

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 will 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.

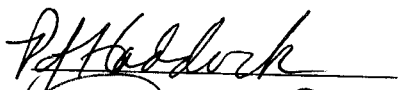

Section 4. Annexation. Additional residential property may be annexed to the Property with the consent of two-thirds (2/3) of each class of members.

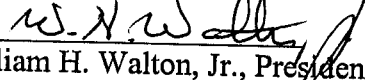
Section 5. FHA/VA Approval. As long as there is a Class B membership, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration: Annexation of additional properties, dedication of Open Area and Amendment of the Articles of Incorporation.

IN WITNESS WHEREOF, DECLARANT has executed this
DECLARATION this 21st 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

Andrew C. Grier
ANDREW C. GRIER

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:

[Signature]

ANDREW C. GAUGLER

Christa B. Wood

STATE OF FLORIDA
COUNTY OF DUVAL

WACHOVIA BANK

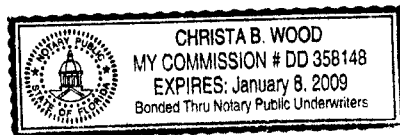
BY: Susan S. Beaugrand

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.

Christa B. Wood
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:

[Signature]

ANDREW C. GAUGLER
BESTCON, INC.

AMSOUTH BANK

BY: [Signature]

MICHAEL J. LOBERGER
VICE PRESIDENT

STATE OF FLORIDA
COUNTY OF DUVAL

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

Linda B. McLemore
Notary Public
State of Florida, Duval County



Linda B McLemore
My Commission DD105240
Expires April 16, 2006