordance with the requirements of Sections 720.303 and 720.306 Florida Statutes and other applicable Florida Statutes. If the business of any meeting shall involve an election of Directors, notice of such meeting shall be given or sent as therein provided. The notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

2.4 Quorum. The presence, in person, by proxy or by telephone conference, at the meeting of Members entitled to cast, or of proxies entitled to cast, at least twenty percent (20%) of the votes of the Membership shall constitute a quorum for any action except as otherwise provided in the Articles or these Bylaws. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote shall have the power to adjourn or recess the meeting

from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or represented, in person or by proxy, at a re-convened meeting.

2.5 Proxies. At all meetings of Members, each Member may vote in person or by proxy. Proxies shall not be used to elect Directors. Proxies must comply with the requirements of Section 720.306(6), Florida Statutes and other applicable Florida laws, as such requirements may exist from time to time. General proxies are not permitted, except to establish a quorum at a meeting. Specific, limited proxies that specifically identify the issue to be considered at the meeting and that directs how the proxy holder shall vote on such issue may be used, including to establish a quorum. Every proxy shall automatically cease if the person granting the proxy ceases to be a Member. Any dispute about the validity of a proxy shall be determined by the Board of Directors whose decision shall be conclusive. All proxies shall be in writing and filed with the Secretary. Every proxy shall be revocable and shall automatically cease upon the earlier of: (i) ninety (90) days from recess of a meeting, or (ii) at the close of the meeting where such proxy votes were cast.

2.6 Presiding Officer and Minutes. At meetings of Members the President shall preside. Minutes shall be kept in a businesslike manner and available for inspection by Directors, Members and their authorized representatives any normal business hours at the principal office of the Association, in accordance with the procedures set forth in Section 720.303, Florida statutes, as amended from time to time. A vote or abstention from voting on each matter voted upon for each Director present at a Board meeting must be recorded in the minutes.

2.7 Order of Business. The order of business at the annual meetings of Members, and, as far as practical, at other meetings of Members, shall be:

- (a) Calling of the roll and certifying of proxies;
- (b) Proof of notice of meeting or waiver of notice;
- (c) Reading or waiver of reading of minutes of previous meeting of Members;
- (d) Reports of officers;
- (e) Reports of committees;
- (f) Appointment by President of inspectors of election;
- (g) Election of Directors;
- (h) Unfinished business;
- (i) New business; and
- (j) Adjournment.

2.8 Owners' Right to Speak. Members have the right to attend all membership meetings and to speak at any meeting with reference to all items opened for discussion or included on the agenda for at least 3 minutes on any item, provided that the Member submits a written request to speak prior to the meeting. The Board may adopt written reasonable rules governing the frequency, duration, and other manner of Member statements, which rules must be consistent with Section 720.306, Florida statutes, as amended from time to time.

2.9 Consent to Action. Unless a duly called meeting of the Association shall be specifically required for action to be taken by the Members in these Bylaws, the Articles, the Declaration, or other Florida Statutes, any action to be taken by the Association may be taken by written consent setting forth the action so taken, approved by Members holding not less than the minimum number of votes necessary to authorize or take such action at a meeting at which all Members entitled to vote thereon were present and voting.

2.10 Telephone Conferences. Members present by telephone conference shall be considered as present at a meeting for the purposes of a quorum and may vote in any matters presented for a vote of the membership.

ARTICLE III

BOARD OF DIRECTORS; SELECTION; TERM OF OFFICE

3.1 Number. While the Founder Member controls the Board, there shall be three (3) directors. At the termination of the Founder Membership, the Owner Members shall elect a Board of not less than three (3) Members or more than nine (9) Members; provided, however, that there shall always be an odd number of directors. The number of Directors to be elected shall be decided by the Board each year prior.

3.2 Term of Office. Except for the first round of Directors elected by the Owner Members (the terms of which are found in Section 4.4 of the Articles), Directors shall be elected for and shall serve three (3) year terms, except that if the Board is adding new Directors (subject to the requirements of Section 3.1 above), then the existing Board shall have the power and authority to make the new Directors' initial term for less than three (3) years to stagger the terms of the Directors.

3.3 Removal. Any director may be removed from the Board, with or without cause, by a majority vote of the Members of the Association, in accordance with procedures set forth in Chapter 720, Florida Statutes, as amended from time to time. If there is a death, resignation or removal of a director, his or her successor shall be selected as provided in the Articles, and he or she shall serve for the unexpired term of his or her predecessor.

3.4 Compensation. No director shall receive compensation for any service he may render to the Association. However, any director may be reimbursed for his or her actual expenses incurred in the performance of his or her duties.

3.5 Action Taken Without a Meeting. The directors shall have the right to take

any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the directors, including via electronic mail. Any action so approved shall have the same effect as though taken at a meeting of the directors.

3.6 Telephone Conferences. Directors present by telephone conference shall be considered as present at a meeting for the purposes of a quorum and may vote in any matters presented for a vote of the Directors.

ARTICLE IV

NOMINATION AND ELECTION OF DIRECTORS

4.1 Nomination. The Association, at least thirty (30) days prior to the Annual Meeting, shall endeavor to solicit and nominate qualified candidates to serve as a Director. The Association shall mail notice to each owner at the last known address to the Association and solicit nominations to serve as directors. Self-nominations and nominations by petition from the owners must be received by the Association on or before fifteen (15) days prior to the Annual Meeting to be included on the ballot. The Association shall notify the Secretary of the names of the candidates nominated for election to the Board of Directors. The Secretary shall mail out the final notice of the Annual Meeting, along with a proxy, ballot and agenda to each owner not later than ten (10) days prior to the Annual Meeting.

4.2 Election. Election to the Board of Directors shall be by secret written ballot. During the election the Members or their proxies may cast, with respect to each vacancy, as many votes as they are entitled to exercise under the Articles. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

All ballots shall (a) describe the vacancies to be filled and (b) set forth the names of those nominated by the Association for such vacancies. Such ballots shall be prepared and mailed with a self-addressed, stamped return envelope by the Secretary or his or her delegee, to the Members at least fourteen (14) days in advance of the date set forth therein for a return. Upon receipt of such ballots Members may, in respect to each vacancy, cast as many votes for the persons nominated by the Association as they are entitled to exercise under the provisions of the Articles of Incorporation and these Bylaws.

The completed ballots shall be returned to the Secretary at the principal office of the Association, or at such other address as designated upon each ballot not later than three (3) days before the Annual Meeting.

Upon receipt of each ballot the Secretary, or his or her delegee, shall immediately place it in a safe or other locked place until the date set for the counting of such ballots. On the day the ballots will be counted the ballots shall be turned over to a committee appointed by the Board of Directors.

Any election dispute between a Member and the Association must be submitted to mandatory binding arbitration with the Division of Florida Land Sales, Condominiums, and Mobile Homes in the Department of Business and Professional Regulation ("Division"). Such proceedings shall be conducted in the manner provided by Section 718.1255, Florida statutes, as amended from time to time, and in the manner provided for in procedural rules adopted from time to time by the Division.

ARTICLE V

MEETINGS OF DIRECTORS

5.1 Regular Meetings. Notice of regular meetings of the Board of Directors shall be given as required by Chapter 720, Florida Statutes, as same may be hereafter amended. If the day for a regular meeting shall fall upon a holiday, the meeting shall be held at the same hour on the first day following which is not a holiday.

Members have the right to attend all meetings of the Board and to speak for at least three minutes on any matter placed on the agenda by signed petition of at least twenty percent (20%) of the voting interests, as set forth hereafter. If twenty percent (20%) of the total voting interests petition the Board to address an item of business, the Board shall at its next regular meeting or at a special meeting of the Board, but not later than 60 days after the receipt of the petition, take the petitioned item up on an agenda. The Board may adopt written reasonable rules expanding the right of Members to speak and governing the frequency, duration, and other manner of member statements, which rules must be consistent Florida Statutes and may include a sign-up sheet for members wishing to speak.

All meetings of the Board shall be open to all Members, except for meetings between the Board and its attorney with respect to proposed or pending litigation where the contents of the discussion would otherwise be governed by the attorney-client privilege, and except for meetings between the Board or a committee and the association's attorney, with respect to meetings of the board held for the purpose of discussing personnel matters.

5.2 Special Meetings. Special meetings of the Board of Directors shall be held when called by the president of the Association, or by any two directors, after not less than forty-eight (48) hours' notice to each Director except in the case of an emergency.

5.3 Quorum. A majority of the directors in person or by telephone conference shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

5.4 Adjourned Meetings. If at any meeting of the Board of Directors there is less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present. At any adjourned meeting any business that might have been transacted at the meeting as originally called, may be transacted without further notice.

5.5 Meetings At Which Assessments or Rule Changes Will Be Considered.

An assessment may not be levied at a Board meeting unless a written notice of the meeting is provided to all members at least 14 days before the meeting, which notice includes a statement that assessments will be considered at the meeting and the nature of the assessments. Written notice of any meeting at which special assessments will be considered or at which rules that regulate the use of Units in the community may be adopted, amended, or revoked must be mailed, delivered, or electronically transmitted to the Members and posted conspicuously on the Property or broadcast on closed-circuit cable television not less than 14 days before the meeting. A written notice concerning changes to the rules and regulations that regulate the use of Lots in the community must include a statement that changes to the rules regarding the use of Lots will be considered at the meeting

ARTICLE VI

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

6.1 Powers. The powers of the Board of Directors shall include the power to:

- (a) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the Membership or limited by other provisions of the Governing Documents;
- (b) declare the office of a Member of the Board of Directors to be vacant in the event that Member is absent from three (3) consecutive regular meetings of the Board of Directors; and
- (c) employ a property management company, bookkeeper, independent contractor, or such other employees as they deem necessary, and to prescribe their duties.

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

- (a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when the statement is requested in writing by the number of Members as provided herein;
- (b) supervise all officers, agents and employees of this Association, and see that their duties are properly performed;
- (c) issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;
- (d) procure and maintain adequate liability and hazard insurance on

Common Property;

(e) cause all officers or employees having fiscal responsibilities to be bonded, if it deems it appropriate to do so;

(f) cause the Common Property to be maintained, repaired or replaced;

(g) fix the amount of the Annual Assessment against each Lot at least thirty (30) days in advance of each annual assessment period, send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and in the Directors' discretion, foreclose the lien against any Lot for which assessments are not paid within thirty (30) days after due date or to bring an action at law against the owner personally obligated to pay the same and to fix and General Special Assessments against each Lot and fix the amount of a Specific Special Assessment at a time determined by the Board;

(h) enforce all covenants and restrictions set forth in the Declaration as it deems fit, in its sole discretion; and

(i) perform such other duties not contrary to the limits, if any, set forth in the Governing Documents.

ARTICLE VII

OFFICERS AND THEIR DUTIES

7.1 Enumeration of Officers. The officers of this Association shall be as provided in the Articles.

7.2 Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members.

7.3 Term. The officers of this Association shall be elected annually by the Board, and each shall hold office for one (1) year unless he shall sooner resign, or is removed, or otherwise disqualified to serve.

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

7.5 Resignation and Removal. Any officer may be removed from office, with or without cause, by the Board. Any officer may resign at any time giving written notice to the Board, the President or the Secretary. A resignation shall be effective on the date of receipt of notice thereof or at any reasonable later time specified therein, and unless otherwise specified in the notice, the acceptance of the resignation shall not be necessary to make it effective.

7.6 Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he or she replaces.

7.7 Multiple Offices. The same person may hold two offices, the duties of which are not incompatible, provided however, the office of President and Vice President shall not be held by the same person, nor shall the office of President and Secretary or Assistant Secretary be held by the same person.

7.8 Duties. The duties of the officers are as follows:

(a) **President.** The president shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and, if so directed by the Board of Directors, shall co-sign all checks and promissory notes.

(b) **Vice-President.** The vice-president shall act in the place and stead of the President in the event of his or her absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required by the Board.

(c) **Secretary.** The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses, and shall perform such other duties as required by the Board.

(d) **Treasurer.** The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; shall prepare an annual budget and a statement of income and expenditures to be presented to the Membership at its regular annual meeting, and deliver a copy of each to the Members and if so directed by the Board of Directors, the treasurer shall cause an annual audit.

ARTICLE VIII

COMMITTEES

The Association shall have an Architectural Review Board (which may be made up of the Board) as provided in the Declaration, a Rules and Compliance Committee (or a Hearing or Fining Committee) and may appoint a Nominating Committee, as provided in these Bylaws. The Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose. All committee members must be approved by the Board and all committee members shall serve at the pleasure of the Board.

ARTICLE IX

BOOKS AND RECORDS

The Official Records of the Association (as defined and limited in Section 720.303, Florida statutes, as amended from time to time) shall at all times, during reasonable business hours, be subject to inspection by any Member, in accordance with the procedures set forth in Section 720.303, Florida statutes, as amended from time to time. The Declaration, the Articles of Incorporation and the Bylaws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost.

The Board may adopt reasonable written rules from time to time governing the frequency, time, location, notice, records to be inspected and manner of inspections, but may not impose a requirement that a parcel owner demonstrate any proper purpose for the inspection, state any reason for the inspection, or limit a parcel owner's right to inspect records to less than one 8-hour business day per month. The Association may impose fees to cover the costs of providing copies of the Official Records, including, without limitation, the costs of copying. The Association may charge up to 50 cents per page for copies made on the Association's photocopier. The Association shall maintain an adequate number of copies of the recorded governing documents, to ensure their availability to members and prospective members. Notwithstanding the provisions of this Article, the following records shall not be accessible to members or parcel owners:

1. Any record protected by the lawyer-client privilege as described in Section 90.502, Florida statutes, as amended from time to time, and any record protected by the work-product privilege, including, but not limited to, any record prepared by the Association's attorney or prepared at the attorney's express direction which reflects a mental impression, conclusion, litigation strategy, or legal theory of the attorney or the Association and was prepared exclusively for civil or criminal litigation or for adversarial administrative proceedings or which was prepared in anticipation of imminent civil or criminal litigation or imminent adversarial administrative proceedings until the conclusion of the litigation or adversarial administrative proceedings.
2. Information obtained by the Association in connection with the approval of the lease, sale, or other transfer of a parcel.
3. Disciplinary, health, insurance, and personnel records of the Association's employees.
4. Medical records of Owners or community residents.

ARTICLE X

ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay to the Association Annual and Special Assessments which are secured by a continuing lien upon the Lot against which the Assessment is made. Any Assessments (including fines assessed to an Owner's account) which are not paid when due shall be delinquent. If the Assessment is not paid within thirty (30) days after the due date, the Assessment shall bear interest from the date of delinquency at a rate set by the Board, and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the Lot, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability from the assessments provided for herein by not using the Common Property or abandonment of his or her Lot.

ARTICLE XI

CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the name of the Association, the word "Florida," the words "non profit Corporation" or "Corporation not-for-profit," and the year of incorporation.

ARTICLE XII

AMENDMENTS

12.1 **Amendments.** These Bylaws may be amended, altered or rescinded upon the vote of two-thirds (2/3) of the Board of Directors at a duly called meeting of the Board. Notice, in the manner required by Florida Statutes Section 720.303 or other applicable Florida law, must be given to each Member when an amendment to the Bylaws is proposed. The notice must state the purpose of the meeting and must contain a blacklined version of these Bylaws, showing the proposed revision

12.2 **Conflict.** In case of any conflict between the Articles of Incorporation and these Bylaws or the Declaration, the conflict shall be revised as set forth in the Declaration.

ARTICLE XIII

PARLIAMENTARY RULE

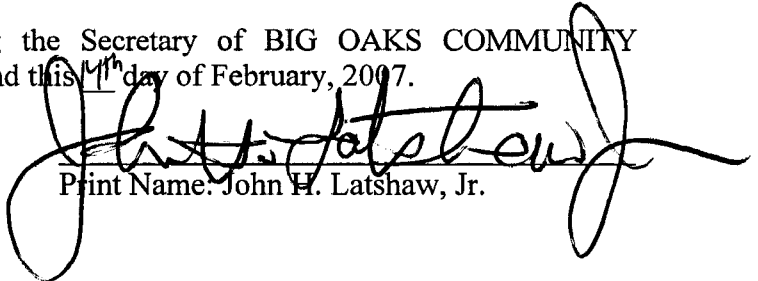
Roberts Rules of Order (latest edition) shall govern the conduct of the Association proceedings when not in conflict with the Declaration or the Articles of Incorporation

ARTICLE XIV

MISCELLANEOUS

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

IN WITNESS WHEREOF, I, being the Secretary of BIG OAKS COMMUNITY ASSOCIATION, INC., have hereunto set my hand this 14th day of February, 2007.


Print Name: John H. Latshaw, Jr.

CERTIFICATION

I, the undersigned, do hereby certify:

I am the duly elected and acting secretary of BIG OAKS COMMUNITY ASSOCIATION, INC., a Florida non profit corporation, and,

That the foregoing Bylaws constitute the initial Bylaws of said Association, as duly adopted at a meeting of the Board of Directors thereof, held on the 14th day of February, 2007.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association this 14th day of February, 2007.

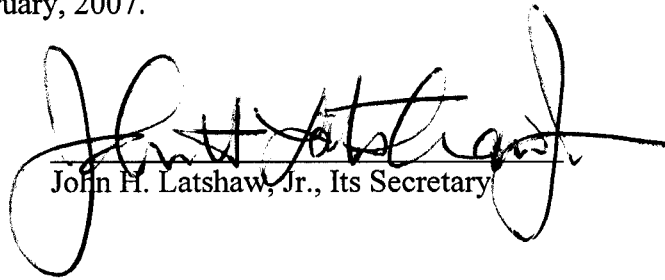

John H. Latshaw, Jr., Its Secretary

EXHIBIT "E"
Articles of Incorporation of Big Oaks Community Association, Inc.



February 21, 2007

FLORIDA DEPARTMENT OF STATE
Division of Corporations

BIG OAKS COMMUNITY ASSOCIATION, INC.
158 BARBERRY LANE
PONTE VERDA BEACH, FL 32082

The Articles of Incorporation for BIG OAKS COMMUNITY ASSOCIATION, INC. were filed on February 20, 2007, and assigned document number N07000001838. Please refer to this number whenever corresponding with this office.

Enclosed is the certification requested. To be official, the certification for a certified copy must be attached to the original document that was electronically submitted and filed under FAX audit number H07000045640.

A corporation annual report/uniform business report will be due this office between January 1 and May 1 of the year following the calendar year of the file/effective date year. A Federal Employer Identification (FEI) number will be required before this report can be filed. Please apply NOW with the Internal Revenue Service by calling 1-800-829-3676 and requesting form SS-4 or by going to their website at www.irs.ustreas.gov.

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


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

Tim Burch
Document Specialist
New Filings Section
Division of Corporations

Letter Number: 807A00012836

P.O BOX 6327 - Tallahassee, Florida 32314

State of Florida



Department of State

I certify from the records of this office that BIG OAKS COMMUNITY ASSOCIATION, INC. is a corporation organized under the laws of the State of Florida, filed on February 20, 2007.

The document number of this corporation is N07000001838.

I further certify that said corporation has paid all fees due this office through December 31, 2007, and its status is active.

I further certify that said corporation has not filed Articles of Dissolution.

I further certify that this is an electronically transmitted certificate authorized by section 15.16, Florida Statutes, and authenticated by the code, 807A00012836-022107-N07000001838-1/1, noted below.

Authentication Code: 807A00012836-022107-N07000001838-1/1



Given under my hand and the
Great Seal of the State of Florida,
at Tallahassee, the Capital, this the
Twenty-first day of February, 2007

A handwritten signature in black ink, appearing to read "Kurt S. Browning".

Kurt S. Browning
Secretary of State

State of Florida



Department of State

I certify the attached is a true and correct copy of the Articles of Incorporation of BIG OAKS COMMUNITY ASSOCIATION, INC., a Florida corporation, filed on February 20, 2007, as shown by the records of this office.

I further certify the document was electronically received under FAX audit number H07000045640. This certificate is issued in accordance with section 15.16, Florida Statutes, and authenticated by the code noted below.

The document number of this corporation is N07000001838.

Authentication Code: 807A00012836-022107-N07000001838-1/1



Given under my hand and the
Great Seal of the State of Florida,
at Tallahassee, the Capital, this the
Twenty-first day of February, 2007

Kurt S. Browning
Secretary of State

H07000045640 3

ARTICLES OF INCORPORATION**OF****BIG OAKS COMMUNITY ASSOCIATION, INC.**

All capitalized terms herein are defined in the Community Charter for Big Oaks, to be recorded contemporaneously herewith in the public records of St. Johns County, Florida (the "Charter").

The undersigned, for purposes of forming a non profit corporation under the laws of the State of Florida, adopts the following Articles of Incorporation:

ARTICLE I**NAME**

The name of the corporation is BIG OAKS COMMUNITY ASSOCIATION, INC., a Florida non profit corporation (the "Association").

ARTICLE II**ADDRESS**

The principal office and mailing address of the Association is 158 Barberry Lane, Ponte Vedra Beach, Florida 32082.

ARTICLE III**PURPOSE AND POWERS OF THE ASSOCIATION**

3.1 The Association does not contemplate pecuniary gain or profit to the Members (as defined In Article V herein) thereof, and the specific purposes for which it is formed are (i) to provide for the acquisition, construction, management, maintenance and care of the Common Property, (ii) to provide for architectural control over the property commonly known as Big Oaks subdivision and such additional property as is subjected to the Charter (jointly referred to as "Property"), and (iii) to promote the orderly development, use and occupation of the Property. In furtherance of the foregoing, the Association may engage in all activities set forth in the Charter which are not contrary to those activities permitted to a non profit corporation under Chapter 617 or Chapter 720, Florida Statutes, or successor statutes, as amended from time to time, or unless otherwise prohibited by these Articles or the By-Laws of the Association ("Bylaws"), including, without limitation, the following powers:

H07000045640 3

(a) the right to own, operate and convey property and to convey interests in such Property including, without limitation, easements;

(b) the right to operate, improve and maintain the Common Property, including, without limitation, all lakes, retention areas, culverts and related appurtenances which form a part of the Stormwater Management System;

(c) the right to establish rules and regulations governing the use and occupation of the Property and Common Property;

(d) the right to assess and collect assessments (including the right to enforce any lien right) from all the Members for all purposes set forth in the Charter, including, without limitation, for the costs of maintenance and operation of the surface water or stormwater management system;

(e) the right to sue and be sued;

(f) the right to contract for services to perform the operation and maintenance of the Common Property; and

(g) the right to enforce the restrictions and covenants set forth in the Charter, including, without limitation, the right to levy reasonable fines as provided therein;

(h) the right to exercise all other powers which may be afforded the Association under the provisions of Chapter 617 or Chapter 720, Florida Statutes, or successor statutes, as such may be amended from time to time.

3.2 The Association shall also operate, maintain and manage the surface water or stormwater management system(s) in a manner consistent with the applicable St. Johns River Water Management District permit requirements and applicable District rules, and shall assist in the enforcement of the Charter which relate to the surface water or stormwater management system.

3.3 All of the Association's assets and earnings shall be used exclusively for the purposes set forth herein and in accordance with Section 528 of the Internal Revenue Code of 1986, as amended ("Code"), and no part of the assets of this Association shall inure to the benefit of any individual Member or other person. The Association may, however, reimburse its Members for actual expenses incurred for or on behalf of the Association, and may pay compensation in a reasonable amount to its Members for actual services rendered to the Association as permitted by section 528 of the Code and other applicable provisions of the Code and/or Federal and state law.

ARTICLE IV DIRECTORS

4.1 The Association shall have at least three but not more than five directors on its Board of Directors (sometimes referred to herein as the "Board"). For the period of time which the Developer (as defined in Article V herein) retains control of the Association there shall be three (3) directors,

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thereafter the number may be increased by amendment of these Articles as provided in Article XIII.

4.2 The names and addresses of the persons who are to serve on the first Board are:

<u>Name</u>	<u>Address</u>
John H. Latshaw, Jr.	158 Barberry Lane Ponte Vedra Beach, FL 32082
Angel R. Macario Alliegro	597 Racquet Club Road, Unit 71 Weston, FL 33326
John C. Davis	1620 Hendricks Avenue Jacksonville, FL 32207

4.3 The initial directors will serve until the first annual meeting of the Association. Directors shall be elected by the Founder membership until such time as the expiration of the Founder Control Period.

4.4 At the first election of the Board after the expiration of the Founder Control Period, the replacements for the initial directors named in these Articles shall be elected to terms such that the two persons receiving the greatest number of votes shall serve for three (3) years and the remaining directors will serve for two (2) years. It being the intention that the terms be staggered. Thereafter all directors shall serve for terms of three (3) years. When the Owner Members of the Association are entitled to vote, they shall elect the Members of the Board by a plurality of the votes cast at such election.

4.5 If there is a removal, resignation, death, or other vacancy of a director, the vacancy shall be filled by the Board. A replacement director shall serve the remainder of the term of his or her predecessor.

4.6 No Member of the Board or any committee of the Association, or any officer of the Association, or any employee of the Association, shall be personally liable to any Member of the Association, or to any other party, including the Association, for any damage, loss or prejudice suffered or claimed on account of any act, omission, error, or negligence of such person or group, provided that such person or group has, upon the basis of such information as may be possessed by him or her, acted in good faith, without willful or intentional misconduct.

4.7 The Board shall determine the amounts of Assessments in accordance with the provisions of the Charter. Where there are multiple owners of a Lot, such owners shall be jointly and severally liable for the payment of the Assessments. The Assessments shall be fixed by the Board annually and shall be based upon the costs and expenses expected to be incurred in owning, operating, maintaining and improving the Common Property in the coming year, for the establishment of reasonable reserves for future use as deemed advisable by the Board and for

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such other purposes as provided in the Charter. The Base Assessments may include any amounts to cover deficiencies from the previous year; or, at the end of each year the Board, as an alternate to increasing the coming year's Assessments, may make a Special Assessment above and beyond the Base Assessment if the costs and expenses of owning, operating, maintaining, and improving Common Property in that year exceeded the amount of the Base Assessment and other income received by the Association. Special Assessments for matters or activities deemed appropriate by the Board may be made at any time in accordance with the provisions of the Charter.

ARTICLE V

MEMBERSHIP

Every person or entity who is a record owner of a fee or undivided fee interest in any lot ("Lot") which is subject to assessment by the Association, including contract sellers, shall be a Member of the Association ("Member"). The foregoing is not intended to include persons or entities that hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association. There shall be two classes of Membership. The Owner Members shall be all persons or entities who own a Lot and the Founder Member shall be Coin Development I, LLC, a Florida limited liability company (sometimes referred to herein as the "Declarant"), and any successor or assign to which it specifically assigns in writing its rights under the Charter. The Founder Membership shall terminate as is set forth in the Charter.

ARTICLE VI

VOTING RIGHTS

6.1 When entitled to vote, each Lot shall be entitled to one vote. If a Member owns more than one lot, such Member shall be entitled to one (1) vote for each complete Lot owned; provided, however, if an Owner owns a Lot and a part of an adjacent Lot which is developed as a single building plot, the Owner shall have only one vote.

6.2 Votes shall be cast in the manner provided in the Bylaws of the Association. Until such time as the Founding membership terminates, the Founding Member shall be vested with the sole voting rights in the Association. The Owner Members shall have no voting rights except on such matters as to which these Articles or the Bylaws of the Association specifically require a vote of the Owner Members.

ARTICLE VII

INCORPORATOR

The name and address of the incorporator to these Articles of Incorporation is as follows:

Patterson, Anderson & Feldman, P.A.
3010 South Third Street
Jacksonville Beach, Florida 32250

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ARTICLE VIII MANAGEMENT

8.1 The affairs and business of the Association shall be managed by a Board of Directors and by the following officers: President, Vice President, Secretary and Treasurer, and such other officers as the Board shall appoint. These officers shall be elected by the Board at the first meeting of the Board following the annual meeting of the Association. The President, Vice President and Treasurer shall be a director but no other officer need be a director. The same person may hold two offices, the duties of which are not incompatible, provided however, the office of President and Vice President shall not be held by the same person, nor shall the office of President and Secretary or Assistant Secretary be held by the same person.

8.2 The Board may, in its discretion, contract with a management company to manage and operate the Association.

ARTICLE IX OFFICERS

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

President:	John H. Latshaw, Jr.
Vice President:	John C. Davis
Secretary:	John H. Latshaw, Jr.
Treasurer:	John H. Latshaw, Jr.

ARTICLE X DISSOLUTION

The Association may be dissolved with the assent given in writing and signed by not less than seventy-five percent (75%) of the votes of the Members entitled to vote. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets and obligations of the Association shall be conveyed or dedicated to an appropriate public agency to be used for purposes similar to those for which this Association was created. If a suitable public agency refuses to accept the dedication, the assets shall be granted, conveyed and assigned to any non profit corporation, association, trust or other organization formed and operated for similar purposes. No property shall be distributed to any person or entity pursuant to dissolution, hereunder if such distribution shall result in the imposition of any tax or penalty upon the Association and/or such person or entity under the Code or other applicable state and/or Federal law. In the event of termination, dissolution or final liquidation of the Association, the responsibility for the operation and maintenance of the surface water or stormwater management system must be transferred to and accepted by an entity which agrees to comply with Section 40C-42.027, F.A.C., and be approved by the St. Johns River Water Management District prior to such termination, dissolution or liquidation.

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ARTICLE XI**DURATION**

The corporation shall have perpetual existence.

ARTICLE XII**BYLAWS**

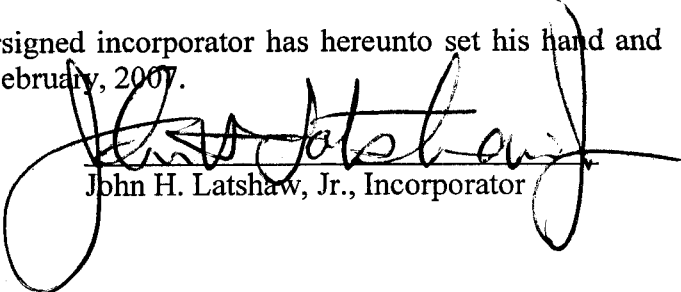
The Bylaws of the Association shall be adopted by the Board of Directors and may be altered, amended, or rescinded in the manner provided in the Bylaws.

ARTICLE XIII**AMENDMENTS**

13.1 From and after the date of filing these Articles of Incorporation, these Articles may be amended at any time by an affirmative vote of two-thirds (2/3) or more of the Board of Directors present at a duly constituted meeting. Notice of such meeting must be provided to each Member in the manner required by the Bylaws for meetings of the Members and must state the purpose of the meeting and must contain a blacklined version of the Articles showing the proposed revision.

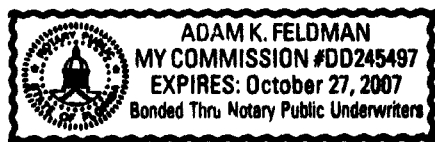
13.2 Amendments to these Articles which are required by the Institutional Mortgagee (as defined in the Charter) in order to obtain financing for the purchase of Lots or which are required by governmental entities in order to obtain permits to develop the Property may be made by the Founder Member without the consent of any other Member of mortgagee.

IN WITNESS WHEREOF, the undersigned incorporator has hereunto set his hand and seal at Jacksonville, Florida, this 14 day of February, 2007.


John H. Latshaw, Jr., Incorporator

STATE OF FLORIDA
COUNT OF DUVAL

The foregoing instrument was acknowledged before me this 14th day of February, 2007, by John H. Latshaw, Jr. He is personally known to me or has produced a Florida driver's license as identification.




Notary Public

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

Pursuant to Chapter 48.091, Florida Statutes, the following is submitted:

BIG OAKS COMMUNITY ASSOCIATION, INC., a non profit corporation, desiring to organize under the laws of the State of Florida with its principal office, as indicated in these Articles of Incorporation, in Jacksonville Beach, Duval County, Florida, has named Patterson, Anderson & Feldman, P.A., 3010 South Third Street, Jacksonville Beach, Florida 32250, as its agent to accept service of process within this state.

Big Oaks Community Association, Inc.

By

John H. Latshaw, Jr., Its President

ACKNOWLEDGMENT

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



Lawrence R. Patterson, as President of
Patterson, Anderson & Feldman, P.A.

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executive line 05 34167

This Indenture,

(The terms "grantor" and "grantee" herein shall be construed to include all genders and singular or plural as the context indicates.)

Made this 1st day of
 MATTHEW BERTASH, JR. and C. JEAN BERTASH
 his wife

December 1st 1986

of the County of ST. JOHNS, State of FLORIDA, grantor, and
 ROY L. RICHARDSON, a single man

whose post-office address is P.O. Box 1594, St. Augustine, Florida 32085-1594

of the County of ST. JOHNS, State of FLORIDA, grantee,

Witnesseth: That said grantor, for and in consideration of the sum of TEN (\$10.00) Dollars and other good and valuable considerations to said grantor in hand paid by said grantee, the receipt whereof is hereby acknowledged, has granted, bargained and sold to the said grantee, and grantee's heirs, successors and assigns forever, the following described land, situate, lying and being in St. Johns County, Florida to wit:

SSE EXHIBIT "A" ATTACHED HERETO AND BY THIS REFERENCE MADE A PART HEREOF.

SUBJECT to Restrictions as attached to EXHIBIT "A" and Easements of record, if any, and any and all Taxes and Assessments for the year 1987 and thereafter.

This instrument prepared by:
 J. Russell Collins, 139 King Street
 St. Augustine, Florida 32084, an
 employee of Collins Title & Abstract Co.
 as an necessary incident to fulfill
 requirements in a Title Insurance
 Commitment issued by it. C-5643F

FLORIDA DOCUMENTARY STAMP TAX PAID

Date 12-02-86 For \$10.00

CARL "BUD" MARKEL

Clerk Circuit Court St. Johns

By [Signature] Deputy Clerk

and said grantor does hereby fully warrant the title to said land, and will defend the same against the lawful claims of all persons whomsoever.

In Witness Whereof, Grantor has hereunto set grantor's hand and seal the day and year first above written. Signed, sealed and delivered in our presence.

WITNESS

WITNESS

MATTHEW BERTASH, JR.

C. JEAN BERTASH

STATE OF FLORIDA
 COUNTY OF ST. JOHNS

I HEREBY CERTIFY that on this day I, a person duly qualified to take acknowledgments, personally appeared MATTHEW BERTASH, JR. and C. JEAN BERTASH his wife

to me known to be the persons described in and who executed the foregoing instrument and acknowledged before me the execution of same.

WITNESS my hand and official seal in the County and State last aforesaid this 1st day of December, 1986

Notary Public

My commission expires

NOTARY PUBLIC, STATE OF FLORIDA

My Commission Expires Dec. 20, 1991

Deed RestrictionsTo run with the land

1. No mobile homes.
2. No home with less than a 1500 sq. ft. roof line including garage shall be built.
3. All ingress and egress roads to and from property to be for residential use only, no commercial use.
4. Road maintenance to be shared by abutting land owners and assigns.
5. That portion of ingress and egress road from Woodlawn Rd. to Long Rd. to be owned by sellers (Matthew and Jean Bertash) and assigns.
6. Fishing and Boating rights will be granted to buyers and their immediate family and guests.

DEPOSIT RECEIPT & PURCHASE AND SALE AGREEMENT

Date November 7, 1986

Receipt is hereby acknowledged by Baker Realty of St. Aug. Inc. hereinafter called AGENT, of the sum of \$1,000.00 from Roy L. Richardson

hereinafter called BUYER which term may be singular or plural and shall include the heirs, successors, personal representatives and assigns of the Buyer) as a deposit and as a part of the purchase price on account of offer to purchase the property of Matt Bertash and Jean Bertash hereinafter called SELLER (which term may be singular or plural and shall include the heirs, successors, personal representatives and assigns of the Seller) said property being in St. Johns County, Florida, and described as follows:

A parcel of land in Sec. 2 & Gov. Lot 10, Sec. 3, Twp 7 south, R. 29 East, St. Johns Co., being part of parcels 1 and 4, Recorded in book 84, page 231. Containing 3.21 acres more or less

Any maintenance expenses on that abutting portion of the road from Woodlawn Rd. to the lake to be agreed upon before work commences by land owners.

The use of Long Road (county road) from Hwy 16 to the northwest corner of property never to be restricted to purchaser.

The SELLER hereby agrees to sell said property to the BUYER and the BUYER hereby agrees to purchase said property from the SELLER upon the following terms and conditions (if completed or marked):
1. The total PURCHASE PRICE to be paid by the BUYER is payable as follows:
(If the following items (c), (d) and (e) are to be adjusted at closing, the agreed adjustments may be indicated by writing "not less than," "not more than" or "approximately" before the amounts of the items.)

- (a) Earnest money deposit; receipt of which is hereinabove and hereby acknowledged \$ 1,000.00
(b) Additional payment \$
(c) Additional payment due at closing (not including costs of Buyer) \$21,800.00
(d) Proceeds of new note and mortgage to be executed by the BUYER to any lender other than the SELLER \$
(e) Existing mortgage balance encumbering the property to be assumed by the BUYER \$

- (f) Balance due to the SELLER to be evidenced by a negotiable promissory note of the BUYER, secured by a valid purchase money mortgage, in a form acceptable to SELLER, on said property executed and delivered by the BUYER to the SELLER dated the date of closing, bearing interest at the rate of % per annum and payable \$..... per \$ 27,800.00

TOTAL PURCHASE PRICE:

\$ 27,800.00

2. It is understood that the said property will be conveyed by WARRANTY DEED subject to current taxes, existing zoning ordinances, covenants, restrictions, and easements of record.

3. The BUYER will pay for:

- (X) Recording Fee () Stamps on Note () Intangible Tax on Mortgage (X) if any Attorney's Fee
() Mortgagee's Initial Service Fee () Mortgagee's Transfer Charge () Appraisal Fee (X) Prepaid Insurance or Taxes () Credit Report () Opinion of Title () Photos
() Mortgage insurance premium (X) Survey

4. The SELLER will pay for:

- (X) Stamp on Deed (X) Surtax (X) Title Insurance () Survey (X) Real Estate Sales Fee () Abstract of Title
() FHA or VA Discount () FHA or VA mortgage costs except prepaid items (X) if any Attorney's Fee
() Appraisal Fee () Satisfaction of Mortgage () Termite Report

5. PRORATIONS:

All taxes for the current year, rentals, FHA Insurance premiums, hazard insurance premiums and interest on existing mortgages (if any) shall be pro-rated as of the date of closing. If part of the purchase price is to be evidenced by assumption of a mortgage requiring deposit of funds in escrow for payment of taxes, insurance or other charges, the BUYER agrees to reimburse the SELLER for said escrowed funds assigned to BUYER at closing.

6. TITLE EVIDENCE: Within 10 days (X) after this date, () after date of approval of mortgage loan, the SELLER will furnish and deliver to the BUYER, AGENT or closing ATTORNEY:

- (X) Title insurance binder for a fee policy in the amount of the purchase price. () Title insurance binder for mortgage policy in the amount of \$..... () Abstract of title certified from previous title insurance.

7. SURVEY: Within 10 days () after this date, () after date of approval of mortgage loan, the SELLER will furnish and deliver to the BUYER or AGENT: () A new stated survey showing all improvements now existing thereon () An accurate survey of said property recertified within 3 months of the date of closing () A copy of a previous, made survey of said property, showing all improvements now existing thereon. () No survey is required.

8. TITLE EXAMINATION AND TIME FOR CLOSING: If said title evidence and survey as specified above show that the SELLER is vested with a good and insurable title to said property, subject to the usual exceptions contained in title insurance binders (such as exceptions for survey, current taxes, zoning ordinances, covenants, restrictions and easements of record), the transaction shall be closed and the SELLER and BUYER shall perform the agreements made herein on or before December 1, 1986.

If said title evidence and survey reveal any defects which are not acceptable to the BUYER, the BUYER shall within 15 days notify the SELLER of such title defects and the SELLER agrees to use reasonable diligence to cure such defects and shall have 90 days to do so, in which event this transaction shall be closed within ten days after delivery to the BUYER of evidence that such defects have been cured. If the SELLER is unable to convey to the BUYER a good and insurable title to said property, the BUYER shall have the right to demand a refund from the AGENT all sums deposited hereunder, at the same time returning to the SELLER all title evidence and surveys received from the SELLER and the BUYER'S copy of this Agreement, whereupon all rights and liability of the parties hereunder shall cease and terminate; or the BUYER shall have the right to accept such title as the SELLER may be able to convey, and to close this transaction upon the other terms as stated herein.

MLS-372

1. DEFAULT BY BUYER: If the said BUYER fails to perform the covenants herein contained within the time specified, SELLER shall have the election to either (a) require specific performance on the part of BUYER, (b) bring suit against BUYER for damages resulting from the breach, or (c) retaining as liquidated damages one-half of all sums which have theretofore been paid to the SELLER or his agent by the PURCHASER, after deducting closing expenses incurred with regards to subject property and one-half shall be paid to the AGENT, providing, however, the AGENT'S portion shall not exceed the agreed commission.

2. DEFAULT BY SELLER: If the SELLER fails to perform any of the covenants of this contract, the aforesaid money paid by the BUYER, at the option of the BUYER, shall be returned to the BUYER on demand; the BUYER may bring suit against SELLER for damages resulting from the breach; or the BUYER shall have only the right of specific performance.

3. ATTORNEYS' FEES AND COSTS: In connection with any litigation arising out of the contract, the prevailing party shall be entitled to recover all costs incurred, including reasonable attorneys' fees.

4. LOSS OR DAMAGE: The risk of loss or damage to premises by fire, or otherwise, is assumed by SELLER until closing.

5. The SELLER agrees to deliver and the BUYER agrees to accept the property in its present condition, excepting normal wear and tear, unless otherwise agreed in this contract.

6. POSSESSION of the property shall be delivered to the BUYER upon closing

7 () FINANCING: It is agreed that the BUYER will require a mortgage loan in order to finance this transaction. The responsibility for arranging such loan is assumed by () SELLER or () BUYER; and in the event that such financing cannot be arranged before the time specified above for the closing of this transaction, either party shall have the right to terminate this agreement and thereupon the AGENT will return to the BUYER all sums deposited hereunder, and the BUYER will return to the SELLER all title evidence and surveys received from the SELLER and BUYER'S copy of this agreement. BUYER shall make application for financing within _____ days.

8 () It is expressly agreed that, notwithstanding any other provisions of this contract, the PURCHASER shall not be obligated to complete the purchase of the property described herein or to incur any penalty by forfeiture of earnest money deposits or otherwise unless the SELLER has delivered to the PURCHASER a written statement issued by the Federal Housing Commissioner setting forth the appraised value of the property for mortgage insurance purposes of not less than \$_____ which statement the SELLER hereby agrees to deliver to the PURCHASER promptly after such appraised value statement is made available to the SELLER. The BUYER shall, however, have the privilege and option of proceeding with the consummation of the contract without regard to the amount on the appraised valuation.

9 () It is expressly agreed that, notwithstanding any other provisions of this contract, the PURCHASER shall not incur any penalty by forfeiture of earnest money or otherwise or be obligated to complete the purchase of the property described herein, if the contract purchase price or cost exceeds the reasonable value of the property established by the Veterans Administration. The PURCHASER shall, however, have the privilege and option of proceeding with the consummation of this contract without regard to the amount of reasonable value established by the VA.

10 () TERMITE INSPECTION: The SELLER agrees to furnish, without expense to the BUYER, a termite inspection report showing all buildings on the premises to be visibly free and clear from infestation or damage by termites or other wood-boring insects. This inspection report is to be furnished by a bonded and licensed firm. If a report shows such infestation or damage, the SELLER shall have the right to remedy the same within a reasonable time, and if the SELLER elects not to remedy same, the BUYER shall have the right to complete this transaction or to terminate this Agreement and receive a refund of all sums theretofore deposited with the AGENT.

11 (X) ZONING: Unless the property is properly zoned for CR use at the time of closing, the BUYER shall have the right to terminate this agreement and receive a refund of all sums theretofore deposited with the AGENT.

12 (X) PERSONAL ITEMS: The following personal property items are included at no additional charge. All fixed equipment, plants and shrubbery now installed on said property.

pump to well and tanks

13 (X) The offer of the BUYER shall terminate if the SELLER does not indicate his acceptance of this contract by signing and delivering same to the AGENT before 11:00 P.M. on November 7, 1986

14 (X) ADDITIONAL PROVISIONS: Seller warrants that remaining balance of lake in parcel 5 J.L.D. (L. Jones survey 1972) shall not be disturbed in any manner either in quality, physical shape or suffer any changes other than by nature or act of God.
No gate will be placed on the ingress, egress road from Woodlawn Rd to the southwest corner of the lake (Approx 1,100')

15 There are no other agreements, promises or understandings between these parties except as specifically set forth herein. No alterations or changes shall be made to the contract except in writing and signed or initialed by the parties herein.

16 REAL ESTATE SALES FEE. The SELLER agrees to pay the listing AGENT, a sales fee of 10 % of the purchase price of this transaction no later than at the closing of this transaction. (Co-op sale with 7/8)

17 NOT TO BE RECORDED: Both parties agree that this instrument shall not be recorded in the public records.

18 TIME IS OF THE ESSENCE IN THIS AGREEMENT.

19 THIS AGREEMENT SHALL BE BINDING upon and shall inure to the benefit of the heirs, legal representatives, successors and assigns of the SELLER and the BUYER, when executed by both the SELLER and the BUYER.

SIGNED AND SEALED as of the day and year first above written.

Benedetta Litvas
11/7/86
BY

Robert L. Lichner
BUYER

is to Buyer
Benedetta Litvas

BUYER
Matthew A. Bertoni

is to Seller
Benedetta Litvas

SELLER
C. Jean Bertoni

11/7/86
Date

11/7/86
Date

WE HEREBY ACKNOWLEDGE receipt of the sum of \$ 11,000.00 () Cash; (X) Check; being the sum mentioned in the first paragraph of this agreement, same to be held by us pending disbursement according to the terms.

By: Benedetta Litvas

EXHIBIT "A"

Deed Restrictions

To run with the land

1. No mobile homes.
2. No home with less than a 1500 sq. ft. roof line including
garage shall be built.
3. All ingress and egress roads to and from property to be for
residential use only, no commercial use.
4. Road maintainance to be shared by abutting land owners and
assigns.
5. That portion of ingress and egress road from Woodlawn Rd.
to Long Rd. to be owned by sellers (Matthew and Jean Bertash,
and assigns.
6. Fishing and Boating rights will be granted to buyers and
their immediate family and guests.

REC'D DEC 22 AM 8 42
SAC. R. J. H. H. H.
DEPT. OF REVENUE

TC 6069-F

87 14638

O.R. 746 PG 0811

WARRANTY DEED
INDIVID. TO INDIVID.

RANCO FORM 01

This Warranty Deed Made the 26th day of May A. D. 19 87 by
ROY L. RICHARDSON, conveying non-homestead property,

hereinafter called the grantor, to

JERRY GRAFFT and SUSAN GRAFFT, husband and wife,

whose postoffice address is 605 18th Street, St. Augustine (North Beach), Florida 32048
hereinafter called the grantees.

Wherever used herein the terms "grantor" and "grantee" include all the parties to this instrument and
the heirs, legal representatives and assigns of individuals and the successors and assigns of corporations.

Witnesseth: That the grantor, for and in consideration of the sum of \$ 10.00 and other
valuable considerations, receipt whereof is hereby acknowledged, hereby grants, bargains, sells, aliens, re-
leases, conveys and confirms unto the grantees, all that certain land situate in St. Johns
County, Florida, viz:

PROPERTY DESCRIBED ON EXHIBIT "A" ATTACHED HERETO AND, BY REFERENCE,
MADE A PART HEREOF.

SUBJECT TO: Covenants, Restrictions, Easements, Rights, Reservations
set forth in deed to Grantor herein recorded in Official Records
Book 739, page 0194, together with all attachments thereto. THIS
REFERENCE THERETO SHALL NOT OPERATE TO REIMPOSE THE SAME.

SUBJECT FURTHER TO: Terms, Conditions, Obligations, and all other
Provisions set forth in Agreement between the Parties hereto and
being recorded contemporaneously herewith.

SUBJECT ALSO TO: Purchase Money Mortgage of even date herewith.

SUBJECT TO: Deed Restrictions per attached Exhibit "B".

Together with all the tenements, hereditaments and appurtenances thereto belonging or in any-
wise appertaining.

To Have and to Hold, the same in fee simple forever.

And the grantor hereby covenants with said grantee that the grantor is lawfully seized of said land
in fee simple, that the grantor has good right and lawful authority to sell and convey said land; that the
grantor hereby fully warrants the title to said land and will defend the same against the lawful claims of
all persons whomsoever; and that said land is free of all encumbrances, except taxes accruing subsequent
to December 31, 1987.

In Witness Whereof, the said grantor has signed and sealed these presents the day and year
first above written.

Signed, sealed and delivered in our presence:

Witness

Witness

STATE OF FLORIDA
COUNTY OF ST. JOHNS

I HEREBY CERTIFY that on this day, before me, an officer duly
authorized in the State aforesaid and in the County aforesaid to take
acknowledgments, personally appeared

Roy L. Richardson

to me known to be the person described in and who executed the
foregoing instrument and he acknowledged before me that he
executed the same.

WITNESS my hand and official seal in the County and
State last aforesaid this 26th day of
May 19 87 A. D. 19 87.

NOTARY PUBLIC, STATE OF FLORIDA

This instrument prepared by: My Commission expires:

Adrian

NOTARY PUBLIC STATE OF FLORIDA
MY COMMISSION EXPIRES AUG. 1, 1990
RECORDED THREE GENERAL REG. ORD.

SPACE BELOW FOR RECORDERS USE

Documentary Tax Pd. \$162.50

Intangible Tax Pd.

Chad (and) Daniel, Clerk of St. Johns

County, Fla. 32048

11/17/1986

PREPARED BY: L. P. Riskus, Title Co. of St. Augustine, Inc.
90 Cedar St., St. Augustine, Florida 32084
As a necessary incident to the fulfillment of
conditions contained in a title insurance commitment
issued by this office.

EXHIBIT "A"

O.R. 746 PG 0812

SCHEDULE "A"- Item 5

Being in the County of St. Johns and State of Florida, known and described as:

A parcel of land in Section 2 and in Government Lot 10, Section 3, Township 7 South, Range 29 East, St. Johns County, Florida, being part of parcels 1 and 4 of those lands described in deed recorded in Official Records Book 84, page 231, public records of said county, being more fully described as follows:

Commencing at the Northwest corner of said Parcel 1, on the North line of said Government lot 10, Section 3; thence South 1 degree 15 minutes 27 seconds West, on the West line of said Parcel 1, a distance of 144.11 feet to the point of beginning at the Northwest corner of the herein described parcel of land; thence North 86 degrees 39 minutes 37 seconds East, on the South line of a 30 foot width road, 47.75 feet; thence North 78 degrees 02 minutes 43 seconds East, on said South line of road, 79.62 feet; thence North 86 degrees 38 minutes 34 seconds East, on said South line of road, 432.20 feet; thence South 87 degrees 03 minutes 56 seconds East, on said South line of road, 60.27 feet; thence South 1 degree 26 minutes 40 seconds East, on the East line of said Parcel 4, a distance of 72.04 feet; thence North 89 degrees 49 minutes 06 seconds West, on the South line of said Parcel 4, a distance of 195.47 feet; thence South 00 degrees 51 minutes 11 seconds West, on the East line of said Parcel 1, a distance of 248.01 feet; thence South 89 degrees 42 minutes 09 seconds West 425.99 feet; thence North 1 degree 15 minutes 27 seconds East, on the West line of said Parcel 1, a distance of 276.75 feet to the point of beginning.

VERIFIED
MH

EXHIBIT "B"

O.R. 746 PG 0813

Deed Restrictions

To run with the land

1. No mobile homes.
2. No home with less than a 1500 sq. ft. roof line including garage shall be built.
3. All ingress and egress roads to and from property to be for residential use only, no commercial use.
4. Road maintainance to be shared by abutting land owners and assigns.
5. That portion of ingress and egress road from Woodlawn Rd. to Long Rd. to be owned by sellers (Matthew and Jean Bertash) and assigns.
6. Fishing and Boating rights will be granted to buyers and their immediate family and guests. -

1987 MAY 29 PM 2:14

Bertash
CLERK

executive line

This Indenture,

(The words "grantor" and "grantee" herein shall be construed to include all parties and singular or plural as the context indicates.)

87 7735

Made this 6th day of March 1987 Between
MATTHEW BERTASH, JR. and C. JEAN BERTASH, his wife

of the County of ST. JOHNS, State of FLORIDA, grantor, and

ROY L. RICHARDSON, a single man

whose post-office address is P. O. Box 1594, St. Augustine, Florida 32085-1594
of the County of ST. JOHNS, State of FLORIDA, grantee.

Witnesseth: That said grantor, for and in consideration of the sum of TEN (\$10.00) Dollars, and other good and valuable considerations to said grantor in hand paid by said grantee, the receipt whereof is hereby acknowledged, has granted, bargained and sold to the said grantee, and grantee's heirs, successors and assigns forever, the following described land, situate, lying and being in St. Johns County, Florida, to-wit:

SEE EXHIBIT "A" ATTACHED HERETO AND BY THIS REFERENCE MADE A PART HEREOF.

SUBJECT to Restrictions as stated in EXHIBIT "B", DEPOSIT RECEIPT & PURCHASE AND SALE AGREEMENT, a copy of which is attached in EXHIBIT "C", Easements of record, if any, and any and all Taxes and Assessments for the year 1987 and thereafter.

Documentary Tax Pd. \$ 5.00

\$ 0.00 Intangible Tax Pd.

Carl "Bud" Marshal, Clerk St. Johns

County By: C. Jean Bertash D.C.

This instrument prepared by:
J. Russell Collins, 139 King Street
St. Augustine, Florida 32084, an
employee of Collins Title & Abstract Co.
as an necessary incident to fulfill
requirements in a Title Insurance
Commitment issued by it. C-5643F

THIS IS A CORRECTIVE WARRANTY DEED GIVEN TO CORRECT THAT CERTAIN WARRANTY DEED AS RECORDED IN OFFICIAL RECORDS BOOK 728, PAGE 1584 OF THE PUBLIC RECORDS OF ST. JOHNS COUNTY, FLORIDA IN WHICH BY ERROR THE LEGAL DESCRIPTION WAS NOT ATTACHED.

and said grantor does hereby fully warrant the title to said land, and will defend the same against the lawful claims of all persons whomsoever.

In Witness Whereof, Grantor has hereunto set grantor's hand and seal the day and year first above written.
Signed, sealed and delivered in our presence:

WITNESS

WITNESS

Matthew Bertash Jr. (Seal)

MATTHEW BERTASH, JR. (Seal)

C. Jean Bertash (Seal)

C. JEAN BERTASH (Seal)

STATE OF FLORIDA
COUNTY OF ST. JOHNSI HEREBY CERTIFY that on this day before me, an officer duly qualified to take acknowledgments, personally appeared
MATTHEW BERTASH, JR. and C. JEAN BERTASH, his wife

to me known to be the person(s) described in and who executed the foregoing instrument and acknowledged before me the execution of same.

WITNESS my hand and official seal in the County and State last aforesaid this 6th day of March, 1987

Notary Public

My commission expires.

NOTARY PUBLIC, STATE OF FLORIDA

My Commission Expires Oct. 22, 1988

Legal Description for WARRANTY DEED from MATTHEW BERTASH, JR. and C. JEAN BERTASH, his wife to ROX L. RICHARDSON, a single man.

EXHIBIT "A"

O.R. 739 P6 0195

A parcel of land in Section 2 and in Government Lot 10, Section 3, Township 7 South, Range 29 East, St. Johns County, Florida, being part of Parcels 1 and 4 of those lands described in deed recorded in Official Records Book 84, Page 231, public records of said county, containing 3.21 acres more or less and being more fully described as follows:

Commencing at the Northwest corner of said Parcel 1, on the North line of said Government Lot 10, Section 3; thence South 1 degree 15 minutes 27 seconds West, on the West line of said Parcel 1, a distance of 144.11 feet to the POINT OF BEGINNING at the Northwest corner of the herein described parcel of land; thence North 86 degrees 39 minutes 37 seconds East, on the South line of a 30 foot width road, 47.75 feet; thence North 78 degrees 02 minutes 43 seconds East, on said South line of road, 79.62 feet; thence North 86 degrees 38 minutes 34 seconds East, on said South line of road, 432.20 feet; thence South 87 degrees 03 minutes 55 seconds East, on said South line of road, 50.27 feet; thence South 1 degree 25 minutes 40 seconds East, on the East line of said Parcel 4, a distance of 72.04 feet; thence North 88 degrees 49 minutes 06 seconds West, on the South line of said Parcel 4, a distance of 195.47 feet; thence South 00 degrees 51 minutes 11 seconds West, on the East line of said Parcel 1, a distance of 248.01 feet; thence South 89 degrees 42 minutes 09 seconds West 425.99 feet; thence North 1 degree 15 minutes 27 seconds East, on the West line of said Parcel 1, a distance of 276.75 feet to the POINT OF BEGINNING.

DEED RESTRICTIONS TO RUN WITH THE LAND

1. No mobile homes.
2. No home with less than a 1500 sq. ft. roof line including garage shall be built.
3. All ingress and egress roads to and from property to be for residential use only, no commercial use.
4. Road maintainance to be shared by abutting land owners and assigns.
5. That portion of ingress and egress road from Woodlawn Road to Long Road to be owned by Grantors (Matthew and Jean Bertash and assigns).
6. Fishing and Boating rights will be granted to buyers and their immediate family and guests.

DEPOSIT RECEIPT & PURCHASE AND SALE AGREEMENT

Date November 7, 1986

Receipt is hereby acknowledged by Baker Realty of St. Aug. Inc. hereinafter called AGENT, of the sum of \$1,000.00 from Roy L. Richardson

hereinafter called BUYER which term may be singular or plural and shall include the heirs, successors, personal representatives and assigns of the Buyer) as a deposit and as a part of the purchase price on account of offer to purchase the property of Matt Bertash and Jean Bertash

hereinafter called SELLER (which term may be singular or plural and shall include the heirs, successors, personal representatives and assigns of the Seller) said property being in St. Johns County, Florida, and described as follows:

A parcel of land in Sec. 2 & Gov. Lot 10, Sec. 3, Twp 7 south, R. 29 East, St. Johns Co., being part of parcels 1 and 4, Recorded in book 84, page 231. Containing 3.21 acres more or less

Any maintenance expenses on that abutting portion of the road from Woodlawn Rd. to the lake to be agreed upon before work commences by land owners.

The use of Long Road (county road) from Hwy 16 to the northwest corner of property never to be restricted to purchaser.

Deed B...

The SELLER hereby agrees to sell said property to the BUYER and the BUYER hereby agrees to purchase said property from the SELLER upon the following terms and conditions (if completed or marked):
1. The total PURCHASE PRICE to be paid by the BUYER is payable as follows:
(If the following items, (c), (d) and (e) are to be adjusted at closing, the agreed adjustments may be indicated by writing "not less than," "not more than" or "approximately" before the amounts of the items.)

- (a) Earnest money deposit; receipt of which is hereinabove and hereby acknowledged \$ 1,000.00
(b) Additional payment \$
(c) Additional payment due at closing (not including costs of Buyer) \$21,300.00
(d) Proceeds of new note and mortgage to be executed by the BUYER to any lender other than the SELLER \$
(e) Existing mortgage balance encumbering the property to be assumed by the BUYER \$

- (f) Balance due to the SELLER to be evidenced by a negotiable promissory note of the BUYER, secured by a valid purchase money mortgage, in a form acceptable to SELLER, on said property executed and delivered by the BUYER to the SELLER dated the date of closing, bearing interest at the rate of % per annum and payable \$ per

TOTAL PURCHASE PRICE: \$ 22,800.00

2. It is understood that the said property will be conveyed by WARRANTY DEED subject to current taxes, existing zoning ordinances, covenants, restrictions, and easements of record.

3. The BUYER will pay for:
(X) Recording Fee () Stamp on Note () Intangible Tax on Mortgage (X) if any Attorney's Fee
() Mortgagee's Initial Service Fee () Mortgagee's Transfer Charge () Appraisal Fee (X) Prepaid Insurance or Taxes () Credit Report () Opinion of Title () Photos
() Mortgage insurance premium (X) Survey

4. The SELLER will pay for:
(X) Stamp on Deed (X) Surtax (X) Title Insurance () Survey (X) Real Estate Sales Fee () Abstract of Title
() FHA or VA Discount () FHA or VA mortgage costs except prepaid items (X) if any Attorney's Fee
() Appraisal Fee () Satisfaction of Mortgage () Termite Report

5. PRORATIONS:

All taxes for the current year, rentals, FHA insurance premiums, hazard insurance premiums and interest on existing mortgages (if any) shall be pro-rated as of the date of closing. If part of the purchase price is to be evidenced by a assumption of a mortgage requiring deposit of funds in escrow for payment of taxes, insurance or other charges, the BUYER agrees to reimburse the SELLER for said escrowed funds assigned to BUYER at closing.

6. TITLE EVIDENCE: Within 10 days (X) after this date, () after date of approval of mortgage loan, the SELLER will furnish and deliver to the BUYER, AGENT or closing ATTORNEY:
(X) Title insurance binder for a fee policy in the amount of the purchase price. () Title insurance binder for mortgage policy in the amount of \$ () Abstract of title certified from previous title insurance.

7. SURVEY: Within days () after this date, () after date of approval of mortgage loan, the SELLER will furnish and deliver to the BUYER or AGENT: () A new staked survey showing all improvements now existing thereon () An accurate survey of said property resurveyed within 3 months of the date of closing. () A copy of a previously made survey of said property, showing all improvements now existing thereon. () No survey is required.

8. TITLE EXAMINATION AND TIME FOR CLOSING: If said title evidence and survey as specified above show that the SELLER is vested with a good and insurable title to said property, subject to the usual exceptions contained in title insurance binders (such as exceptions for survey, current taxes, zoning ordinances, covenants, restrictions and easements of record), the transaction shall be closed and the SELLER and BUYER shall perform the agreements made herein on or before December 1, 1986.

If said title evidence and survey reveal any defects which are not acceptable to the BUYER, the BUYER shall within 15 days notify the SELLER of such title defects and the SELLER agrees to use reasonable diligence to cure such defects and shall have 30 days to do so, in which event this transaction shall be closed within ten days after delivery to the BUYER of evidence that such defects have been cured. If the SELLER is unable to convey to the BUYER a good and insurable title to said property, the BUYER shall have the right to demand a refund from the AGENT all sums deposited hereunder, at the same time returning to the SELLER all title evidence and surveys received from the SELLER and the BUYER's copy of this Agreement, whereupon all rights and obligations of the parties hereunder shall cease and terminate; or the BUYER shall have the right to accept such title as the SELLER may be able to convey, and to close this transaction upon the other terms as stated herein.

hls-3/73

-COPY OF DEPOSIT RECEIPT & PURCHASE AND SALE AGREEMENT-
page 1

DEFAULT BY BUYER: If the said BUYER fails to perform the covenants herein contained within the time specified, SELLER shall have the election to either (a) require specific performance on the part of BUYER, (b) bring suit against BUYER for damages resulting from the breach, or (c) retaining as liquidated damages one-half of all sums which have theretofore been paid to the SELLER or his agent by the PURCHASER, after deducting closing expenses incurred with regards to subject property and one-half shall be paid to the AGENT, providing, however, the AGENT'S action shall not exceed the agreed commission.

0. DEFAULT BY SELLER: If the SELLER fails to perform any of the covenants of this contract, the aforesaid money paid by the BUYER, at the option of the BUYER, shall be returned to the BUYER on demand; the BUYER may bring suit against SELLER for damages resulting from the breach; or the BUYER shall have only the right of specific performance.

1. ATTORNEYS' FEES AND COSTS: In connection with any litigation arising out of the contract, the prevailing party shall be entitled to recover all costs incurred, including reasonable attorneys' fees.

2. LOSS OR DAMAGE: The risk of loss or damage to premises by fire, or otherwise, is assumed by SELLER until closing.

3. The SELLER agrees to deliver and the BUYER agrees to accept the property in its present condition, excepting normal wear and tear, unless otherwise agreed in this contract.

4. POSSESSION of the property shall be delivered to the BUYER upon closing

5. () FINANCING—It is agreed that the BUYER will require a mortgage loan in order to finance this transaction. The responsibility for arranging such loan is assumed by () SELLER or () BUYER; and in the event that such financing cannot be arranged before the time specified above for the closing of this transaction, either party shall have the right to terminate this agreement and thereupon the AGENT will return to the BUYER all sums deposited hereunder, and the BUYER will return to the SELLER all title evidence and surveys received from the SELLER and BUYER'S copy of this agreement. BUYER shall make application for financing within days.

6. () It is expressly agreed that, notwithstanding any other provisions of this contract, the PURCHASER shall not be obligated to complete the purchase of the property described herein or to incur any penalty for forfeiture of earnest money deposits or otherwise unless the SELLER has delivered to the PURCHASER a written statement issued by the Federal Housing Commissioner setting forth the appraised value of the property for mortgage insurance purposes of not less than \$ which statement the SELLER hereby agrees to deliver to the PURCHASER promptly after such appraised value statement is made available to the SELLER. The BUYER shall, however, have the privilege and option of proceeding with the consummation of the contract without regard to the amount on the appraised valuation.

7. () It is expressly agreed that, notwithstanding any other provisions of this contract, the PURCHASER shall not incur any penalty for forfeiture of earnest money or otherwise or be obligated to complete the purchase of the property described herein, if the contract purchase price or cost exceeds the reasonable value of the property established by the Veterans Administration. The PURCHASER shall, however, have the privilege and option of proceeding with the consummation of this contract without regard to the amount of reasonable value established by the VA.

8. () TERMITE INSPECTION—The SELLER agrees to furnish, without expense to the BUYER, a termite inspection report showing all buildings on the premises to be visibly free and clear from infestation or damage by termites or other wood-boring insects. This inspection report is to be furnished by a bonded and licensed firm. If a report shows such infestation or damage, the SELLER shall have the right to remedy the same within a reasonable time, and if the SELLER elects not to remedy same, the BUYER shall have the right to complete this transaction or to terminate this Agreement and receive a refund of all sums theretofore deposited with the AGENT.

9. (X) ZONING—Unless the property is properly zoned for OR use at the time of closing, the BUYER shall have the right to terminate this agreement and receive a refund of all sums theretofore deposited with the AGENT.

10. (X) PERSONAL ITEMS—The following personal property items are included at no additional charge. All fixed equipment, plants and shrubbery now installed on said property.

pump to well and tanks

11. (X) The offer of the BUYER shall terminate if the SELLER does not indicate his acceptance of this contract by signing and delivering same to the AGENT before 11:00 P.M. on November 7, 1986

12. (X) ADDITIONAL PROVISIONS: Seller warranties that remaining balance of lake in parcel 5 G.L.9 (L. Jones survey 1972) shall not be disturbed in any manner either in quality, physical shape or suffer any changes other than by nature or act of God.

No gate will be placed on the ingress, egress road from Woodlawn Rd to the southwest corner of the lake (Approx 1,100').

13. There are no other agreements, promises or understandings between these parties except as specifically set forth herein. No alterations or changes shall be made to the contract except in writing and signed or initialed by the parties herein.

14. REAL ESTATE SALES FEE. The SELLER agrees to pay the listing AGENT, a sales fee of 10 % of the purchase price of this transaction no later than at the closing of this transaction. (Co-op sale with N/A)

15. NOT TO BE RECORDED: Both parties agree that this instrument shall not be recorded in the public records.

16. TIME IS OF THE ESSENCE IN THIS AGREEMENT.

THIS AGREEMENT SHALL BE BINDING upon and shall inure to the benefit of the heirs, legal representatives, successors and assigns of the SELLER and the BUYER, when executed by both the SELLER and the BUYER.

SIGNED AND SEALED as of the day and year first above written.

Benedetta Litwas
11/7/86
to Buyer

11/7/86

David L. Houlston
BUYER

Benedetta Litwas
11/7/86
to Seller

11/7/86

Matthew A. Bertach
SELLER

Benedetta Litwas
11/7/86
to Seller

11/7/86

P. Jean Bertach
SELLER

Benedetta Litwas
11/7/86
to Seller

11/7/86

P. Jean Bertach
SELLER

Benedetta Litwas
11/7/86
to Seller

11/7/86

P. Jean Bertach
SELLER

Benedetta Litwas
11/7/86
to Seller

11/7/86

P. Jean Bertach
SELLER

Benedetta Litwas
11/7/86
to Seller

11/7/86

P. Jean Bertach
SELLER

Benedetta Litwas
11/7/86
to Seller

11/7/86

P. Jean Bertach
SELLER