

CHELSEA WOODS UNIT ONE PLANNED UNIT DEVELOPMENT

COVENANTS AND RESTRICTIONS

KNOW ALL MEN BY THESE PRESENTS: That,

WHEREAS, Rolling Hills Community, Inc., a Florida corporation, hereinafter called the "Developer," is the owner of all the land shown on the plat of Chelsea Woods Unit One Planned Unit Development according to the plat thereof recorded in map book 31, at pages 37 through 43 of the current public records of St. Johns County, Florida, (hereinafter referred to as "said Plat") and subject to the following covenants and restrictions which shall run with the title to the land herewith restricted:

Purpose and Powers of the Association

The Association shall operate, maintain and manage the surface water or stormwater management system(s) in a manner consistent with the St. Johns River Water Management District permit no. 40-109-0106 requirements and applicable District rules, and shall assist in the enforcement of the Declaration of Covenants and Restrictions which relate to the surface water or stormwater management system.

The Association shall levy and collect adequate assessments against members of the Association for the costs of maintenance and operation of the surface water or stormwater management system.

Dissolution

In the event of termination, dissolution or final liquidation of the Association, the responsibility for the operation and maintenance of the surface water or stormwater management system must be transferred to and accepted by an entity which would comply with Section 40C-42.027, F.A.C., and be approved by the St. Johns River Water Management District prior to such termination, dissolution or liquidation.

Existence and Duration

Existence of the Association shall commence with the filing of Articles of Incorporation with the Secretary of State, Tallahassee, Florida. The Association shall exist in perpetuity. (See Section 12, Paragraph 29)

NOW THEREFORE, for and in consideration of the premises and for other good and valuable considerations, the Developer, for itself and its successors and assigns, does hereby restrict the use, as hereinafter provided, of all the land included in said plat of Chelsea Woods Unit One Planned Unit Development all of the land included in said Plat being hereinafter sometimes referred to as "said lands" and/or "the property" and does hereby

@ Fee - 85.00
Sur - 11.00
Jarkel P. Dequene
BCC Sec'y

place upon said land the following covenants and restrictions to run with the title to said land and the grantees of any deed or other instrument conveying any lot or portions thereof shall be deemed by the acceptance of such deed to have agreed to all such covenants and restrictions and to have covenanted to observe, comply with and be bound by all such covenants and restrictions as follows:

1. The term "lots" as used herein shall refer to the numbered lots as shown on said Plat. The lots shown on said Plat and any tract or part thereof hereafter conveyed by the Developer for use as a building plot shall be used for residential purposes only. Except as herein otherwise specifically provided, no structure shall be erected or permitted to remain on any lot or building plot on said land other than one single family residence. No building at any time situate on any lot or building plot shall be used for any business, commercial, amusement, hospital, sanitarium, school, religious, charitable, philanthropic or manufacturing purpose, or as a professional office, and no billboards or advertising signs of any kind shall be erected or displayed thereon except such signs as are permitted elsewhere in these covenants and restrictions. No building situate on any lot or building plot shall be rented or leased separately from the rental or lease of the entire property and no part of any such building shall be used for the purpose of renting rooms therein or as a boarding house, hotel, motel, tourist or motor court or other transient accommodation. No duplex residence, garage apartment, or apartment house shall be erected or allowed to remain on any lot or building plot and no building on any lot or building plot at any time shall be converted into a duplex resident, garage apartment or apartment house.

2. A building plot shall refer to all or parts of a platted lot or lots or to a tract or portion of a tract which is conveyed by the Developer for use as a building plot and may consist of one or more contiguous platted lots, all or part of one platted lot, all of one platted lot and part of a contiguous platted lot or lots, or any other combination of contiguous parts of platted lots or all or any part of any such tracts or any combination of lots or tracts or contiguous part thereof which form an integral unit of land suitable for use as a residential building site. Nothing contained in these covenants and restrictions shall prevent the Developer from erecting or maintaining commercial display signs and models for display and office use along with other structures as the Developer may deem advisable for development, operation and maintenance purposes.

3. (a) The maintenance responsibility for all roadways, drainage systems, lakes and open space/recreation facilities shall be the responsibility of the Rolling Hills Master

Homeowners Association, Inc. (the "Association"), to be funded pursuant to the provisions of paragraph 29. of these covenants and restrictions.

(b) The Developer does hereby grant to the present and future owners of the lots and building plots in said land and their guests, invitees, domestic help, delivery, pickup, fire protection services, police and other authorities of the law, United States mail carriers, representatives of utilities including cable and other services and such persons as the Developer from time to time may designate, the non-exclusive and perpetual right of ingress and egress over and across access ways. The Developer reserves and shall have the unrestricted and absolute rights to deny ingress to any person who, in the opinion of the Developer, may create or participate in a disturbance on any part of the land included in any of said residential development known as Chelsea Woods Unit One Planned Unit Development.

(c) The Developer shall have the right, but no obligation from time to time to control and regulate all types of traffic on said access ways, including the right to prohibit use of said access ways by traffic or vehicles which in the sole opinion of the Developer (1) would or might result in damage to said access ways to pavement or other improvements thereon or (2) would or might create safety hazards or result in a disturbance or nuisance on the access ways or on any part of said land, and the right, but no obligation to control and permit or prohibit parking on all or any part of said access ways. No motorcycles, motorbikes, motorscooters, motorcarts, powered midget cars or other motorized passenger vehicles except passenger automobiles, may be operated on any of the access ways or on any part of said land.

(d) The Developer shall have the right, but no obligation, to remove or require the removal of any fence, wall, hedge, shrub, bush, tree or other thing, natural, or artificial, placed or located on any building plat, if the location of the same will, in the sole judgement and opinion of the Developer, obstruct the vision of a motorist upon any of the access ways.

(e) In the event and to the extent that the access ways or easements referred to in this paragraph 3 shall be dedicated to or otherwise acquired by the public, the preceding provisions of this paragraph 3 thereafter shall be of no further force or effect.

4. Without prior written approval no artesian or rock water well may be drilled or maintained on any building plot. The central water supply system provided for the service of said land shall be used as the sole source of water for all water spigots and outlets located within all building and improvements

located on each building plot, and each property owner at his expense shall connect his water lines to the water distribution main provided to serve the owner's building plot and shall pay connection and water meter charges established or approved by the Developer. After such connection each property owner shall pay when due the periodic charges or rate for the furnishing of water made by the supplier thereof. No individual water supply system or well shall be permitted on any building plot except solely to supply water for the use on the building plot for air conditioning and heating installations, irrigation purposes, swimming pool, or other exterior use.

5. The owner of each building plot shall at his expense connect his sewage disposal lines to the sewage collection lines provided as a part of the sewage system to service that owner's building plot, pay all connection fees and pay when due the periodic charge or rate for the furnishing of such sewage disposal service. No water discharged from heating or air conditioning systems, or from swimming pools shall be discharged into the sewage system.

6. For the purpose of further insuring the development of said land as a residential area of highest quality and standards and in order that all improvements on each building plot shall present an attractive and pleasing appearance from all sides and from all points of view, the Developer reserves the exclusive power and discretion to control and approve all of the buildings, structures and other improvements on each building plot in the manner and to the extent set forth herein. No residence or other building, and no fence, wall, utility yard, driveway, swimming pool or other structure or improvement, regardless of size or purpose, whether attached to or detached from the main residence, shall be commenced, placed, erected or allowed to remain on any building plot, nor shall any addition to or exterior change or alteration thereto be made, unless and until building plans and specifications covering the same, showing the nature, kind, shape, height, size, materials, floor plans, exterior color schemes with paint samples, location and orientation on the building plot, and approximate square footage, construction schedule, onsite sewage and water facilities, and such other information as the Developer shall require, including, if so required, plans for the grading and landscaping of the building plot showing any changes proposed to be made in the elevation or surface contours of the land, have been submitted to and approved in writing by the Developer and until a copy of all such plans and specifications, as finally approved by the Developer, have been lodged permanently with the Developer. The Developer shall have the right to refuse to approve any such building plans and specifications and lot grading and landscaping plans which are not suitable or desirable in its opinion for any reason, including purely aesthetic reasons and reasons connected with

future development plans of the Developer of said land or contiguous lands. In this connection the Developer shall have the right to require that the outside of fences, wall or utility yards be appropriately landscaped. In passing upon such building plans and specifications and lot grading and landscaping plans, the Developer may take into consideration the suitability and desirability of the proposed constructions and of the materials of which the same proposed to be build to the building plot upon which it is proposed to erect the same, the quality of the proposed workmanship and materials, the harmony of external design with the surrounding neighborhood and existing structures therein and the effect and appearance of such constructions as viewed from neighboring properties.

7. A plate showing the number of each residence shall be placed on each building plot on which a building is located and at the option of the property owner a name plate showing the name of the owner may also be placed on such building plot. However, the size, location, design and type of material for each such plate shall be first approved by the Developer.

8. All telephone, electric and other utilities lines and connections between the main or primary utilities lines and the residence and other buildings located on each building plot shall be concealed and located underground in the streets and on the property so as not to be visible. Electrical service is provided by Florida Power and Light Co. through underground primary service lines running to the electric meter to be installed on each building plot.

9. When the construction of any home is once begun, work thereon shall be prosecuted continuously until completed. No employee, delivery or other vehicles shall park on access ways.

10. No radio or television aerial or antenna nor any other exterior electronic or electric equipment or devises of any kind shall be installed or maintained on the exterior of any structure located on a building plot or on any portion of any building plot not occupied by a residence unless and until the location, size, and design thereof shall have been approved by the Developer.

11. No garbage or trash incinerator shall be placed or permitted to remain on a building plot or any part thereof. Garbage, trash and rubbish shall be removed from the building plots only by services or agencies approved in writing by the Developer. After the erection of any building on any building plot, the owner shall keep and maintain on said plot covered garbage containers in which all garbage shall be kept until removed from the building plot. Such garbage containers shall be kept at all times, at the option of the building plot owner, either within a utility yard or within underground garbage

receptacles located on the building plot or on the abutting access way at such location as shall be approved by the Developer. Any such underground garbage receptacles shall be constructed so that garbage containers will not be visible.

12. No mailbox or paper box or other receptacles of any kind for use in the delivery of mail or newspapers or magazines or similar materials shall be erected or located on any building plot unless and until the size, location, design and type of material for said boxes or receptacles shall have been approved by the Developer. If and when the United States mail service or the newspapers involved shall indicate a willingness to make delivery to wall receptacles attached to the residence, each building plot owner, on the request of the Developer, shall replace the boxes or receptacles previously employed for such purpose or purposes with wall receptacles attached to the residence.

13. No owner of a building plot shall plant or place any shrubbery, hedge, trees or other plantings on any part of the said land lying outside the owner's building plot. No living tree having a diameter greater than five inches, breast high, may be cut on any of said land without first obtaining the written consent of the Developer, except such trees as shall be growing within twenty feet of the residence and attached utility yard to be erected on the building plot.

14. An owner of an improved or unimproved plot shall keep such plot free of tall grass, undergrowth, dead trees, dangerous dead tree limbs, weed, trash and rubbish, and shall keep such plot at all times in a neat and attractive condition. In the event the owner of any building plot fails to comply with the preceding sentence of this paragraph 14, the developer shall have the right, but no obligation, to go upon such building plot and to cut and remove tall grass, undergrowth and weeds and to remove rubbish and any unsightly or undesirable thing or object therefrom, and to do any other thing and perform and furnish any labor necessary or desirable in its judgement to maintain the property in a neat and attractive condition, all at the expense of the owner of such building plot, which expense shall be payable by such owner to the Developer on demand.

15. No wheeled vehicles of any kind and no boats may be kept or parked on the building plot unless same are completely inside a garage or carport attached to the main residence or within a utility yard meeting the requirements of paragraph 6. except that private automobiles of the occupants bearing no commercial signs may be parked in the driveway or parking area on the building plot from the commencement of use thereof in the morning to the cessation of use thereof in the evening and with, but only with, the prior written consent of Developer may be

parked overnight in such driveway or parking area and except that private automobiles of guests or the occupants may be parked in such driveway or parking area during the times necessary for pickup and delivery services and solely for the purpose of such services. No wheeled vehicle or boat which by reason of its size would not be substantially obscured from view from the outside of a utility yard shall be kept or parked in any such utility yard.

16. Unless the prior written approval of the Developer has been obtained, no window air conditioning units shall be installed in any side of a building which is visible from any access way.

17. No picnic areas and no detached outbuildings as defined in paragraph 6. shall be erected or permitted to remain on any building plat prior to the start of construction of a permanent residence thereon.

18. Except for structures which are permitted by other provisions hereof to be located within the utility yard referred to in paragraph 6., no shed, shack, trailer, camper, tent, or other temporary or movable building or structure of any kind shall be erected or permitted to remain on any building plot. However, this paragraph shall not prevent the use of a temporary construction shed during the period of actual construction of the main residence and other building permitted hereunder, nor the use of adequate sanitary toilet facilities for workmen during the course of such constructions.

19. No trailer, camper, basement, garage, or any outbuilding of any kind other than a guest house or servants' quarters, even if otherwise permitted hereunder to be or remain on a building plot, shall at any time be used as a residence, either temporarily or permanently.

20. Except as otherwise permitted herein, no sign of any character shall be displayed or placed upon any building plot except "For Rent" or "For Sale" signs, which signs may refer only to the particular premises on which displayed, shall not exceed four square feet in size, shall not extend more than four feet above the surface of the ground, shall be fastened only to a stake in the ground in the front yard and shall be limited to one sign to a building plot. The Developer may enter upon any building plot and summarily remove and destroy any signs which do not meet the provisions of this paragraph.

21. No one-story residence shall be erected or allowed to remain on any building plot unless the ground floor square foot area of the main residence, exclusive of screened or unscreened porches, garages, and carports, shall equal or exceed 1,000 square feet.

22. No one and one-half story residence, no split-level residence and no two-story residence shall be erected or allowed to remain on any building plot unless the total floor area of all floors and levels of such residence, exclusive of screened or unscreened porches, garages and carports shall equal or exceed 1,400 square feet.

23. The Developer, for itself and its successors and assigns, hereby reserves and is given a perpetual, alienable and releasable easement, privilege, and right on, over, and under the ground to erect, maintain and use lighting, electric and telephone poles, wires, cables, conduits, water mains, drainage lines for drainage ditches, sewers and other suitable equipment for drainage and sewage disposal purposes or for the installation, maintenance, transmission and use of electricity, telephone, gas, lighting, heating, water, drainage, sewage, and other conveniences or utilities including cable television on, in, over, and under all of the easements shown on said plat (whether such easements are shown on said plat to be for drainage, utilities, or other purposes) and on, in, over, and under a 7.5-foot strip at the front and at the rear of each building plot.

24. (a) Each building plot owner whose building plot adjoins or abuts any lake or pond shall keep his plot and the portion of land between his plot and the water's edge at the lake or pond bank grassed, trimmed and cut, and properly maintained so as to present a pleasing appearance, maintaining the proper contour of the lake or pond bank to prevent erosion. However, except with the prior written approval of the Developer, the shoreline contours of the lakes may not be changed and no building plot may be increased in size by filling in any lake and no building plot may be dug out or dredged so as to cause the water of any lake to protrude into the building plot, and no building plot owner may make any change in the course of said water or the bank thereof.

24. (b) The Developer shall have the sole and absolute right, but no obligation, to control the water level of the above mentioned lakes and ponds and to control the growth and eradication of plants, fowl, reptiles, animals, fish and fungi in or on said lakes and in said ponds.

24. (c) No boats, rafts, or floating objects of any kind other than small row boats, small sail boats, and canoes, none of which shall be motor-driven, shall be brought or operated on any of said lakes or in said ponds and no swimming ever shall be allowed in said lakes or in said ponds.

24. (d) Except with the prior written consent of Developer, no building plot owner or resident shall have any

right to pump or otherwise remove any water from the above mentioned lakes or ponds for the purpose or irrigation or other use nor to place rocks, stones, trash garbage, sewage, water discharged from swimming pools or heating or air conditioning systems, waste water (other than surface drainage) rubbish debris, ashes, or other refuse in the above mentioned lakes or on any portion of building plots abutting same.

24. (e) No pier, dock, boathouse, bulkhead or other structure of any kind shall be erected, placed or permitted to remain on, in, or over any portion of any of said lakes or any portion of said ponds.

25. Each home shall have a utility room providing for washer and dryer connection. No clothes rack or lines will be allowed outside of the residence.

26. All front, rear, and side construction set back lines shall meet the St. Johns County minimum requirements. Each building plot owner whose plot adjoins or abuts an improved access way shall properly maintain same by having same grassed, trimmed and cut so as to present a pleasing appearance and maintain the proper contours of the property preventing erosion.

27. No horses, mules, ponies, donkeys, burros, cattle, sheep, goats, swine, rodents, reptiles, pigeons, pheasants, game birds, game fowl or poultry, or guineas shall be kept, permitted, raised, or maintained on any part of said land. No other animals, birds, or fowl shall be kept, permitted, raised, or maintained on said land except as permitted in this paragraph 27. Not more than two dogs, not more than two cats, not more than four birds (excluding parrots), and not more than four rabbits may be kept on a single building plot for the pleasure and use of the occupants but not for any commercial breeding, or other use of or purpose, except that if any of such permitted animals or birds shall, in the sole opinion of the Developer, become dangerous or any annoyance or nuisance in the neighborhood or nearby property or destructive of wild life, they may not thereafter be kept on the building plot. Birds and rabbits shall be kept caged at all times and all other permitted animals or birds shall be leashed or otherwise under control whenever not within the building plot of the owner of such permitted animal or bird.

28. No illegal, noxious, or offensive activity shall be permitted or carried on on any part of said land, nor shall anything be permitted or done thereon which is or may become a nuisance or a source of embarrassment, discomfort or annoyance to the neighborhood. No trash, garbage, rubbish, debris, waste material, or other refuse shall be deposited or allowed to accumulate or remain on any part of said land, nor upon any land

or lands contiguous thereto. No fires for burning of trash, leaves, clippings, or other debris or refuse shall be permitted on any part of said land, except during construction.

29. SECTION 1. Every person acquiring title to any building plot in Chelsea Woods Unit One shall, by virtue of such ownership, become a Resident Member of the Rolling Hills Master Homeowners Association, Inc., a Florida Corporation Not-For Profit (the "Association"), subject to all such rights, privileges and responsibilities as may be conferred from time to time upon such Resident members as established by the Articles of Incorporation thereof, and any amendments thereto, or By-Laws thereof from time to time appertaining; provided, however, that in the event that two or more persons become the owner of a single building plot, one and only one of such persons as shall be designated by all of such joint owners shall become the appointive Resident Member for such lot; and, in the event a corporation shall become the owner of a lot, one, and only one of its stockholders, as designated by shareholders' resolution, shall become such Resident Manager.

SECTION 2. (a) Each building plot in Chelsea Woods Unit One Planned Unit Development hereby is subjected to an annual maintenance assessment as hereinafter provided. Such annual maintenance assessment shall be assessed for and shall cover the calendar year. Commencing January 1, 1997, and on the same day of each year thereafter, each building plot owner in Chelsea Woods Unit One Planned Unit Development, shall pay to the Rolling Hills Master Homeowners Association, Inc., in St. Augustine, Florida, or at such other place as shall be designated by said Association, in advance, the annual maintenance assessment assessed against such owner's building plot as fixed by said Association, and such payments shall be used by said Association to create and continue maintenance funds to be used as hereinafter set forth. Such maintenance assessments shall become delinquent if not paid by March 1 of the calendar year for which assessed and bear interest at the rate of eight percent (8%) per annum from said date until paid. The annual maintenance assessment may be adjusted from year to year by said Association as the needs of the property subject thereto in the judgement of said Association may require.

(b) Such annual maintenance assessment shall consist of an "annual additional charge," as follows:

(1) Each building plot, improved or unimproved shall be assessed and the owner thereof shall pay an "annual basic charge." Such "annual basic charge" shall be assessed against such building plots proportionately to their respective square foot areas, but in no event shall such "annual basic

charge" exceed one-fifth of one cent per square foot of area per year;

(2) In addition to the "annual basic charge" and whether or not the maximum amount of "annual basic charge" has been assessed, each improved building plot if so determined by the Association, shall be assessed and the owner thereof shall pay an "annual additional charge" in such amount as the Association shall fix. Such "annual additional charge," if so fixed and assessed, shall be uniform in dollar amount between all improved building plots in Chelsea Woods Unit One Planned Unit Development. However, if any such "annual additional charge" with respect to a single improved building plot, shall exceed a maximum of 15 mills on the dollar of the full assessed value (unreduced by any homestead or other exemption) of such improved building plot and the improvements constructed thereon (exclusive of personal property) as fixed by the assessor for ad valorem real estate taxation by the County of St. Johns, Florida, for the calendar year covered by such "annual additional charge," the building plot owner shall be entitled to a refund of such excess providing written application therefore is filed with the Association at its office on or before December 31, of such year.

(c) The term "improved building plot" as used in this paragraph 29 means a building plot on which construction of a residential building has been substantially completed on January 1 of the calendar year for which the applicable annual maintenance assessment shall be fixed and assessed whether or not the building be occupied. Occupancy of all or any part of any such residential building on or preceding January 1 shall be conclusive evidence of substantial completion of such building as of said date.

SECTION 3. (a) The Association shall fix and assess against the building plot, and the building plot owners in Chelsea Woods Unit One Planned Unit Development shall pay, as part of the annual maintenance assessment, such minimum rate or amount as shall be sufficient, in the judgement of said Association, to enable said Association:

(1) To make payment of all ad valorem taxes assessed against any of the access ways, buffer strip tracts and easements, as shown on said plat and to make payment of all ad valorem taxes assessed against any properties, real or personal, or any interest therein, owned by or leased to said Association, and to make payment of any other taxes, including income taxes, payable by said Association.

(2) To pay all annual current expenses required for the reasonable repair and maintenance of the access ways, including the paved portions thereof; and

(3) to provide a deposit to a reserve fund (hereafter called paving reserve fund) which, with future annual deposits thereto, will be sufficient in the judgement of said Association to cover the cost of anticipated future periodic major construction and reconstruction, including complete resurfacing, of the paved portions of the access ways which are part of the land included in the plat of Chelsea Woods Unit One Planned Unit Development funds deposited to the paving reserve fund of Chelsea Woods Unit One Planned Unit Development shall not be used for any purpose other than the periodic major construction and reconstruction, including complete resurfacing, of the paved portions of the access ways which are part of the land included in the plat of Chelsea Woods Unit One Planned Unit Development and repair and maintenance of such access ways incidental to such major construction and reconstruction.

(b) The Association by assessing and collecting annual maintenance assessments shall thereby obligate itself to make the payments and deposits referred to in Section 3.(a) above. In fixing the minimum rate or amount of assessment referred to in Section 3.(a) above, the Association may take into account any maintenance or construction work on the access ways assumed or to be performed by any public body.

SECTION 4. The maintenance funds provided by the annual maintenance assessment, to the extent not required for the purposes as set forth in Section 3 of this paragraph 29 may be used for the following but only for the following purposes:

- (1) Payment of operating expenses of said Association;
- (2) Lighting, improvement and beautification of access ways and easement areas, and the acquisition, maintenance, repair and replacement of directional markers and signs and traffic control devices, and cost of controlling and regulating traffic on the access ways;
- (3) Maintenance, improvement and operation of drainage easements and systems;
- (4) Maintenance, improvement and beautification of parks, lakes, ponds, buffer strips and tracts;
- (5) Garbage collection and trash and rubbish removal but only when and to the extent specifically authorized by said Association;
- (6) Providing police protection, night watchmen, guard and gate services, but only when and to the extent specifically authorized by said Association:

(7) Providing fire protection but only when and to the extent specifically authorized by said Association;

(8) Doing any other thing necessary or desirable, in the judgement of said Association, to keep the subdivision neat and attractive or to preserve or enhance the value of the properties therein, or to eliminate fire, health or safety hazards or which, in the judgement of said Association, may be of general benefit to the owners or occupants of lands included in the subdivision.

(9) Doing any other thing agreed to by the Association and by the persons then owning 75 percent or more of the improved building plots then located in Chelsea Woods Unit One;

(10) Repayment of Funds and interest thereon borrowed by the Association and used for any of the purposes referred to in this Section 3 or in Section 2 above;

SECTION 5. (a) Except as otherwise provided in this paragraph 29, it shall not be necessary for said Association to allocate or apportion the maintenance funds or expenditures therefrom between the various purposes specified in the paragraph 29 and the judgement of said Association in the expenditure of the maintenance funds shall be final. Said Association in its discretion may hold the maintenance funds invested or uninvested and may reserve such portions of the maintenance fund as the Association determines advisable for expenditures in years following the year for which the annual maintenance assessment was assessed.

(b) Each annual maintenance assessment and interest thereon shall constitute a debt from the owner or owners of the property against or with respect to which the same shall be assessed, payable to said Association on demand, and shall be by a lien upon such property and all improvements thereon. Said lien shall attach annually as hereinafter provided and shall be enforceable by said Association in a court of competent jurisdiction. In the event said Association shall institute proceedings to collect or enforce such assessment or the lien therefor, said Association shall be entitled to recover from the owner or owners of such property all cost, including reasonable attorney's fees, incurred in and about such proceedings and all such cost shall be secured by such lien.

(c) Each such annual lien, as between said Association on the one hand and the owner and owners of such property and any grantee of such owner and owners on the other hand, shall attach to the property and improvements against which such annual maintenance assessment shall be assessed and fixed as of January 1 of the year for which such annual maintenance assessment shall

be assessed, said date of January 1 being the attachment date of each such annual lien. However, regardless of the preceding sentence of this paragraph, each such annual lien shall be subordinate and inferior to the lien of any first mortgage encumbering said property and improvement if but only if such mortgage was recorded in the public records of St. Johns County, Florida, prior to the attachment date of such lien. The foreclosure of any such first mortgage and the conveyance of title pursuant to foreclosure proceedings or by voluntary deed in lieu of foreclosure shall not affect or impair the existence validity or priority of the annual maintenance assessment liens thereafter assessed hereunder with respect to such property and improvements. Upon request said Association shall furnish any owner or mortgagee a certificate showing the unpaid maintenance assessments, if any, against any property and the year or years for which any such unpaid maintenance assessments were assessed and fixed.

SECTION 6. The Developer may hereafter plat or develop additional subdivisions of lands contiguous to or nearby Chelsea Woods Unit One Planned Unit Development and the Developer reserves and has the right to subject the lands in any and all such additional subdivision and the purchasers of building plots therein to annual maintenance assessment for similar objects and purposes and on substantially the same terms and conditions as those which are set forth herein in this paragraph 29 except that the commencement date for annual maintenance assessments applicable to such additional subdivisions may be such date (either on, before, or after January 1, 1997, as the Developer shall specify in the recorded restrictions or other instrument applicable to each such additional subdivision.

SECTION 7. The Developer may hereafter plat additional subdivisions as to which it may desire to subject the lands platted to annual maintenance assessments substantially different as to the object, purpose or terms and conditions (other than commencement date) from those provided in this paragraph 29 and to grant to the Association, rights, powers, duties and obligations with respect to such substantially different maintenance assessments and the Developer reserves and shall have right so to do.

SECTION 8. The 15-mill maximum amount of the "annual additional charge" provided for in Section 2.(b) of this paragraph may be increased by the Association from time to time with the consent of the persons then owning 75 percent or more of the improved building plots then located in Chelsea Woods Unit One Planned Unit Development.

SECTION 9. The Developer shall have the sole and exclusive right at any time and from time to time to withdraw from the

Rolling Hills Master Homeowners Association, Inc., all of the rights, powers, privileges and authorities granted said corporation as contained in this paragraph 29 and to transfer and assign all of such rights, powers, privileges and authorities to, and to withdraw the same from such other person, firm, corporation, trust or other entity as the Developer may select. In the event of such transfer and assignment, all maintenance funds then on hand shall be forthwith paid over and delivered to the transferee or assignee so selected by the Developer to be held for the purposes specified in this paragraph 29 and such transferee, or assignee, by accepting such funds, shall assume all obligations of the Association hereunder.

SECTION 10. At such time as the Developer or any successor in interest to the Developer hereunder has sold and conveyed each building plot in Chelsea Woods Unit One, and has sold all such other and further building plots as may hereafter be platted and approved in additional subdivisions of land contiguous to or nearby Chelsea Woods Unit One pursuant to the provisions of this paragraph 29., Sections 6. and 7., above, the Developer or its successor in interest shall thereupon convey record title to all roadways, drainage systems, lakes and open space/recreational facilities to the Rolling Hills Master Homeowners Association, Inc., or such successor entity as may thereupon have responsibility for the collection of assessments under this paragraph 29. and the expenditure thereof for the maintenance of all such common areas, facilities and improvements.

SECTION 11. Any provision of this Declaration to the contrary notwithstanding, unimproved lots and/or vacant improved lots or parcels owned by and held for sale by or leased by the Developer, shall not be subject to any assessments under or by reason of the provisions of this paragraph 29. It is understood and agreed that until such time as the Developer shall have sold and conveyed all building plots to be developed in Chelsea Woods Unit One Planned Unit Development, that Developer shall bear a portion of the expenses necessary for provision of such services as may, in the sole discretion of the Developer, be necessary for the benefit of unsold building plots owned by the Developer. Further provided, notwithstanding anything herein to the contrary, no liens shall attach against any building plot or other parcel or lot so long as the same is owned by the Developer.

SECTION 12.

Reg. 40. Definitions

"Surface Water or Stormwater Management System" means a system which is designed and constructed or implemented to control discharges which are necessitated by rainfall events, incorporating methods to collect, convey, store, absorb, inhibit,

treat, use or reuse water to prevent or reduce flooding, overdrainage, environmental degradation, and water pollution or otherwise affect the quantity and quality of discharges.

Reg. 41. Duties of Association

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

Reg. 42 Covenant for Maintenance Assessments for Association

Assessments shall also be used for the maintenance and repair of the surface water or stormwater management systems including but not limited to work within retention areas, drainage structures and drainage easements.

Reg. 43 Easement for Access and Drainage

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

Reg. 44 Amendment

Any amendment to the Covenants and Restrictions which alter any provision relating to the surface water or stormwater management system, beyond maintenance in its original condition, including the water management portions of the common areas, must have the prior approval of the St. Johns River Water Management District.

Reg. 45 Enforcement

The St. Johns River Water Management District shall have the right to enforce, by a proceeding at law or in equity, the provisions contained in the Covenants and Restrictions which relate to the maintenance, operation and repair of the surface water or stormwater management system.

Reg. 46 Swale Maintenance

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

30. Whenever there shall have been built or there shall exist on any building plot any structure, building, thing or condition which is in violation of these covenants and restrictions, the Developer shall have the right, but no obligation, to enter upon the property where such violation exists and summarily to abate and remove the same, all at the expense of the owner of such property, which expense shall be payable by such owner to the Developer on demand, and such entry and abatement or removal shall not be deemed a trespass or make the Developer in any way liable for any damages on account thereof.

31. Wherever in these covenants and restrictions the consent or approval of the Developer is required to be obtained, no action requiring such consent or approval shall be commenced or undertaken until after a request in writing seeking the same has been submitted to and approved in writing by the Developer. In the event the developer fails to act on any such written request within 60 days after the same has been submitted to the Developer to the particular action sought in such written request shall be presumed; however, no action shall be taken by or on behalf of the person or persons submitting such written request which violates any of the covenants or restrictions herein contained.

32. The Developer shall have the sole and exclusive right at any time and from time to time to transfer and assign to and to withdraw from, such person, firm, corporation, trust or other entity as it shall select, any or all right, power, privileges, authorities and reservations given to or reserved by the Developer by any part or paragraph of these covenants and restrictions or under the provisions of said plat. If at any time hereafter there shall be no person, firm corporation, trust or other entity entitled to exercise the rights, powers, privileges, authorities and reservations given to or reserved by the Developer under the provisions hereof, the same shall be vested in and be exercised by a committee to be elected or appointed by the owners of a majority of the building plots shown on said plat. Nothing herein contained, however, shall be construed as conferring any right, powers, privileges, authorities or reservations in said committee except in the event aforesaid. None of the provisions of this paragraph 32 shall apply to or affect the provisions of paragraph 29 hereof.

33. The Developer reserves and shall have the sole right: (a) to amend these covenants and restrictions other than those contained in paragraph 29 but all such amendments shall conform to the general purposes and standards of the covenants and restrictions herein contained; (b) to amend these covenants and restrictions for the purpose of curing any ambiguity in or any inconsistency between the provisions contained herein; (c) to include in any contract or deed or other instrument hereafter made any additional covenants and restrictions applicable to the said land which do not lower the standards of the covenants and restrictions herein contained; and (d) to release any building plot from any part of the covenants and restrictions which have been violated (including, without limiting the foregoing, violations of building restriction lines and provisions hereof relating thereto) if the Developer, in its sole judgement determines such violation to be a minor or insubstantial violation.

34. In addition to the rights of the Developer provided for in paragraph 33 the Developer reserves and shall have the right with the consent of the persons then owning 75 percent or more the platted lots shown on the plat of Chelsea Woods Unit One Planned Unit Development to amend or alter these covenants and restrictions and any parts thereof in any other respects, except that the provisions of paragraph 29 hereof may not be amended or altered under the provisions of this paragraph 34.

35. No building plot owner, without the prior written approval of the Developer, may impose any additional covenants or restrictions on any part of the land shown on the Plat of Chelsea Woods Unit One Planned Unit Development.

36. The covenants and restrictions numbered 1 through 39 both inclusive, as amended and added to from time to time as provided for herein, shall, subject to the provisions hereof and unless released as herein provided, be deemed to be covenants running with the title to said land and shall remain in full force and effect until the first day of January, A.D., 2040, and thereafter the said covenants and restrictions shall be automatically extended for successive periods of 25 years each, unless within six months preceding the end of any such successive 25-year period, as the case may be, a written agreement executed by the then owners of a majority of the lots shown on said plat of Chelsea Woods Unit One Planned Unit Development, shall be placed on record in the Office of the Clerk of the Circuit Court of St. Johns County, Florida, in which written agreement any of the covenants, restrictions, reservations and easements provided for herein may be changed, modified, waived or extinguished in whole or in part as to all or any part of the property then subject thereto, in the manner and to the extent provided in such written agreement. In the event that any such written agreement shall be executed and recorded as provided for above in this paragraph 36, these original covenants and restrictions, as therein modified shall continue in force for successive periods of 25 years each, unless and until further changed, modified, waived or extinguished in the manner provided in this paragraph 36. Notwithstanding the foregoing provisions of this paragraph 36, none of the provisions of paragraph 29 may be changed, modified, waived or extinguished in whole or in part pursuant to the provisions of this paragraph 36 unless and until the access ways have been dedicated to the public and the maintenance thereof has been assumed and accepted by the St. Johns County, Florida, or other body politic then having jurisdiction.

37. If any person, firm, corporation, trust or other entity shall violate or attempt to violate any of these covenants or restrictions, it shall be lawful for the Developer or any person or persons owning any building plot on said land (a) to prosecute proceedings for the recovery of damages against those so violating or attempting to violate any such covenants or restrictions, or (b) to maintain a proceeding in any court of competent jurisdiction against those so violating or attempting to violate any such covenants or restrictions for the purpose of preventing or enjoining all or any such violations or attempted violations. The remedies contained in this paragraph 37 shall be construed as cumulative of all other remedies now or hereafter provided by law. The failure of the Developer, its successors or assigns, to enforce any covenants or restriction or any obligation, right, power, privilege, authority or reservation herein contained, however long continued, shall in no event be deemed a waiver of the right to enforce the same thereafter as to the same breach or violation, or as to any other breach or violation hereof occurring prior to subsequent thereto.

38. If there exists any nonconforming uses and structures of land that was lawful before the adoption of these covenants and restrictions, but which would be prohibited, regulated or restricted under these covenants and restrictions, said non-conformities will be allowed to continue until they are removed or otherwise discontinued for a continuous period of 12 months.

39. The invalidation of any provision or provisions of the covenants and restrictions set forth herein by judgement or court order shall not affect or modify any of the other provisions of said covenants and restrictions which shall remain in full force and effect.

IN WITNESS WHEREOF, the Developer, Rolling Hill Community, Inc., has caused this instrument to be executed by its duly authorized officers and its corporate seal to be hereunto affixed all as of the 15th day of October, 1996.

Signed, sealed and delivered
in the presence of:

ROLLING HILLS COMMUNITY, INC.

Susan J. Peacock

By: R. C. Dix
-President

Mary L. Fox

Attest: [Signature]
-Secretary

(CORPORATE SEAL)

STATE OF FLORIDA)
COUNTY OF St. Johns)

I HEREBY CERTIFY that on this day before me, an officer duly authorized in the State and County aforesaid to take acknowledgements personally appeared R. C. Dix and Vernon Crable, to me known to be the persons described in and who executed the foregoing instrument as President and Secretary, respectively, of Rolling Hills Community, Inc., the corporation named therein, and severally acknowledged to and before me that they executed the same as the act and deed of said corporation.

WITNESS my hand and official seal in said County and State, this 15th day of October, 1996.



SUSAN J. PEACOCK
NOTARY PUBLIC, STATE OF FLORIDA
MY COMMISSION EXPIRES June 19, 1999
Comm. No. 00474187

O.R. 1206 PG 1651

16

DECLARATION
OF
COVENANTS, CONDITIONS AND RESTRICTIONS
THE COTTAGES AT HIDDEN LAKES

THIS DECLARATION, made on the date hereinafter set forth by SWAL, Inc., a Florida corporation (hereinafter referred to as "Declarant"),

WITNESSETH:

WHEREAS, Declarant is the Owner of all property known as The Cottages at Hidden Lakes, County of St. Johns, State of Florida, which is more particularly described in the plat of "The Cottages at Hidden Lakes" dated the 11th day of April, 2005 and recorded in Plat Book 54, pages 31, 32, 33, and 34 of the current public records of St. Johns County, Florida.

NOW, THEREFORE, Declarant hereby declares that all of the properties described above shall be held, sold and conveyed subject to the following easements, restrictions, covenants, and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with, the real property and be binding on all parties having any right, title or interest in the described properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each Owner thereof.

ARTICLE I.

DEFINITIONS

Section 1. "Association" shall mean and refer to The Cottages at Hidden Lakes of Homeowners Association, Inc., its successors and assigns.

Section 2. "Owner" shall mean and refer to the record property Owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Property, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 3. "Plat" shall mean the plat(s) of The Cottages at Hidden Lakes recorded from time to time in the public records of St. Johns County, Florida.

Section 4. "Property" shall mean and refer to that certain real property hereinbefore legally described, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 5. "Lot" shall mean and refer to any numbered plot of land shown upon any recorded subdivision map of the Property with the exception of the Open Area.

Section 6. "Declarant" shall mean and refer to SWAL, Inc., a Florida Corporation, its successors and assigns, if such successors or assigns should acquire more than one undeveloped lot from the Declarant for the purpose of development.

ARTICLE II.

PROPERTY RIGHTS

Section 1. Title to Common Areas and Owner's Easements of Enjoyment. The Declarant will convey or cause to be conveyed to the Association, at such time as in its sole discretion it deems appropriate, the title to the Common Areas, subject to taxes for the year of conveyance, restrictions, conditions, and limitations of record, and easements for drainage and public utilities. Every Owner and his leases have a nonexclusive right and easement of enjoyment in and to the Common Areas that is appurtenant to, and passes with, the title to every Lot, subject to the easements and other property rights granted in this Article and to the following:

- a) Fees. The Association's right to charge reasonable fees for the use of any recreational facility situated upon the Common Area.
- b) Suspension. The Association's right: (i) to suspend the voting rights of any Owner for any period during which any assessment against such Owner's Lot remains unpaid; (ii) to suspend such Owner's and his lessee's right to use any recreational facility owned or controlled by the Association, for the same period; and (iii) to suspend any Owner's and his lessee's right to the use of any such recreational facility for a period not exceed sixty (60) days for any material infraction of the Association's Regulations.
- c) Dedication. The Association's right to dedicate or transfer all or any part of the Common Areas to any public agency, authority, or utility for such purpose and subject to such conditions as may be agreed to by the members of the association. Such dedication or transfer must be approved by at least two-thirds (2/3) of each class of those members present in person or by proxy and voting at a meeting duly convened for such purpose, and shall be evidenced by a recorded certificate of the Association executed by the Association with the formalities from time to time required for a deed under the laws of the State of Florida.
- d) Rules and Regulations. The Association's right to adopt, alter, amend, rescind, and enforce reasonable Regulations governing the use of the Common Area, as provided herein.
- e) Legal Documents. The provisions of the Legal Documents and all matters shown on any plat of all or part of the Property.
- f) General. Real estate taxes and special assessments levied by governmental authorities having jurisdiction over the Common Areas and restrictions, limitations, easements of record.

The foregoing easement is limited to using the Common Areas for their intended purposes in a reasonable manner, and with respect to any particular use or activity, it is limited to those portions of the Common Areas from time to time improved or otherwise suitable for such use or activity.

Section 2. Utility and Drainage Easements. Certain easements as shown on the Plat surveys are for drainage and utilities, including cable television. The Declarant, for itself and its successors and assigns, shall have the right and privilege over, on and under said easements to erect, maintain and use electric, telephone and television wires, cables, conduits, water mains, drainage lines, drainage ditches and drainage retention areas, sewer lines, and other suitable equipment for drainage and sewage disposal purposes and for the installation, maintenance, transmission and use of electricity, gas, telephone, television, lighting, heating, water, drainage, sewage and other conveniences for utilities. The Declarant shall have the unrestricted and sole right and power of alienating and releasing the privileges and easements referred to in this paragraph. The Owners of the Lots subject to the privileges, rights and easements referred to in this paragraph, and as shown on the Plat or Parcel survey, shall acquire no right, title or interest in and to any wires, cables, conduits, pipes, mains, lines or other equipment or facilities placed on, over and under the easements. No structure, pavement or other improvement shall be erected on any part of any easement by the Owner of any Lot, and in the event any structure or other improvement is placed on any easement, it shall be removed upon request of the Declarant, its successors or assigns, at the cost of the Owner of said Lot. Declarant reserves an easement for ingress and egress for itself, its agents, employees, successors, assigns and the Association for maintenance and repair of the entrance area.

ARTICLE III.

MEMBERSHIP AND VOTING RIGHTS

Section 1. Every Owner of a Lot, which is subject to assessment, shall be a member of the Association. Membership shall be appurtenant to and may not be separated from Ownership of any Lot that is subject to assessment.

Section 2. The Association shall have two classes of voting membership, as follows:

Class A

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

Class B

Class B members shall be the Declarant, its successors or assigns, and Declarant shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever first occurs:

- (a) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership; or
- (b) on December 31, 2005.

ARTICLE IV.

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessment. The Declarant, for each Lot owned within the Property, hereby covenants, and each Owner of any Lot by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges; and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to the Owner's successors in title unless expressly assumed by them.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, and welfare of the residents in the Property and for all expenses required for the reasonable improvement and maintenance of the Common Areas.

Section 3. Maximum Annual Assessment. Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment shall be Two Hundred Fifty Dollars (\$250.00) per Lot.

(a) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased each year not more than five percent (10%) above the maximum assessment for the previous year without a vote of the membership.

(b) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be

increased above five percent (10%) by a vote of two-thirds (2/3) of each class of members who are voting in person or at a meeting duly called for that purpose.

(c) The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment, amortized over a period of not more than five (5) years for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Open Area or Association Managed fixtures and personal property related thereto, provided that any such assessment shall have the consent of two-thirds (2/3) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for that purpose.

Section 5. Borrowed Funds. The association may borrow funds for the purposes herein and repay, together with interest thereon, borrowed by the Association and used for purposes referred to herein.

Section 6. Notice and Quorum for any Action Authority Under Sections 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or 4 shall be sent to all members not fewer than 30 days nor more than 60 days in advance of the meeting. At such meeting, the presence of members or of proxies entitled to cast the majority of all the votes of each class of membership shall constitute a quorum.

Section 7. Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all Lots and may be collected on an annual basis.

Section 8. Date of Commencement of Annual Assessments/Due Dates. The annual assessments provided for herein shall commence as to all Lots on the day of the conveyance of the first Lot to be sold by Declarant to a third part. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The Board of Directors shall establish the due dates. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of its issuance.

Any provision of this Declaration to the contrary notwithstanding, Lots owned by and held for sale by the Declarant shall not be subject to annual or special assessments. It is understood and agreed that until such a time as Declarant shall have conveyed 50 percent

of the Lots owned by Declarant in The Cottages at Hidden Lakes, that Declarant shall bear a portion of the expenses necessary for provision of the services described in Article V, Section 2, of this Declaration to the extent that said services are provided for the benefit of unsold Lots owned by the Declarant.

Section 9. Effect of Nonpayment of Assessments/Remedies of the Association.

Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of six percent (6%) per annum. The Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Open Area or abandonment of Owner's Lot.

Section 10. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure, or any proceeding in lieu thereof shall extinguish the lien of such assessments as to payments, which become due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof. Mortgage holders shall not be required to escrow any annual or special assessments for the benefit of the Association. An Owner's failure to pay assessments when due shall not, in the absence of another document stating otherwise, constitute a default under the terms of an insured mortgage.

ARTICLE V.
USE RESTRICTIONS

Section 1. Single Family Residence Only. Except as herein and otherwise provided, no structure shall be erected, altered or permitted to remain on any Lot or building plot on said land other than one single family residence. Without the approval of St. Johns County, the height of the main residence on each Lot shall not be more than thirty-five (35) feet above the lowest finished floor slab elevation shown on the St. Johns County approved engineering drawings for The Cottages at Hidden Lakes. No banking situate on any Lot shall be used for business, commercial, amusement, charitable or manufacturing purposes. Nothing herein contained shall be construed to prevent Declarant from using any Lot for a right of way for road purposes or easements, in which event none of the restrictions herein shall apply.

Section 2. Building Plot. Building Plot shall refer to all or parts of a platted Lot(s) and may consist of one or more contiguous platted Lots, all or part of one platted Lot, all of one platted Lot and part of a contiguous platted Lot(s) or any other combination of contiguous parts of platted Lots which will form an integral unit of land suitable for use as a residential building site: PROVIDED, HOWEVER, that no Building Plot shall have an area and dimensions less than the smallest allowable Lot shown on the Plat.

Section 3. Minimum Square Footage for Any Principal Residence. No principal residence shall be erected or allowed to remain on any Lot unless the square footage of heated living area thereof, exclusive of porches, garages and storage rooms, shall equal or exceed 1,198 square feet.

Section 4. Setback for All Structures. No building shall be located on any Lot nearer than 20 feet to the front Lot line nor nearer than 10.5 feet to any side street line, nor nearer than 7.5 feet from side lot line, nor nearer than 10 feet to the rear Lot line. The Declarant, the Architectural Review Board, or the Association shall have the right to release Lots from minor violations of these setback restrictions provided the violations are deemed acceptable by City of Atlantic Beach Building and Zoning Department.

Section 5. Completion of Construction. The construction of a single-family residence on a Lot must be completed within 365 days from the date that the footings are poured for the single-family residence. For the purposes of this paragraph, St. Johns County, Florida, Building and Zoning Department shall define the term "completed" to be the date that a Certificate of Occupancy is issued.

Section 6. Other Structures. The following buildings, structures, and objects may not be erected and maintained on the Lot: Pens and yards for animals, above-ground storage for construction materials, wood, coal, oil or other fuels; clothes racks and lines; equipment for washing and drying clothing; laundry rooms; tools and workshops, garbage and trash cans; hothouses; greenhouses; bathhouses; summerhouses; and outdoor fireplaces or any other structure or objects of any unsightly nature or appearance. The following structures or objects may be erected and maintained only if the same are located wholly within the rear of the main dwelling, and comply with the building restriction code of the City of Atlantic Beach: Houses for pets; children's playhouses; barbecue pits, swimming pools or installation in connection therewith. Each such object shall be screened by a wall or fence sufficiently landscaped, using materials and with height and design and in such a manner that such objects shall be obstructed from view from the outside of the Lot. Provided, however, that any such structure must be approved by the Homeowner's Association.

Section 7. Garages. All residences must be constructed with a garage, which shall contain at least two parking places appropriate for the parking of passenger vehicles. There shall be no detached garages constructed on any Lot. No garage shall be permanently enclosed or converted to another use without the written approval of the Declarant or his assigns. No carports shall be permitted.

Section 8. Driveways. All improved Lots shall have a concrete driveway. In addition, the driveways must be constructed so that the driveway will not impede the flow of surface water drainage in the manner established by Declarant. Placement of culverts in the road right-of-way swale may be required and the Declarant must approve driveway locations and elevations.

Section 9. Resubdividing or Replatting. Declarant reserves the right to resubdivide or replat Lot or Lots shown on the Plat, including rights of way for road purposes and easements, provided that no residence shall be erected upon or any resident allowed to occupy, any replotted or resubdivided Lot or fractional part or parts thereof, having an area less than the smallest Lot shown on the Plat immediately prior to the replotting or resubdividing, and the restrictions herein contained shall apply to each Lot as replotted or resubdivided except any Lot or Lots resubdivided for road purposes or easements.

Section 10. Fences. Hedges, fences or walls may not be built or maintained on any portion of any Lot except on the rear or interior side Lot line, and no closer to the front of the Lot than the fence installed by the Declarant. No fence or wall shall be erected nor hedge maintained higher than 3.5 feet from the normal surface of the ground from the fence installed by the Declarant to the front corners of the residence. No fence or wall shall be erected nor hedge maintained higher than 5 feet from the normal surface of the ground from the front corners of the residence to and including the rear property line. Notwithstanding anything to the contrary herein, there shall be no chain-link fence allowed. Fencing along front lot line and from the fence installed by the Declarant to the front corners of the residence shall be white PVC picket only. No fence or wall shall be erected until the quality, style, color and design shall have been first approved by the Declarant or its duly appointed representative.

Section 11. Landscaping. The front and side yards of each lot shall be sodded. It is the intent of the Declarant that each Lot be landscaped so as to preserve as much natural vegetation and trees as possible. The Homeowner's Association shall determine landscaping and maintenance of the entrance. Each Lot owner is responsible for keeping landscaping maintained.

Section 12. All Structures to be Approved by Declarant. For the purpose of further insuring the development of the Property as a residential area of high quality and standards, and in order that all improvements on each Lot shall present an attractive and pleasing appearance, the Declarant reserves the exclusive power and discretion to control and approve all of the buildings, structures and other improvements on each Lot in the manner and to the extent set forth herein. No residence or other building, and no building, fence, wall, septic tank, drain field, driveway, swimming pool, screen room, front porch screening, or other structure or improvements, regardless of size or purpose, whether attached to or detached from the main residence shall be commenced, placed, erected or allowed to remain on any Lot, nor shall any additions to or exterior change or alteration thereto be made, unless and until building plans and specifications, showing the nature, kind, shape, height, size, materials, exterior color schemes, location and orientation on the lot and, tree removal plan, and such other information as the Declarant shall require, including plans for the grading and landscaping of the Lot and drainage showing any changes proposed to be made in the elevation or surface contours of the land or drainage swale have been submitted to and approved by the Declarant in writing. In passing upon such building plans and specifications and lot grading and landscaping plans, the Declarant may consider the suitability, desirability and quality of the proposed

construction and the materials. In the event Declarant fails to approve or disapprove the plans and specifications required under the terms of this paragraph within thirty (30) days after they have been submitted to Declarant in writing, such approval shall not be required, and the Lot Owner shall be deemed to have complied with the provisions of this paragraph. The Declarant may assign the rights granted in these Sections 10, 11 and 12 to a three-person Plan Review Board (PRB) which will be appointed by the Declarant, or to the Association.

Section 13. No Parking of Vehicles, Boats. Unless and until the Association promulgates rules and regulations expressly authorizing the parking, storage, or repair, of boats, trailers, recreational vehicles, or other vehicles, no vehicle, boat, or trailer may be parked, stored, or repaired, anywhere within the Property except that functional passenger automobiles, vans, motorcycles, and trucks of one-half ton capacity or less (collectively, "Permitted Vehicles") may be parked in those areas described in this paragraph. Boats, trailers and other vehicles that are not Permitted Vehicles regularly may be parked only in the garage of a Unit. Permitted Vehicles may be parked only within a garage of a Unit or in the driveway. No parking places may be constructed on any Lot, except as constructed in accordance with Approved plans and specifications. Commercial vehicles or any Permitted Vehicles with advertising thereon shall not be parked within public view on a regular basis. No part of the Common Areas or of the public right-of-ways shall be regularly used for parking. Specifically, no overnight parking shall be allowed in these areas. The Association may enforce the foregoing restrictions in any lawful manner, including the imposition of reasonable, uniform fines for willful or repeated violations. Nothing in this paragraph prohibits the emergency repair or servicing of Permitted Vehicles, so long as such repair or servicing is completed within 48 hours.

Section 14. No Sheds, Shacks or Trailers. No shed, shack, trailer, tent, mobile home or other temporary or moveable building or structure of any kind shall be erected or permitted to remain on any Lot, except the Declarant shall have the right to place a temporary trailer on a Lot for the purpose of operating a sales office. The use of adequate sanitary toilet facilities for workmen during the course of construction of the main residence and other buildings is permitted hereunder. Likewise, any contractor or sales person may maintain a model home on any Lot for the sale of houses being built within The Cottages at Hidden Lakes.

Section 15. Size of Signs. No sign of any character shall be displayed or placed upon any Lot except "For Rent" or "For Sale" signs, which signs must conform to the St. Johns County Sign Ordinance.

Section 16. Commercial Signs. Nothing contained in these Covenants and Restrictions shall prevent the Declarant or any person designated by the Declarant from erecting or maintaining such commercial and display signs and such temporary dwellings, model houses and other structures as the Declarant may deem advisable for development purposes.

Section 17. Mail Boxes. No mail box or paper box or other receptacle of any kind for use in the delivery of mail or newspapers, magazines or similar material shall be erected or located on any Lot unless and until the size, location, design and type of material for said boxes or receptacles shall have been approved by the Declarant.

Section 18. Pets. No animal not authorized by the St. Johns County Zoning Code may be kept on any Lot and no authorized animal may be kept for commercial or breeding use or purposes. Should an animal or animals become dangerous or an annoyance or nuisance in the neighborhood or nearby property, or become destructive of wildlife, they may not thereafter be kept on the Lot after notification by the Association's Board of Directors.

Section 19. No Offensive Activities. No illegal, noxious or offensive activity shall be permitted on any part of the Property, nor shall anything be permitted or done thereon which is or may become a nuisance or a source of embarrassment, discomfort or annoyance to the neighborhood. No trash, garbage, rubbish, debris, waste material, or other refuse shall be deposited or allowed to accumulate or remain on any part of the Property or upon any land or lands contiguous thereto. No limbs, trimmings, leaves, clippings or other debris or refuse shall be permitted to be on any part of the Property or road rights of way, except that which is used for temporary storage by the public waste removal company.

Section 20. Drainage.

(a) No change in the elevations of the land shall be made to any Lot which ill interfere with the surface water drainage system established by the Declarant or otherwise cause hardship to adjoining property.

(b) There shall be no drainage or artificial altering or change on the courses of the natural flow of water.

(c) Each Owner shall maintain the swales as now exist for proper drainage. Grades are to be established and maintained through construction, with no alterations thereto without Declarant's written approval. Upon completion of construction, disturbed swales or road shoulders shall be restored to their original grades, and any damage that may have occurred to the underdrain system, drainage pipes or structures or the stormwater retention areas shall be repaired.

ARTICLE VI.
RIGHTS AND OBLIGATIONS OF THE ASSOCIATES

Section 1. Common Area.

- a) General. Subject to the rights of the Declarant and the Owners, as set forth in this Declaration, the Association has exclusive management and control of the Common Areas, and all of its improvements, fixtures, furnishings, equipment, and other related personal property. The Association shall keep the foregoing in a safe, clean, attractive, sanitary, and serviceable condition, and in good order and repair. The Association's duties with respect to the Common Areas include the management, operation, maintenance, repair, servicing, replacement, and renewal of all improvements, equipment, and tangible personal property installed by Declarant as part of the Work, and any replacements or additions thereto made in accordance with the provisions of the Legal Documents.
- b) Insurance. The Association shall keep the improvements located on the Common Areas, including fixtures and personal property of the Association insured to the maximum insurable replacement value, as determined by the Board of Directors. The insurance shall provide coverage against loss or damage by fire or other hazards covered by a standard extended coverage endorsement and such other risks as from time to time are customarily covered with respect to improvements on the Common Areas, including vandalism and malicious mischief, and flood and water damage, if the Common Areas are at Association shall carry public liability insurance in amounts and with coverage as determined by the Board of Directors. To the extent from time to time available, the Associations's insurance must provide for waiver of subrogation by the Association's insurer against any Owner because of unintentional acts or omissions.

Section 2. Other Maintenance.

- a) Unit Exterior and Lot Maintenance. If an Owner of any Lot shall fail to maintain, repair, or restore the exterior of his Lot and Unit, including the landscaping, in the manner required within thirty (30) days following notice by the Association specifying the maintenance or repair item, then the Association after approval by not less than seventy-five percent (75%) of the members of the Board of Directors, shall have the right, through its agents and employees, to enter upon the Lot and to perform such repair, maintenance, or restoration. The cost of such exterior maintenance shall be assessed to the Owner of the Lot and shall become due and payable in all respects, together with interest and fees and costs of collection, as provided for other assessments of the Association. Additionally, the Association shall have a lien for all unpaid costs and interest against the Lot, and such costs and interest shall be the personal obligation of the Person who owned the Lot at the time the notice was given by the Association, in the same manner as herein provided for other assessments of the Association.
- b) Pedestrian Access Easement. The Association shall maintain and keep in good order and repair the pedestrian access easement.

- c) Landscaping. The Association shall maintain all landscaping, grassed areas and irrigation system installed by Declarant located in public rights-of-way or on utility parcels within the Property, except portions to be maintained by Owners.
- d) Services. The Association may obtain and pay for the services of any Person to manage its affairs to the extent it deems advisable and may contract for such other personnel as the Association determines are necessary, convenient, or desirable for the proper operation of the Property or the performance of the Association's responsibilities hereunder, whether such personnel are furnished or employed directly by the Association or by any Person with whom it contracts. The Association may obtain and pay for legal and accounting services necessary, convenient, or desirable in connection with the operation of the Property or the enforcement of the Association's Regulations.

Section 3. Obligations of Owners

- a) Maintenance. Each Owner at his expense, shall maintain in a good order and repair and keep in an attractive condition all portions of his Lot, and the Unit located thereon, including without limitation the roof, gutters, downspouts, exterior building surfaces, all portions of privacy fences within the Lot, (including the Property Boundary Fence, if any), all glass surfaces and screening, doors, electric and plumbing equipment, air conditioner and heating units, driveways and any other equipment, structures, improvements, additions, or attachments located on the Lot. Each Owner of a Lot on which a Unit has been constructed shall maintain the lawn and other landscaped portions of his Lot and that portion of the public right-of-way and Common Areas, if street in a neat and attractive condition. Landscape maintenance shall include regular lawn mowing, fertilizing, irrigation and edging. Vacant Lots must be kept free of litter, debris and nuisances. The foregoing obligations include any maintenance, repair, or replacement required by the occurrence of any fire, wind, vandalism, theft, or other casualty. Each Owner shall perform all maintenance and repair at regular intervals as shall be necessary to keep his Lot in an attractive condition. Each Owner shall promptly perform any maintenance or repair requested by the Association and shall be liable for all direct loss or damage sustained by other Owners of the Association caused by reason of his failure to promptly perform such maintenance and repair following written notice to such Owner specifying the items of maintenance or repair. Owners shall use only materials approved by the Association when performing exterior repair and maintenance. Failure to properly maintain a Lot or Unit shall permit the Association to perform such maintenance as provided and to levy assessments to recover the cost thereof. In the event that the Association decides, by two thirds vote, that the upkeep and maintenance of the common area is best served by a third party service, the service shall be sought, secured by annual contract and budgeted for in the annual association dues.

ARTICLE VII.
GENERAL PROVISIONS

Section 1. Enforcement. The Declarant, the Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Declarant, the Association or by any Owner to enforce any covenant or restriction herein, contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provisions, which shall remain in full force and effect.

Section 3. Amendment. The covenants and restrictions of this Declaration shall run with and bind the Property for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended by an instrument signed by not less than two-thirds (2/3) of each class of members. Any amendment must be recorded in the public records of St. Johns County, Florida.

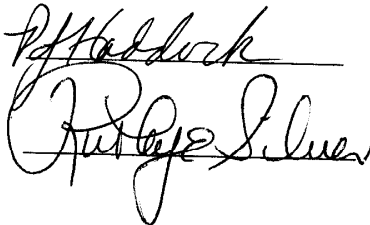
Section 4. Annexation. Additional residential property may be annexed to the Property with the consent of two-thirds (2/3) of each class of members.

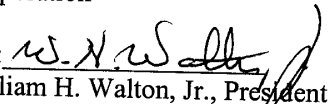
Section 5. FHA/VA Approval. As long as there is a Class B membership, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration: Annexation of additional properties, dedication of Open Area and Amendment of the Articles of Incorporation.

IN WITNESS WHEREOF, DECLARANT has executed this
DECLARATION this 2nd day of June, 2005.

Witnesses:

SWAL, Inc., a Florida
Corporation



BY: 
William H. Walton, Jr., President

STATE OF FLORIDA

COUNTY OF Duval

The foregoing instrument was acknowledged this 2nd day of June, 2005, by William H. Walton, Jr., President of SWAL, INC., a Florida Corporation.



Cheri R. Salazar
MY COMMISSION # DD091121 EXPIRES
February 21, 2006
BONDED THRU TROY FAIN INSURANCE, INC.

Cheri R. Salazar
Notary Public
State of Florida, Duval County

The undersigned party joins in the execution of the foregoing Covenants and restrictions for the purposes stated therein.

Witnesses:

SUNTRUST BANK

Andre C. Gier
Andre C. Gier

BY: Molly B. Seiter
MOLLY B. SEITER, VICE PRESIDENT

STATE OF FLORIDA
COUNTY OF DUVAL

The foregoing instrument was acknowledged this 1st day of June, 2005, by Molly Seiter, Vice President, on behalf of SUNTRUST BANK. She is personally known to me or has provided _____ as identification.



Jocelyn Gabriel
Commission #DD192038
Expires: Mar 10, 2007
Bonded Thru
Atlantic Bonding Co., Inc.

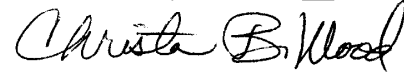
Jocelyn Gabriel
Notary Public
State of Florida, Duval County

The undersigned party joins in the execution of the foregoing Covenants and Restrictions for the purposes stated therein.

Witnesses:

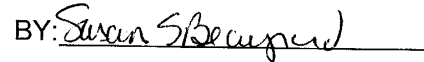


ANDREW C. GAUGLER



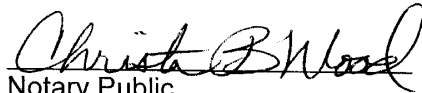
STATE OF FLORIDA
COUNTY OF DUVAL

WACHOVIA BANK

BY: 

Susan S. Beaugrand
VP

The foregoing instrument was acknowledged this 1ST day of June, 2005 by Susan Beaugrand, VP on behalf of WACHOVIA BANK. He or she is personally known to me or has provided _____ as identification.

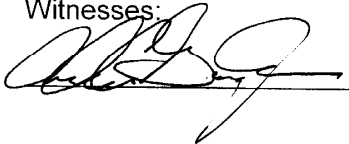


Notary Public
State of Florida, Duval County



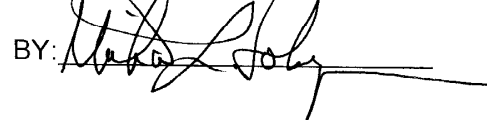
The undersigned party joins in the execution of the foregoing Covenants and Restrictions for the purposes stated therein.

Witnesses:



ANDREW C. GAUGLER
BESTCON, INC.

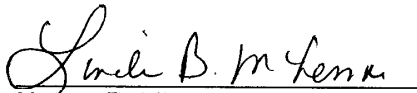
AMSOUTH BANK

BY: 

MICHAEL J. LOBERGER
Vice President

STATE OF FLORIDA
COUNTY OF DUVAL

The foregoing instrument was acknowledged this 1st day of
JUNE, 2005 by MIKHAEL LOBELLEL, VICE PRESIDENT on behalf of AMSOUTH
BANK. He or she is personally known to me or has provided _____ as
identification.



Notary Public
State of Florida, Duval County

