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DECLARATION  
of  
Charter, Easements, Covenants and Restrictions  
For  
The Neighborhood at SeaGrove

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JNM Beachside Development, Ltd., a Florida limited partnership (the "Founder") makes this Declaration on the 5<sup>th</sup> day of August, 2004.

STATEMENT OF PURPOSE:

A. The Founder is developing on real property in St. Augustine Beach in St. Johns County, Florida, a mixed-use, pedestrian-friendly community to be known as SeaGrove. The entire plan for both the residential and mixed-use portions of SeaGrove, if completed, will include approximately 116 acres, as described in Exhibit A (the "Master Plan Area"). This Declaration is for the primarily residential portion of SeaGrove, to be known as the "Neighborhood."

B. The first portion of the Neighborhood to be developed is the property described as follows, which shall be known as the "Initial Property":

SeaGrove St. Augustine Beach Unit One, recorded in Map Book 48, Pages 30-35, public records of St. Johns County, Florida, and

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8/5/2004

SeaGrove St. Augustine Beach Unit Two, recorded in Map Book 49, Pages 71-74, public records of St. Johns County, Florida.

C. The Founder establishes this Declaration for the Neighborhood for the following purposes:

- To further enjoyment of the natural resources of the Neighborhood and enhance its natural beauty;
- To encourage a harmonious architecture; and
- To allow for self-governing of the Neighborhood by its owners.

### DECLARATION:

The Founder hereby submits the Initial Property to this Declaration of Charter, Easements, Covenants and Restrictions, which will run with the land and be binding upon, and inure to the benefit of, every owner of the Neighborhood or any portion of it.

Founder also hereby provides notice of certain restrictions and benefits, as further described in Sections 2.3 and 2.4, for the remainder of the Master Plan Area, but does not submit the entire Master Plan Area to all the terms of this Declaration at this time.

## 1 Definitions

*The following definitions apply wherever the capitalized terms appear in this Declaration. Additional terms that apply only to one article are defined the first time they appear.*

1.1 Architectural Review Board. The "Architectural Review Board" is the panel established by Article 11 to administer the Design Code.

1.2 Articles. "Articles" are the Articles of Incorporation of the Association, which are attached as Exhibit B to this Declaration.

1.3 Assessments. "Assessments" is the collective term for the following charges:

(a) General Assessment. The "General Assessment" is the amount distributed among all Members to meet the Association's annual budgeted expenses, as described in Section 9.3.

(b) Individual Parcel Assessment. An "Individual Parcel Assessment" is a charge made to a particular Parcel Owner for charges relating only to that Parcel, as provided in Section 9.5.

(c) Special Assessment. A "Special Assessment" may be charged to each Parcel for Capital Improvements or emergency expenses, in accordance with the provisions of Section 9.4.

1.4 Association. "Association" is the SeaGrove Neighborhood Association, Inc., a Florida nonprofit corporation, its successors and assigns. The Association, whose members are the Owners, is responsible for maintaining the Neighborhood and enforcing the Declaration.

1.5 Board. "Board" is the Board of Directors of the Association.

1.6 Bylaws. "Bylaws" are the Bylaws of the Association. The form of the initial Bylaws, as proposed, is attached as Exhibit C to this Declaration.

1.7 Capital Improvement. A Capital Improvement is a material alteration or substantial addition or improvement to the Commons, or the purchase of additional property to be added to the Commons. Any repair or replacement of existing improvements with materials of similar price and utility shall not be considered a Capital Improvement.

1.8 Commons. "Commons" comprises real property within the Neighborhood designated for the common use and enjoyment of all Owners. "Commons" also include any improvements on that real property, all easement rights or personal property for the Owners' common use that are not otherwise assigned or conveyed, and any other property of any type specifically designated as Commons. The Commons are not dedicated for use by the general public.

1.9 Common Roads. "Common Roads" are the roads, alleys, on-street parking and parking lots located within the Neighborhood. With the exception of the alleys, the Common Roads are to be dedicated to the public. The alleys and any other Common Roads, if any, that are not dedicated shall be part of the Commons.

1.10 Declaration. "Declaration" is this Declaration of Charter, Easements, Covenants and Restrictions for the Neighborhood.

1.11 Design Code. The "Design Code," as amended from time to time, establishes the plan for the development of the Neighborhood through its regulation of land use, architecture, landscaping and environment.

1.12 Development Period. The "Development Period" begins with the recording of this Declaration and continues for six months after the Founder neither owns at least five Parcels nor holds any Parcels for sale in the normal course of business. For the purposes of this definition, the term "Parcel" shall include all planned lots for the Master Plan Area, whether or not platted.

1.13 Drainage System. The "Drainage System" is the Master Drainage/Surface Stormwater Management System designed and constructed to control discharge rainfall, as permitted under Chapters 40C-4, 40C-40, or 40C-42, FAC, as amended from time to time. The Drainage System shall incorporate 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 from the system. The term shall also include storm and surface water management facilities designed for the collection of storm and surface water draining from the property, and for the storage or conveyance of such waters, or

other water management capabilities. Without limiting the generality of the foregoing, the Drainage System shall include the following:

- (a) the detention/retention lakes and ponds and other improvements which constitute the system,
- (b) drainage facilities appurtenant to the basins,
- (c) all lakes, littoral areas, swales, underdrains, culverts, and filtration systems serving all of SeaGrove,
- (d) any easements and right-of-ways which are necessary for drainage, ingress and egress, in order to properly operate and maintain the system, and
- (e) any other properties acquired by the Association that are necessary in connection with the operation and maintenance of the system.

1.14 Founder. The Founder is JNM Beachside Development, Ltd., a Florida limited partnership, its successors and assigns, or any successor or assign of all or substantially all of its interests in the development of the Neighborhood. The Founder may also be an Owner for so long as the Founder is record owner of any Parcel.

1.15 Lot. A "Lot" is a platted lot intended for a single-family home, whether attached or detached.

1.16 Master Plan Area. The "Master Plan Area" is all of that property described on Exhibit A, comprising approximately 116 acres.

1.17 Member. Each Owner is a "Member" of the Association, as provided in Article 3 of this Declaration.

1.18 Mortgagee. A "Mortgagee" is any institutional lender that holds a bona fide first mortgage encumbering a Parcel as security for the performance of an obligation. The term "institutional lender" specifically includes a bank, savings and loan association, a mortgage lending company, an insurance company, and the Federal National Mortgage Association or similar agency.

1.19 Neighborhood. The "Neighborhood" is the Initial Property, as described on the first page of this Declaration, plus any additional property added by Supplemental Declaration.

1.20 Neighborhood Meeting. The "Neighborhood Meeting" is the meeting of Members for discussion and voting.

1.21 Owner. "Owner" is the record owner, whether one or more persons or entities, of the fee simple title to any Parcel. Owners shall not include those having such interest merely as security for the performance of an obligation.

1.22 Parcel. A "Parcel" is the smallest piece of real property that may be separately conveyed. A Parcel may be a Lot (whether or not improved by a building) or a condominium unit.

1.23 South Business District. The South Business District is a portion of the Master Plan, slightly less than one acre in size, intended for commercial development, which is legally described in and subject to the South Business District Declaration. The South Business District is comprised of the Bank Parcel and the Office Parcel, as legally described in the South Business District Declaration. The South Business District is not part of the Neighborhood and does not have an association.

1.24 South Business District Declaration. The South Business District Declaration is the Declaration of Covenants, Conditions and Restrictions, SeaGrove South Business District, recorded or to be recorded in the public records of St. Johns, County, Florida.

1.25 Supplemental Declaration. "Supplemental Declaration" is any instrument that may be recorded by the Founder or the Association in accordance with Section 2.3 to add property to the Neighborhood.

1.26 Town Center. Town Center is a portion of the Master Plan, approximately four acres in size, which is intended for commercial development. Town Center is legally described in and subject to the Town Center Declaration. Town Center is not part of the Neighborhood.

1.27 Town Center Association. The Town Center Association is the commercial property owners' association formed in accordance with the Town Center Declaration.

1.28 Town Center Declaration. The Town Center Declaration is the Declaration of Charter, Easements, Covenants and Restrictions for SeaGrove Town Center, recorded or to be recorded in the public records of St. Johns, County, Florida.

## 2. Property Comprising the Neighborhood and Master Plan Area *The Neighborhood is being developed in phases. This article describes the real property of which the Neighborhood will initially be comprised, provides the method by which additional property may be added and allows for the unified development of the Master Plan Area.*

2.1 Initial Property. The Neighborhood is that real property that shall be held, transferred, conveyed and occupied subject to this Declaration and consists initially of the Initial Property as described on the first page of this Declaration.

2.2 Master Plan Area.

(a) Intent. It is currently intended that the Neighborhood will, upon completion, comprise all of the Master Plan Area, except approximately five acres intended to be developed as Town Center and the South Business District. As improvements to each phase of the

Neighborhood are completed, allowing the sale of those Parcels, it is expected that the phase will be submitted to the terms of this Declaration and be made part of the Neighborhood.

(b) Commercial Uses. The Founder intends to develop the Town Center and South Business District portions of the Master Plan Area for commercial uses. To provide for their special needs as commercial districts, Town Center and the South Business District are not subject to this Declaration but are each intended to be subject to a separate declaration. Town Center common areas are intended to be maintained by a separate association, while the South Business District is not intended to have an association.

(c) Limitation. The plan for the Master Plan Area is subject to change. No assurances are made as to what portions of the Master Plan Area, if any, will be made part of the Neighborhood, the boundaries of those portions or order in which the portions will be added. Exercising any development right in any portion of the Master Plan Area does not necessarily mean the right will be exercised in the remainder of the Master Plan Area.

### 2.3 Adding Property to the Neighborhood.

(a) By the Founder. The Founder shall have the right, but not the obligation, for a period of thirty (30) years from this date, from time to time in its sole discretion, to add to the Neighborhood any or all of the following properties:

- (i) any part of the Master Plan Area,
- (ii) any contiguous property,
- (iii) property any portion of which is within one-half mile of any portion of the Neighborhood (including any property separated from the Neighborhood by a public street, body of water or other property), or
- (iv) any other property with a reasonable relationship to the Neighborhood.

(b) By Association. Property of any type may be added to the Neighborhood by a majority vote of the Board. Such right shall begin when the Founder no longer selects a majority of the Board of Directors and shall extend indefinitely.

(c) Supplemental Declaration. A Supplemental Declaration adding the additional property shall become effective upon being recorded in the county's public records. The Supplemental Declaration shall require the consent and joinder of the owner of the additional property.

(d) Special Provisions. The Supplemental Declaration may modify or add to the provisions of this Declaration if needed to reflect the different character of the additional property.

(e) Corrective Instruments. The Founder currently intends that any platted lots within the Master Plan Area which are conveyed to a party other than the Founder be made subject to this Declaration of Charter, Easements, Covenants and Restrictions or to a declaration for the Town Center or South Business District, unless a statement of intent otherwise is clearly stated on the public records. If through error a Supplemental Declaration is not recorded prior to, or at the time of, such a conveyance, the Founder shall have the right to record a corrective instrument subjecting the platted lots and any common areas to this Declaration.

(f) Withdrawal of Property. The Founder reserves the right to withdraw property from the Neighborhood so long as all Owners within the area to be withdrawn consent, and appropriate access to the remaining portions of the Neighborhood is preserved.

2.4 Drainage System. As further described in Section 5.7, the Neighborhood includes a Drainage System that is designed to serve all of the Master Plan Area. Founder hereby reserves for the benefit of any portion of the Master Plan Area that is not made part of the Neighborhood (the "Benefited Area") an easement for appropriate use of the Drainage System for its intended purposes. Based on relative acreage, the following contributions have been assigned:

(a) Town Center. The Town Center Association shall contribute to the Neighborhood Association four and eight-tenths of one percent (4.8%) of the Neighborhood Association's cost of operating and maintaining the Drainage System. The obligation for such contribution is established by the Town Center Declaration.

(a) South Business District. The Bank Parcel, as defined in the South Business District Declaration, shall contribute seven tenths of one percent (0.7%) and the Office Parcel, also as defined in the South Business District Declaration, shall contribute three tenths of one percent (0.3%) of the Neighborhood Association's cost of operating and maintaining the Drainage System. The obligation for such contribution is established by the South Business District Declaration.

(c) Undeveloped Area. Until submission of all remaining property in the Master Plan Area to this Declaration, the Founder shall contribute, and hereby agrees to pay, to the Association a portion of the remaining cost of maintaining the Drainage System in an amount determined by the Founder, acting reasonably.

The Neighborhood Association may bill the Town Center Association, the owners of the Bank Parcel and Office Parcel and, until completion of the Master Plan Area, the Founder (together, the "Benefited Parties") annually in advance based on its reasonable estimate of the cost. The Neighborhood Association may also bill the Benefited Parties for any actual costs in excess of the budgeted amount. The Benefited Parties shall pay the amount within 30 days. If not paid, the Neighborhood Association may bring suit against the Benefited Party, and shall be entitled to damages, including reasonable attorneys' fees, secured by a lien against the Benefited Party's property. All Parcels within Town Center shall be subject to a lien for the proportionate share of the Town Center's cost. The Benefited Parties and each Owner of property within the Benefited Area shall be required to comply with regulations of the Water Management District and the Neighborhood Association regarding use of the Drainage System.

2.5 Other Shared Facilities and Services. The Neighborhood Association, the owners of the South Business District and the association for Town Center may also cooperate on landscaping services and other mutually beneficial arrangements.

### 3 Establishment of the Owners' Association

*Most day-to-day decisions about the maintenance of the Neighborhood and enforcement off the Declaration are the responsibility of the Board, acting on the members' behalf. For those decisions requiring Members' approval, the Neighborhood Meeting provides a public opportunity for discussion and voting.*

3.1 Establishment; Membership. The Association shall be established under Florida law as a not-for-profit corporation and is also a homeowners association subject to Chapter 720, Florida Statutes, as amended from time to time. Every Owner shall be a mandatory Member of the Association. Membership shall be appurtenant to and may not be separated from title to any Parcel.

#### 3.2 Voting.

(a) Voting Interests. Each Member shall have one vote for each Parcel owned.

(b) Exercise of Vote. When more than one person holds an interest in any Parcel, all such persons shall be Members. However, the number of votes for that Parcel shall not be increased, and the Members must determine among themselves how the Parcel's vote may be exercised. Corporations, partnerships and other entities shall notify the Association of the natural person who shall exercise its vote. To the greatest extent permitted by law, the Association may institute voting by electronic or other means.

(c) Methods. Wherever used in this Declaration, approval by a majority or other proportion of the Members refers to a vote in accordance with this Article, either at a properly called Neighborhood Meeting or through a voting procedure established under paragraph (d). Where the Declaration specifies consent in writing, or request in writing, by a majority or other proportion of all Members, then the necessary number is based on the number of votes represented by the total Membership of the Association, and signatures may be collected without a Neighborhood Meeting or other voting procedure.

(d) Action without Meeting. If permitted by the Board, the membership may approve any matter (specifically including the election of directors) by a written ballot procedure, which may be conducted by mail, or by written consent without a meeting, without prior notice and without a vote. Voting or consents shall be in accordance with the Bylaws and statute.

#### 3.3 Board of Directors.

(a) Election. The Board of Directors shall consist of at least three people and shall be elected as provided in the Bylaws, subject to the Founder's rights under Article 14.



(b) Board's Responsibility. Except as specifically provided in this Article or elsewhere in this Declaration, the Board has been delegated the power, and shall have the authority to act on behalf of the Association and to make all decisions necessary for the operation of the Association, the enforcement of this Declaration and the care of the Commons.

3.4 Decision Making by Owners. As a convenient reference and not as a limitation, actions that may require a vote of the Members, or assent in writing, include the following:

Election of the Board of Directors .....	Section 3.4
Repeal of Additional Services .....	Section 5.9
Approval of General Assessments when increased 15% .....	Section 8.4
Ratification of expenditures for Substantial Capital Improvements ..	Section 8.6
Repeal of Rules and Regulations adopted by the Board .....	Section 10.9
Repeal of Modification of Design Code .....	Section 11.2
Purchase of Additional Commons .....	Section 15.1
Sale or Lease for Community Benefit.....	Section 15.2
Dedication of the Commons .....	Section 15.4
Other Conveyances .....	Section 15.6
Amendment of Declaration .....	Section 16.1
Redevelopment .....	Section 16.2
Termination of the Declaration .....	Section 16.3

3.5 Record Keeping. The Board shall keep a record of all meetings, both of the Board and of the Association. For each action taken, the record shall state the vote and a description of the action approved, and, where applicable, the reasons why the action was considered necessary and a summary of the information on which the decision was based. The record shall be available for inspection by any Member.

3.6 Additional Provisions. Additional provisions concerning the operation of the Association and the Board are contained in the Articles and Bylaws.

## 4. The Commons

*Certain property within the Neighborhood and certain easement rights, called the "Commons," are to be owned and maintained by the Association for the benefit of all Owners. The Commons include both functional elements and recreational facilities. This Article provides general principles concerning ownership and use of the Commons.*

4.1 Association Ownership, Responsibility.

(a) Title. The Association shall own the Commons for the benefit of its Members and shall maintain it as further provided in Article 5. For those portions of the Commons that consist of easements and other rights, the Association shall be the holder of those rights.

(b) Additional Commons. The Founder may convey to the Association additional Commons. The Association shall accept title to, and maintenance responsibility for, any Commons conveyed to it by the Founder.

(c) Capital Improvements. The Association may make Capital Improvements to the Commons and may modify the uses of the Commons. Expenses for substantial Capital Improvements must be approved in accordance with Section 8.6.

(d) Rules and Regulations. The Association may make rules and regulations for the use of the Commons.

#### 4.2 Owners' Easement of Enjoyment.

(a) Commons. Every Owner shall have a right and easement of enjoyment in and to the Commons. This easement shall be appurtenant to and shall pass with title to every Parcel.

(b) Tenants, Guests. Any Owner may delegate, subject to the provisions of this Declaration, the Bylaws and the Rules and Regulations, his right to enjoyment to the Commons to the members of his family, his tenants or his guests who reside on the Parcel or are accompanied by the Owner. The Association may adopt rules to prohibit or restrict dual use of the Commons recreational facilities by both an Owner and the Owner's tenant, except when the Owner is a bona fide guest of the tenant.

4.3 Damage or Destruction of Commons by Owner. If any Owner or any of his guests, tenants, licensees, agents, employees or members of his family damages any of the Commons as a result of negligence or misuse, the Owner hereby authorizes the Association to repair the damage. The cost of repair shall be the responsibility of that Owner and shall become an Individual Parcel Assessment payable by the responsible Owner. The Association may, but is not required to, seek compensation for damage from the guest, tenant or other party who caused the damage, in which case the Owner shall be jointly and severally liable.

4.4 Limitation of Liability. The Association shall use reasonable judgment in maintaining and regulating the Commons, but neither the Association nor the Founder makes any representation or assumes any liability for any loss or injury.

## 5 Association Powers and Maintenance Responsibilities

*The Association is responsible for maintaining the Commons, and has other maintenance responsibilities as described in this Article. The powers and duties are intended to be flexible, so that the Association can meet the needs of the community as it changes over time.*

5.1 Commons. The Association shall be responsible for the management, control and improvement of the Commons and shall keep the Commons attractive, clean and in good repair.

5.2 Recreation facilities. The recreational portions of the Commons shall include the Town Square near Town Center, a recreational park with sport courts, pool and related facilities, and unless otherwise prohibited by applicable law, a boat ramp and community dock. The Association may permit the sale of food and the sale or rental of recreation-related items on or near the pool, and may lease space or charge a concession fee to independent operators of such businesses. The Association may also allow the recreational portions of the Commons to be used for public events such as an art festival or farmers' market, or for private events such as weddings or parties, and may charge a fee for such use.

5.3 Boat Storage Lot.

(a) Generally. The Founder has reserved and may develop within the Master Plan Area an area for the storage of a limited number of boats. The number of spaces that may be developed is currently unknown. However, if the boat storage area is created, the number of spaces will be fewer than the number of Parcels.

(b) Conveyance. Upon completion of the improvement of the boat storage area, the Founder may sell the area to the Association. If the Founder chooses to sell the boat storage area to the Association, the Association shall be required to purchase the area for the amount determined by the Founder, provided that such amount does not exceed an amount equal to the value of the land plus improvements. No membership or Board approvals shall be required for such purchase. Founder may, but is not required to, take back a mortgage at an interest rate at or below current market rates for all or part of the purchase price. The Board shall determine whether or not to accept any financing terms offered by the Founder.

(c) Operation by Association. If the boat storage area is conveyed to the Association, the Association shall then regulate the boat storage area, shall assign spaces within the boat storage area according to the method it determines, and may charge a rental or license fee for the use of the boat storage spaces. Only Owners of Parcels within the Neighborhood or bona fide tenants of a Parcel may use the spaces within the boat storage area. The payment for the acquisition of the boat storage area and the cost of maintaining the boat storage area shall not be part of the common expenses of the Association but instead shall be assessed to those who have been assigned spaces in the boat storage area as an Individual Parcel Assessment.

5.4 Streets and Alleys.

(a) Common Roads. The streets within SeaGrove are intended to be dedicated to the public. Certain Parcels are served by alleys, which improve the streetscape by allowing rear placement of garages and driveways. The alleys are not dedicated to the public but may be part of the Commons or established by easements. The alleys and any streets not dedicated to the public shall be known as the Common Roads and shall be maintained by the Association. The Association may maintain as Commons the sidewalks and on-street parking, even if located within the public right-of-way or on a Parcel.

(b) Regulation. To the extent permitted by the City of St. Augustine Beach, the Association may make rules and regulations concerning driving and parking within the

Neighborhood, may prohibit parking on one-way streets and may construct speed bumps, post speed limit or other traffic signs and take any other reasonable measures to discourage excessive speed and encourage safe driving on the Common Roads. To the extent permitted by the City of St. Augustine Beach, the Association may enforce any violation in accordance with Section 10.12 and may tow or bar admittance to offenders.

5.5 Common Landscaping. The Association shall maintain the landscaping and Neighborhood signage, if any, at the divided pavement section of the main entry to SeaGrove along Main Street, whether the landscaping is on a public right-of-way or within the Town Center or South Business District, and may maintain the right-of-way along A1A. Unless the City of St. Augustine Beach is providing adequate maintenance, the Association shall maintain as Commons the street trees and any landscaping between the sidewalk and the street, even if located within the public right-of-way or on a Parcel. The Association may cooperate with the Town Center and South Business District for mutual benefit. However, the Association shall not be responsible for landscaping within Town Center or the South Business District, other than the main entry.

5.6 Landscape Maintenance, Irrigation for Parcels.

(a) Irrigation Systems. All Parcels are required to have an irrigation system for landscaping. The Design Code strongly encourages the use of drip irrigation and other water-conserving measures. The Association may, but is not obligated to, provide irrigation water to some or all of the Parcels. If the Association provides irrigation water, the Parcels shall be required to use the Association's irrigation water. If the Founder installs such a central irrigation system, the Founder may charge a connection fee to each Parcel Owner. The cost of maintaining and operating shall be divided among the Parcels served by the irrigation system and assessed to that Owner as an Individual Parcel Assessment. In the case of condominium units, the condominium association shall be required to maintain the irrigation system, and the cost of any irrigation water supplied to the condominium shall be charged to the condominium association, based on the amount of landscaping to be irrigated.

(b) Required Maintenance. As initially established, each Lot Owner shall be required to maintain the landscaping on the Lot and adjacent right-of-way. Lakefront Parcels shall maintain the landscaping to the water's edge. Condominium associations shall be required to maintain condominium landscaping. The Association may require that Owners and condominium associations contract for certain routine yard maintenance, in order to provide a uniform level of care. The cost of such service shall be assessed to the condominium association, for condominium or association-owned property, and to the individual Parcel Owner as an Individual Parcel Assessment for non-condominium property.

(c) Optional Service. The Association also may, but is not obligated to, act as agent for an Owner, if so requested by that Owner, to contract for routine maintenance and other services not required to be provided by the Association, the cost of which would be assessed to that Owner as an Individual Parcel Assessment. The terms and conditions of all such contracts shall be at the discretion of the Board.

(d) Landscape Buffer Zones. Certain Lots as designated by the Plat may be subject to landscape buffer zones. Landscape buffer zones cannot be fenced and are further regulated in the Design Code.

#### 5.7 Drainage System.

(a) Generally. The Neighborhood includes a system of ponds and wetlands designed to provide drainage and surface stormwater management for all of SeaGrove. The St. Johns River Water Management District, a governmental entity, regulates the Drainage System and imposes certain requirements on the Association. The Association shall accept any part of the Drainage System deeded to it by the Founder and shall maintain the Drainage System in accordance with law, including any parts of the Drainage System that may be located on a Parcel rather than the Commons. As provided in Section 2.4 of this Declaration, the Town Center and South Business District portions of SeaGrove shall have a perpetual drainage easement for the use of the Drainage System, and shall be required to pay a proportional share of the cost of maintenance.

(b) Maintenance. The Association shall be responsible for the maintenance, operation and repair of the Drainage System. Maintenance of the Drainage System 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 in writing by, the St. Johns River Water Management District.

(c) Association Use and Control. Subject to the requirements of law, the Association shall have the right to control the water level of the Drainage System and to control the growth and eradication of plants, animals, fish and fungi. If permitted by law, the Association may use water from the Drainage System for irrigation.

(d) Private Use. Any change to the height, grade and contour of any lake embankment, and the construction of any decks, docks, moorings, pilings, bulkheads or other structures on the embankments shall require Architectural Review Board approval, which may be withheld in its discretion. The Owner is responsible for obtaining any necessary governmental permits as well. Swimming, boating, fishing or other recreational use is not permitted unless specifically granted by the Association.

(e) Governmental 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 this Declaration that relate to the maintenance, operation and repair of the Drainage System.

5.8 Lighting. The Association may purchase or lease, or lease to purchase, lighting for the streets and Commons from the local utility. Alternatively, the Association may enter into such agreements with the Founder or other entity if the lighting equipment to be provided meets the requirements of the Design Code and the terms are equivalent to or better than what is provided by the local utility.

5.9 Additional Powers. In addition to the specific powers provided in this Article, and to the extent permitted by governmental authorities, the Association may, but is not obligated to, provide the following services or engage in the following activities:

- (a) water, sewer, electrical, telephone, cable television or other utility services; garbage and trash collection and disposal;
- (b) insect and pest control; improvement of vegetation, fishing and wildlife conditions; lake and forestry management, pollution and erosion controls;
- (c) emergency rescue, evacuation or safety equipment; fire protection and prevention; roving patrols within the Neighborhood;
- (d) newsletters, electronic communication or other information services;
- (e) in addition to that provided under Section 5.5, maintenance of easement areas, public rights-of-way and other public or private properties located within reasonable proximity to the Neighborhood if its deterioration would affect the appearance of or access to the Neighborhood; and
- (f) any other service allowed by law to be provided by a community association organized as a not-for-profit corporation.

The Board may, by majority vote, initiate any of the above services. If requested by petitions signed by at least 10% of the Members, a Neighborhood Meeting may be called and, if a quorum is present, the offering of the additional service under this Section 5.9 shall be repealed by majority vote of the Members. For three years after such a repeal, the Board may not reinstitute the service unless also approved by majority vote of the Members.

5.10 Contracts. The Association may contract with any party, including the Founder, for the performance of all or any portion of the management of the Association and its maintenance and repair obligations. The cost of the contract shall be included within the General Assessment, Special Assessment or Individual Parcel Assessment as applicable.

5.11 Limitation. The Founder and the Association make no representations concerning security and shall not be liable in any way for failure to provide services or quality of such services.

## 6. Easements

*Every Owner has the benefit of certain easements, and the responsibility of others.*

6.1 Easements in Favor of the Founder and Association. The Founder hereby reserves for itself, its successors and assigns and for the Association and its assigns the following perpetual, nonexclusive easements, which shall benefit the Neighborhood and all other properties owned by Founder or its assigns which are adjacent to, or reasonably near, the Neighborhood (including property separated from the Neighborhood by a public road):

- (a) Alleys, footpaths. A nonexclusive easement for use of the alleys and footpaths.

(b) Utility Easements. An easement upon, across, over, through, and under the Neighborhood for ingress, egress, installation, replacement, repair and maintenance of all public and private utility and service systems. These systems include, but are not limited to, water, sewer, irrigation systems, drainage, telephone, electricity, gas, television, cable or communication lines and other equipment. Except where indicated on the plat or as described in specific recorded easements, such easements shall be located within the street right-of-way or other Commons, or in alley easement areas. By virtue of this easement the Founder, and its successors or assigns, may install and maintain facilities and equipment, excavate for such purposes and affix and maintain wires, circuits and conduits.

(c) Police Powers. A blanket easement throughout the Neighborhood for private patrol services, and for police powers and services supplied by the local, state and federal governments.

(d) Drainage. A blanket easement and right on, over, under and through the ground within the Neighborhood to access, operate, maintain or repair the lakes, the Drainage System and other drainage of surface water and other erosion controls. By this easement, the Founder or the Association shall have the right to enter upon any portion of any Parcel that is a part of the Drainage System, at a reasonable time and in a reasonable manner, (except in an emergency) to operate, maintain or repair the Drainage 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 Drainage System. No person shall alter the drainage flow of the Drainage System, including buffer areas or swales, without the prior written approval of the St. Johns River Water Management District.

(e) Encroachment. An easement for any improvements constructed on the Commons which encroach on any Parcel, whether due to any minor deviation from the subdivision plat of the Neighborhood or the settling or shifting of any land or improvements.

(f) Maintenance of Commons. To the extent reasonably necessary, an easement over any Parcel for maintenance of the Commons or to perform any duties required or permitted to be performed by the Association, its agent or assigns.

## 6.2 Relationship between Lots.

(a) Intent. The easements in this Section 6.2 are intended to provide guidelines for reasonable cooperation between neighbors. The Association may make rules for maintenance and use of easement areas and shared improvements, which shall be applied uniformly to all Lots similarly configured.

(b) Parcel Lines. Lots may not be subdivided or separated into smaller Lots, or any portion of a Parcel separately conveyed, except by the Founder or with the specific consent of the Architectural Review Board. However, this shall not prohibit corrective deeds or similar corrective instruments. The Founder may redefine Lots prior to sale by dividing or combining Lots or portions of Lots and adjusting the boundary of a Parcel. The Founder shall also have the

right to modify subdivision plats of the Neighborhood to make adjustments to Parcel boundary lines with consent only of those Owners whose Parcel boundaries are to be changed. The division or combination of Lots may be subject to zoning or other governmental regulation.

(c) Structural Party Walls. Each Owner grants to the Owner of each adjacent Parcel the right and easement to maintain and to utilize any exterior or interior wall of a Building that forms a party wall between them. A wall will be considered a party wall only if it provides structural support for the Buildings, or parts of a Building, on more than one Parcel. Maintenance of the surface of the party wall shall be the sole responsibility of the Owner whose Building faces such wall. Each Owner shall be liable and responsible if, in connection with that Owner's use and maintenance of the party wall, the Owner damages the adjacent Owner's Parcel or the wall itself. The adjacent Owners shall share the cost of any other repairs to the party wall equally.

(d) Exterior Walls along a Parcel Line. An exterior wall which supports the Building on only one Parcel, or which encloses a courtyard on one Parcel, shall not be considered a party wall. The Association may make rules and regulations concerning use and maintenance of such walls, including assigning responsibility between the adjoining owners for painting and repair and granting access over the adjoining Parcel as reasonably necessary to maintain the wall. All such maintenance and repair shall be in accordance with the Design Code.

(e) Yard Easements. To allow most efficient use of a Parcel while complying with governmental setback requirements, a portion of a Parcel along a Parcel line may be subject to an easement for use by the adjoining Parcel Owner. Such easements may be designated on the plat, the Design Code or on the deed from the Founder to the first Owner other than the Founder. Such use easements may be up to four feet wide and shall run along a boundary line, but shall not encroach upon more than one boundary line. In addition, the Owner of such a Parcel subject to an easement shall be the beneficiary of a similar easement along another portion of the Parcel, unless the Parcel is a corner Parcel or is larger than the surrounding Lots. Subject to regulation under the Design Code, the beneficiary of such an easement shall have the use and maintenance responsibility for the easement area and may place fences, decks or patios or other structures (but not a primary structure) upon the easement area.

(f) Roof Overhang. If permitted by the Design Code, roofs may overhang a property line.

(g) Alley Easements. Some Lots are subject to alley easements, as further described in Section 5.4.



# 7 Insurance

*Insurance is essential to protect the interests of the various Owners and to assure that funds will be available for rebuilding after a casualty. However, because insurance costs may increase significantly or new types of coverage made available, this Article gives flexibility to the Board to select insurance coverage that is reasonable for the conditions that exist at that time.*

7.1 Review of Coverage. The Board shall review limits of coverage and deductibles for each type of insurance at least once each year.

7.2 Casualty Insurance. The Board may obtain and, if additional Commons with significant insurable improvements are added to the Neighborhood, shall be required to obtain and maintain, casualty insurance on the Commons for fire damage. Endorsements for extended coverage, vandalism, malicious mischief, flood and windstorm should be obtained where available at reasonable cost. Coverage shall be in an amount not less than necessary to comply with the co-insurance percentage stipulated in the policy, but in any event not less than 80% of the insurable value (based upon replacement) of the improvements constructed on the Commons.

7.3 Public Liability. The Board may obtain public liability insurance in such limits as the Board may from time to time determine, insuring against any liability arising out of, or incident to, the ownership and use of the Commons and any topographic conditions or water access located on or adjoining the Neighborhood. Whenever practicable, such insurance should be issued on a comprehensive liability basis and should contain a "severability of interest" endorsement which shall preclude the insurer from denying the claim of an Owner because of negligent acts of the Association, the Board or other Owners.

7.4 Director Liability Insurance. The Board may obtain liability insurance insuring against personal loss for actions taken by members of the Board and advisory members in the performance of their duties. The Board in its discretion shall determine the type and amount of such insurance.

7.5 Other Coverage. The Board shall obtain and maintain workman's compensation insurance if and to the extent necessary to meet the requirements of law, and such other insurance as the Board may determine or as may be requested from time to time by a majority vote of the Members.

7.6 Parcel Coverage. Each Owner shall obtain casualty insurance for improvements on the Parcel. Coverage shall be in an amount not less than necessary to comply with the co-insurance percentage stipulated in the policy, but in any event not less than 80% of the insurable value (based upon replacement) of the improvements constructed on the Parcel. If requested by the Association, an Owner shall provide evidence of such insurance to the Association.

## 7.7 Repair and Reconstruction after Fire or Other Casualty.

(a) Commons. If fire or other casualty damages or destroys any of the improvements on the Commons, the Board shall arrange for and supervise the prompt repair of the improvements, unless the area is to be redeveloped as provided in Section 16.2 ("Redevelopment"). The Board may restore the Commons to substantially original condition or may improve or modify the design or use. The reconstruction may be considered a substantial Capital Improvement in accordance with Section 8.6 only if and to the extent that it modifies the original purpose of the Commons, in which case insurance proceeds shall be considered as if they were assessments. The Board shall obtain funds for reconstruction first from the insurance proceeds, then from reserves for the repair and replacement of such improvements, and then from any Special Assessments that may be necessary after exhausting insurance and reserves.

(b) Parcel Improvements. If fire or other casualty damages or destroys a building or any other improvements on a Parcel, the Owner of that Parcel shall immediately proceed to rebuild and restore the improvements to the condition existing immediately prior to such damage or destruction, unless other plans are approved by the Architectural Review Board or the area is to be redeveloped as provided in Section 16.2. If the Owner fails to clean and secure a Parcel within 30 days after a casualty, the Association may, in accordance with the provisions of Section 10.12 paragraph (c), remove debris, raze or remove portions of damaged structures and perform any other clean up the Association deems necessary to make the Parcel safe and attractive. The cost of such clean-up shall be assessed to the Parcel Owner as an Individual Parcel Assessment.

# 8 Association Budget

*To fulfill its obligation to maintain the Commons and other maintenance obligations under this Declaration, the Board is responsible for the fiscal management of the Association.*

8.1 Fiscal Year. The fiscal year of the Association shall begin January 1 of each year and end on December 31 of that year, unless the Board selects a different fiscal year.

8.2 Budget Items. The budget shall estimate total expenses to be incurred by the Association in carrying out its responsibilities. These expenses shall include, without limitation, the cost of wages, materials, insurance premiums, services, supplies and other expenses for the rendering of all services required by this Declaration or properly approved in accordance with this Declaration. The budget may also include reasonable amounts, as determined by the Board, for working capital for the Association and for reserves. If the Commons are taxed separately from the Parcels, the Association shall include such taxes as part of the budget. Fees for professional management of the Association, accounting services, legal counsel and other professional services may also be included in the budget.

8.3 Reserves. The Association may build up and maintain reserves for working capital, contingencies and replacement, which shall be included in the budget and collected as part of the annual General Assessment. Extraordinary expenses not originally included in the annual budget that may become necessary during the year shall be charged first against such reserves. Except in

the event of an emergency, reserves accumulated for one purpose may not be expended for any other purpose unless approved by a majority vote of the Members. If the reserves are inadequate for any reason, including nonpayment of any Member's assessment, the Board may at any time levy an emergency assessment in accordance with the provisions of Section 9.4 ("Special Assessment"). If there is an excess of reserves at the end of the fiscal year and the Board so determines, the excess may be returned on a prorated basis to all Members who are current in payment of all assessments due the Association, or may be used to reduce the following year's assessments.

8.4 Approval. The Board shall review and approve the budget prior to the beginning of the fiscal year for which it applies in accordance with the Bylaws. If General Assessments are to be increased to greater than 115% of the previous year's General Assessment which was not a year in which General Assessments were guaranteed in whole or in part by Founder, and petitions signed by at least 10% of all Members request review within thirty (30) days after the budget is delivered to Members, the Board shall call a Neighborhood Meeting to present the budget and to answer any questions. After presentation, the budget shall be deemed approved unless the percentage required to transact business is present and the budget is rejected by a majority of the Members present. If the budget is rejected, the Board shall approve a new budget within ten (10) days and send a copy to each Member.

8.5 Effect of Failure to Prepare or Adopt Budget. The Board's failure or delay in preparing or adopting the annual budget for any fiscal year, or review of the budget under Section 8.4, shall not waive or release a Member's obligation to pay General Assessments whenever the amount of such assessments is finally determined. In the absence of an annual Association budget each Member shall continue to pay the assessment at the rate established for the previous fiscal period until notified otherwise.

8.6 Substantial Capital Improvements. Any substantial Capital Improvement to the Commons approved by the Board must be ratified by a majority of the Members. If the Members approve the substantial Capital Improvement, the Board shall determine whether it shall be paid from General Assessments or by Special Assessment. A Capital Improvement shall be considered substantial if the cost to the Association of the improvement is more than six percent (6%) of the Association's annual budget, or if, when added to other Capital Improvements for the fiscal year, totals more than ten percent (10%) of the Association's annual budget. However, any repair or replacement of existing improvements shall not be considered a Capital Improvement. Approval of the Architectural Review Board is required for all Capital Improvements. This paragraph shall not limit the right of the Founder to make improvements to the Commons.

8.7 Individual Parcel Expenses. Certain services may be provided by the Association but are to be assessed to the affected Parcels rather than be included in the common expenses. Where such services can be reasonably estimated in advance, the Association may budget for such expenses and assess the cost in advance to the affected Parcels, including the establishment of reserves.

8.8 Accounts. Reserves shall be kept separate from other Association funds, either in a single account for all reserves or separated by purpose. All other sums collected by the Board with respect to Assessments and charges of all types may be commingled in a single fund.

## 9 Covenants for Maintenance Assessments

*The cost of fulfilling the Association's financial obligations is divided equitably among the Members by means of Assessments. To assure the Association of a reliable source of funds and to protect those Members who contribute their equitable share, assessments are mandatory and are secured both by a lien on the Parcel and the Member's personal obligation.*

9.1 Obligation for Assessments. The Founder, for each Parcel owned within the property submitted by this Declaration or Supplemental Declaration to the Neighborhood, hereby covenants, and each Owner of any Parcel by acceptance of a deed or other transfer instrument, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association the following (to be known collectively as "Assessments"):

- (a) General Assessments for expenses included in the budget,
- (b) Special Assessments for the purposes provided in this Declaration, and
- (d) Individual Parcel Assessments for any charges particular to that Parcel,

together with a late fee and interest, as established by the Board, and cost of collection when delinquent, including a reasonable attorney's fee whether or not suit is brought. Upon default in the payment of any one or more installments, the Board may accelerate the entire balance of such Assessment, which shall be declared due and payable in full.

9.2 Equitable Division of Assessment. General Assessments and Special Assessments shall be assessed equally among Parcels. If an Owner combines two Parcels or parts of Parcels and uses them as a single Parcel, the Association may assess them as a single Parcel or other formula in accordance with regulations consistently applied.

9.3 General Assessments.

(a) Establishment by Board. The Board shall set the date or dates such assessments become due and may provide for collection of assessments annually or in monthly, quarterly or semiannual installments.

(b) Date of Commencement. The annual General Assessments shall begin on the day of conveyance of the first Parcel to an Owner other than the Founder. The initial Assessment on any Parcel subject to assessment shall be collected at the time title is conveyed to the Owner. During the initial year of ownership, each Owner shall be responsible for the prorated share of the annual General or Special Assessment charged to each Parcel, prorated to the month of closing.

9.4 Special Assessment. In addition to the General Assessment, the Board may levy in any fiscal year a Special Assessment applicable to that year and not more than the next four succeeding years as follows:

(a) Capital Improvements. Any substantial Capital Improvement that has been approved in accordance with Section 8.6 ("Substantial Capital Improvements") or any Capital Improvement not required to be approved by the Members may be paid by Special Assessment.

(b) Emergency Assessment. By a two-thirds (2/3) vote, the Board may impose a Special Assessment for any unusual or emergency maintenance or repair or other expense which this Declaration or the law requires the Association to pay (including, after depletion of reserves, any unexpected expenditures not provided by the budget or unanticipated increases in the amounts budgeted).

9.5 Individual Parcel Assessments. The Association may levy at any time an Individual Parcel Assessment against a particular Parcel for the purpose of defraying, in whole or in part, the cost of any special services to that Parcel or any other charges designated in this Declaration as an Individual Parcel Assessment.

9.6 Initial Contribution. At the closing and transfer of title of each Parcel to the first Owner other than the Founder or a builder for sale to an Owner, and upon each subsequent resale, the Owner shall contribute to the Association three months' assessments or \$250, whichever is greater. This contribution may be used by the Association for the purpose of initial and nonrecurring capital expenses of the Association, for providing initial working capital for the Association and for other expenses, and shall not be considered as a pre-payment of assessments.

9.7 Effect of Nonpayment of Assessment; Remedies

(a) Personal Obligation. All Assessments, together with any late fee, interest and cost of collection when delinquent, including a reasonable attorney's fee whether or not suit is brought (collectively, the "Assessment Charge") shall be the personal obligation of the person or entity who was the Owner of the Parcel at the time when the assessment was levied, and of each subsequent Owner. No Owner may waive or otherwise escape liability for the Assessment Charge by abandonment of the Parcel.

(b) Creation of Lien. The Assessment Charge shall also be charged on the land and shall be a continuing lien upon the Parcel against which the Assessment Charge is made, which may be enforced upon recording of a claim of lien. This lien, in favor of the Association, shall secure the Assessment Charge which is then due and which may accrue subsequent to the recording of the claim of lien and prior to entry of final judgment of foreclosure. Any subsequent owner of the Parcel shall be deemed to have notice of the Assessment Charge on the land, whether or not a lien has been filed.

(c) Suit for Payment; Foreclosure of Lien. The Association may bring an action at law against the Owner personally obligated to pay the Assessment Charge, or may foreclose the lien

in a manner similar to foreclosure of a mortgage lien, or both. The Association, acting on behalf of the Owners, shall have the power to bid for an interest in any Parcel foreclosed at such foreclosure sale and to acquire, hold, lease, mortgage and convey the Parcel.

(d) Other Remedies. The Association shall have the right to assess fines and suspend the voting rights and right to use of the Commons by an Owner for any period during which any Assessment against his Parcel remains unpaid.

9.8 Certificate of Payment. The treasurer of the Association, upon request of any Owner, shall furnish a certificate signed by a member of the Board stating whether that Owner owes any assessments. Such certificate, when co-signed by the secretary of the Association, may be relied upon by a good faith purchaser or mortgagee as conclusive evidence of payment of any assessment therein stated to have been paid. Alternatively, the Board may delegate to the Association's management company the responsibility for preparing and executing such certificates.

## 10. Use of Individual Parcels

*The following covenants are designed to protect the quality of life for all Owners within the Neighborhood and to set a standard for reasonable cooperation within the community.*

10.1 Permitted Uses. Parcels are intended for residential use. To the extent permitted by law and subject to reasonable regulation by the Association, home industry that does not generate significant traffic, noise or odor or change the exterior appearance of a building shall be permitted. Signage for home-based business, if any, shall be regulated under the Design Code.

### 10.2 Prohibited Uses.

(a) Nuisances, Unlawful Use. No nuisance or immoral, improper, offensive or unlawful use shall be permitted to exist or operate on any Parcel or Commons. All laws, building codes, orders, rules, regulations or requirements of any governmental agency having jurisdiction shall be complied with, by and at the sole expense of the Owner or the Association, whichever shall have the obligation to maintain or repair the affected portion of the Neighborhood.

(b) Insurance. Nothing shall be done or kept on any Parcel or the Commons that will increase the rate of, or result in cancellation of, insurance for the Neighborhood or any other Parcel or its content, without the prior written consent of the Association.

(c) Soliciting. The Association may regulate or prohibit soliciting within the Neighborhood.

(d) Time Sharing. No time-share ownership of Parcels is permitted without the Association's approval. Leasing a building or ownership of a Parcel by a corporation, partnership or other entity or by not more than four individuals or married couples will not by itself constitute time-share ownership.

(e) Garage Sales. Garage sales, estate or yard sales, sample sales and similar kinds of sales activity from Parcels is permitted on an occasional basis. However, the holding of frequent sales from a particular Parcel will be considered a business and may be regulated, limited or prohibited by the Association.

10.3 Renting. Residential dwelling units may be rented, subject to reasonable rules and regulations as promulgated by the Board, which may be modified from time to time. The Board may set a minimum term for leases of up to seven months and may prohibit the leasing of a Parcel while the Owner is in default in the payment of Assessments. Outbuildings may not be leased apart from the main residential dwelling.

#### 10.4 Attractiveness and Safety of Parcels.

(a) Generally. Each Owner shall keep all parts of his Parcel in good order and repair and free from debris. The Design Code or the Association may regulate placement and maintenance of garbage and trash containers, and fuel or gas storage tanks, and other matters affecting the attractiveness or safety of Parcels.

(b) Sports Equipment. Play structures, such as basketball hoops and swing sets, are encouraged but must be kept in good repair and shall be limited to back yards or alleys. Large play structures such as skateboard ramps that are visible from outside the Parcel may be prohibited or regulated.

10.5 Pets. Most pets are welcome so long as the pets don't cause an unsafe condition or unreasonable disturbance or annoyance.

(a) Types of Pets Permitted. Pets are limited to cats, dogs and birds, along with animals weighing less than five pounds that are not specifically prohibited by rule, that are contained inside the home in an aquarium, terrarium or cage and that are not poisonous or otherwise hazardous if they were to escape. The Association may further regulate the number and size of pets and may prohibit the keeping of particular breeds of dogs or other animals that it deems to create unreasonable danger or nuisance. If the Association or any governmental unit finds cats to be a threat to wildlife, the Association may by rule prohibit or restrict cats.

(b) Pet Behavior. Pets shall not be permitted to roam loose outside the Parcel, and shall not create unreasonable noise or odor. Owners shall collect and dispose of animal waste. The Association may designate specific areas within the Commons where pets may be walked, may prohibit pets on other areas, and may require pets to be on leash.

10.6 Signs. No sign, advertisement or notice of any type or nature whatsoever (including "For Sale" or "For Rent" signs) shall be erected or displayed upon any Parcel (including placement on the building, Yard or in any window) or upon the Commons unless specifically permitted by the Design Code. The Design Code may prohibit all types of signs within residential areas. However, the Founder shall be permitted to post and display advertising signs within the Neighborhood so

long as the Founder has any property for sale in the normal course of business, and hereby reserves an easement for reasonable use of the Commons for such purposes.

#### 10.7 Automobiles.

(a) Parking. Automobiles may be parked only in the garage or driveway of a Parcel, in unassigned parking areas as originally created by the Founder or in other parts of the Neighborhood which may be specifically designated in writing by the Board. All parking within the Neighborhood shall be in accordance with rules and regulations adopted by the Association. The Association reserves the right to regulate or prohibit the parking of trucks, buses or recreational vehicles, oversize vehicles, boats, and vehicles which display advertising or the name of a business.

(b) Good Repair. Only automobiles bearing current license and registration tags, as required by state law from time to time, may be parked on the Neighborhood. All such automobiles shall be in good running condition; repair of automobiles (other than emergency repair) or storage of disabled automobiles is not permitted within the Neighborhood.

(c) Garages. Garages shall not be converted to living space, blocked with storage items or otherwise made unusable for parking of cars within the enclosed space, it being the intent that cars be parked within garages whenever possible. Garage doors shall be kept closed except when automobiles are entering or leaving the garage.

(d) Visibility at Street Intersections. No obstruction to visibility at street intersections shall be permitted.

10.8 Mobile Homes; Temporary Structures. Mobile homes are prohibited, although the Founder may permit construction trailers and other temporary structures during construction. The Design Code or Association may prohibit or regulate structures of a temporary character, trailers, tents, shacks, barns, sheds or other outbuildings. However, reasonable, occasional use of tents for festive occasions or children's backyard camping is part of life and should be enjoyed. During parties and other special events, the Board may approve the use of tents, trailers and other temporary buildings on the Commons or elsewhere within the Neighborhood.

10.9 Rules and Regulations. The Board may from time to time adopt rules or amend previously adopted rules and regulations governing the details of the operation, use, maintenance and control of the Parcels, Commons and any facilities or services made available to the Owners. This right shall include without limitation the right to approve rental agents, contractors and subcontractors who do business within the Neighborhood. Rules and Regulations shall take effect immediately upon approval by the Board, or at a later date selected by the Board. If requested in writing by at least 10% of all Members, a Neighborhood Meeting may be called and any Rule or Regulation may be repealed by majority vote of the Members. A copy of the Rules and Regulations adopted from time to time shall be posted in a conspicuous place within the Neighborhood or furnished to each Owner.



10.10 Owner's Responsibility. Each Owner, family members of Owners and Owners' guests and tenants shall conform and abide by the covenants contained in this Declaration and any Rules and Regulations which may be adopted from time to time by the Board. Each Owner shall be responsible for assuring such compliance, and any violation by family members, guests or tenants may be considered to be a violation by the Owner.

10.11 Covenants Committee.

(a) Establishment. The Board shall establish a Covenants Committee to hear any complaints of violations of these Covenants or Rules and Regulations adopted by the Board. The primary goal of the Covenants Committee is not to punish but to conciliate and resolve problems. The Covenants Committee may suggest or approve dispute resolution agreements and withhold the requirement of paying a fine if the agreement is honored.

(b) Statutory Requirement. *Under §720.305, Florida Statutes, as currently written, a fine or suspension may not be imposed without notice of at least 14 days to the person sought to be fined or suspended and an opportunity for a hearing before a committee of at least three members appointed by the Board who are not officers, directors, or employees of the association, or the spouse, parent, child, brother, or sister of an officer, director, or employee. If the committee, by majority vote, does not approve a proposed fine or suspension, it may not be imposed.* It is intended that the Covenants Committee comply with the law and any changes to the law, which shall be automatically incorporated into this Declaration.

(c) Complaints. The Board or any resident or Owner may file a request with the Covenants Committee to hear an issue concerning possible violation of this Declaration or the Rules and Regulations. The Covenants Committee will notify the resident who is believed to be in violation, as well as the Owner of the Parcel, if different, and set a convenient date for a hearing.

(d) Hearing. The object of the hearing is to hear the various viewpoints and to attempt to reach an agreement that is acceptable to all parties. Sessions must be conducted with tact, dignity and respect. The Covenants Committee has the discretion to decide if the complaining party should participate in the hearing.

(e) Resolution. The Covenants Committee is to evaluate whether the resident or Owner has caused an unreasonable disturbance or other violation, and if so, to help reach a resolution. If the parties reach agreement and the Covenants Committee approves the agreement, the agreement is to be summarized in writing and signed by the parties, including the Covenants Committee. The Covenants Committee has the right to consider whether the same problem has arisen in the past and whether the resident has complied with previous agreements in evaluating the current agreement. If agreement is not reached, or if the parties do not comply with the agreement, or if the Covenants Committee determines by majority vote that a fine or suspension be imposed, the Covenants Committee is to make a report and recommendation to the Board for further action.

10.12 Enforcement. After receiving the report of the Covenants Committee, the Board may take any of the following actions:

(a) Fines and Suspension. *Section 720.305, Florida Statutes, permits fines of up to \$100 for each day of a continuing violation, except that no such fine shall exceed \$1000 in the aggregate unless otherwise provided in the governing documents.* If so recommended by the Covenants Committee, the Board has the right to assess fines up to the maximum allowed by law as that law may be amended from time to time, with no limit on the aggregate amount, and may restrict the resident's use of the Commons for up to sixty (60) days or until the violation is remedied, whichever is longer. This section is intended to automatically incorporate any changes to the statute cited above and to provide notice under the statute that aggregate fines may exceed \$1,000. Fines shall be charged against the Parcel as an Individual Parcel Assessment. Any fines collected shall be contributed to the general fund of the Association. However, the primary goal of this Declaration is not to punish but to resolve problems. The Association may suggest or approve agreements and withhold the requirement of paying a fine if the agreement is honored.

(b) Pets. If the Board finds that a pet causes an unsafe condition or unreasonable disturbance or annoyance or violates this Declaration or any of the Rules and Regulations concerning pets, the Board may require the resident or Owner to take steps to cure or limit the offensive condition. If such steps are ineffective, if the resident or Owner fails to cooperate or if the pet is considered to create an unsafe condition or unreasonable disturbance or annoyance, the Association may require that an Owner or resident permanently remove the pet from the Neighborhood.

(c) Corrective Action for Parcel Maintenance. If the Board determines that any Owner has failed to maintain any part of a Parcel (including the yard and any wall, fence, or building for which the Owner is responsible) in a clean, attractive and safe manner, in accordance with the provisions of this Declaration, Design Code and applicable Rules and Regulations, the Board shall notify the Owner of its findings and may assess fines. If the violation continues for ten days after notice to the Owner, the Association shall have the right without liability to enter the Parcel to correct, repair, restore, paint and maintain any part of such Parcel and to have any objectionable items removed from the Parcel. The Board may reduce or eliminate the time for notice if it believes the condition creates a hazard. All costs related to such action are to be assessed to the Owner as an Individual Parcel Assessment.

(d) Tenant Violations. If after notice to both the tenant and the Owner and opportunity for a hearing the Board determines that a tenant has violated this Declaration or Rules and Regulations, the Association may assess fines against the Owner. In addition, if the violation continues for ten days after notice to the Owner of the findings, or if the tenant materially violates the same covenant more than once in any one-year period, the Association shall have the right to evict the tenant, except tenants who are members of the Owner's family. Each Owner by acceptance of a deed irrevocably appoints the Association as its agent and attorney-in-fact in such an eviction action. All costs related to such action shall be charged to the Owner as an Individual Parcel Assessment.

(e) Additional Remedies: All remedies listed in this section are non-exclusive and may be applied cumulatively. The Association shall also have the right to bring suit to enforce the covenants contained in this Declaration, including the right to an injunction.

# 11 Design Code and Architectural Review Board

*The Design Code is intended to encourage individual design within a unifying guide for development. This Article establishes the Design Code and the Architectural Review Board, which administers the Design Code.*

11.1 Design Code. The Founder hereby establishes the Design Code as the plan for the construction of homes and other improvements within the Neighborhood. The Design Code does not need to be recorded to be effective.

11.2 Modification of Design Code. During the Development Period, the Founder may revise any part of the Design Code from time to time for any of the following reasons:

(a) To make changes which the Founder believes will better accomplish the objectives of the Neighborhood;

(b) To establish separate provisions as property is added to the Neighborhood in accordance with Section 2.3; or

(c) To adjust for market conditions.

After the Development Period, the Board of Directors of the Association by two-thirds vote may make modifications to the Design Code. If requested by petitions signed by at least 10% of the Members, a Neighborhood Meeting may be called and, if a quorum is present, the modification to the Design Code shall be repealed by majority vote of the Members. The Design Code may not be modified to impair the rights of Parcel Owners who have not yet constructed a home to build improvements that are substantially similar to those permitted during the Development Period.

## 11.3 Architectural Review Board.

(e) Establishment. The Founder hereby establishes the Architectural Review Board to administer the Design Code. The Architectural Review Board is not a committee of the Association but exists as a separate entity under the terms of this Declaration. At the discretion of the Founder, during the Development Period the Architectural Review Board may be the same entity as that for the Town Center or may be a separate entity. After the Development Period the Architectural Review Board for the Neighborhood shall be a separate entity unless the Boards of both the Neighborhood Association and the Town Center Association agree otherwise.

(b) Composition. The Architectural Review Board shall consist of at least three members. During the Development Period, the Founder shall select the members of the Architectural Review Board. After that time, the Board of Directors of the Association shall select the members of the Architectural Review Board, which may include members of the Board

of Directors. To the extent reasonably possible, the Architectural Review Board shall include one or more architects, designers, builders or other professionals with an interest in home design.

(c) Employees. The Architectural Review Board may employ personnel or contract with individuals or companies as necessary to assist in the review process.

(d) Compensation. Professionals and staff may be paid reasonable compensation for serving on the Architectural Review Board, as determined from time to time by the Founder or the Board, whichever is responsible for selection of the Architectural Review Board members. All members shall be compensated for expenses.

(e) Cost of Operation. The Founder or the Board, whichever is responsible for selection of the Architectural Review Board members, shall set the Architectural Review Board's review fees to cover all or part of the expected cost of its operation and shall fund any deficit. Fees shall not be intended to create a surplus, other than an ordinary operating capital fund for the Architectural Review Board to which any excess fees shall be contributed.

## 12. Design Review and Construction Regulation

*The Architectural Review Board will review all plans for construction, or modification, of any Parcel or Commons.*

### 12.1 Construction Subject to Review.

(a) Parcels. No tree or land clearing or grading or any construction is permitted on any Parcel until the Architectural Review Board has reviewed and approved construction plans and specifications. All construction must comply with the submitted and approved plans. Once a plan is approved, any modification to that plan, or any modification to the finished Parcel, must also be reviewed and approved.

(b) Commons. Construction of any structure upon the Commons (other than initial construction by the Founder), or modification of any existing structure, as well as any material alteration of the landscaping or topography of any Commons, must be approved in advance by the Architectural Review Board.

(c) Scope. The Design Code shall set standards for all aspects of the Parcel visible from the outside, including without limitation the size and shape of the building, its roof, windows, doors, porches and other components, placement on the lot, fences, drainage, paving and landscaping and all finish materials. The Design Code may also regulate the type, placement and number of residential or business units that may be constructed on a Parcel and the uses to which those units may be put. Review shall include materials and color selection and selection and placement of any ornamentation or functional accessories, including but not limited to the following:

- (i) materials and color selection for the main building and any outbuilding (including roof, doors, windows and trim);
- (ii) driveways, walks, patios and other ground surface materials;

- (iii) antennas, satellite dishes or receivers, solar panels or other devices that are visible from outside the Parcel;
- (iv) fountains, swimming pools, whirlpools or other pools;
- (v) privacy walls or other fences and gates;
- (vi) awnings, flower boxes, shelves, statues, or other outdoor ornamentation, and window coverings visible through the window;
- (vii) construction trailers or other trailers, temporary structures, tents, shacks, and sheds;
- (viii) signage of any type; and
- (ix) permanent or semi-permanent play equipment, whether or not secured, such as tree houses, basketball hoops, skateboard ramps and swing sets.

The listing of a category does not imply that such construction is permitted.

(d) Exception. Interior construction and modifications not affecting the external structure or appearance of any Building are not subject to review. However, construction drawings are required as part of the review process to assist in interpreting the design.

(e) Drainage. All plans shall comply with applicable drainage, water conservation, erosion control and stormwater detention requirements. In addition, drainage easements or swales may be apart of certain Lots for the purpose of managing and containing the flow of excess surface water, if any, found upon such Lot from time to time. Each 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 swale shall be authorized and any damage to any swale, whether caused by natural or human-induced phenomena, shall be repaired and the swale returned to its former condition as soon as possible by the Owner(s) of the Lot(s) upon which the swale is located.

(f) Modifications. Modifications after completion of construction, or additions or changes to the approved plans during construction, must be reviewed and approved. However, review is not required to paint with originally approved materials and colors, or to replace the roof or other components with duplicates of the original material. Significant new landscaping, grading and any removal or substantial pruning of trees or plants must be approved in advance.

## 12.2 Review Procedure.

(a) Application. The plans to be submitted for approval shall include (i) the construction plans and specifications, including all materials and colors, (ii) elevations of all proposed improvements (iii) proposed clearing, grading and landscaping, and (iv) all other items required by the Architectural Review Board. Plans and specifications for review shall be submitted in the form required by the Architectural Review Board.

(b) Uniform Procedures. The Architectural Review Board may establish forms and procedures for the review of applications, including review costs and fees, if any, to be paid by the applicant. The Architectural Review Board may provide lists of approved materials and may allow for staff review and approval of routine or minor matters.

(c) Basis for Decision. Applications shall be approved or denied based upon compliance with the provisions of the Design Code in effect at the time of the submittal, and overall quality of design. If the Architectural Review Board rejects an application due to overall design quality, despite compliance with the Design Code, the Architectural Review Board shall make suggestions for improving the design.

(d) Variances. The Architectural Review Board may grant variances from the Design Code based on existing topographical or landscape conditions, existing trees, or architectural merit. Any such variance must be in writing. Approval of a variance does not constitute a precedent for other applications, and such requests may be arbitrarily denied.

(e) Notification; Construction; Inspection. The Architectural Review Board shall make best efforts to notify the applicant of its decision within the time allowances set out in its design approval process handbook. However, a delay in reviewing an application shall not be deemed consent to construction. If approval is given, construction of the improvements may begin. If construction is not begun within six months after approval of the plans and specifications and there has been any change in the Design Code in the intervening months, then the approval will expire and the plans and specifications must be resubmitted.

(f) Inspection. The Architectural Review Board or its agent may inspect the property during construction but has no obligation to make any such inspection.

(g) Governmental Compliance. Owners are responsible for making sure that construction conforms to governmental regulations and all local building codes. If the Architectural Review Board notes noncompliance, the Owner will be required to make the necessary changes. However, the Architectural Review Board is not responsible for compliance with governmental requirements.

### 12.3 Approval of Architects, Builders.

(a) Generally. The creation of the Neighborhood streetscape depends on the quality of design and construction, and adherence to the Design Code. While architects and contractors are selected by the Owner, they must cooperate with the Architectural Review Board. Approval of architects and contractors is necessary to assure quality construction and a reasonable spirit of cooperation. Once granted, approval status may be reviewed and revoked or extended from time to time based on actual performance.

(b) Architects. Architects and house designers must be approved by the Architectural Review Board before submitting plans. Approval shall be based on quality of past work, client satisfaction and understanding of, and willingness to work within, the Design Code.

(c) Contractors. Contractors must be approved by the Founder or by the Architectural Review Board before building in the Neighborhood. Approval shall be based on willingness to build in accordance with approved plans and specifications, quality of past work, client satisfaction and financial history. Contractors must agree to comply with construction regulations, to dispose of construction debris properly and to build in accordance with the approved plans and specifications. Contractors must post a deposit for compliance and damages. Failure to comply may result in fines, forfeiture of the deposit and revocation of the right to build in the Neighborhood.

12.4 Sidewalks. The Owner shall be responsible for construction of sidewalks in accordance with the Design Code, even if those sidewalks are in the right-of-way or on land owned by the Association or Founder. Sidewalks must be installed upon the first to occur of the following: (i) during construction of the building, (ii) December 31, 2005, or (iii) when required by the City. Owner shall be responsible for any damage to the sidewalk resulting from construction on the Parcel.

#### 12.5 Trees.

(a) Tree Preservation. The Architectural Review Board may require the relocation and replanting of trees that must be removed for construction. If particularly significant trees are found within the building setback lines, the Architectural Review Board shall determine whether the placement of the building should be altered to accommodate the trees, or whether the trees may be removed.

(b) Tree Planting. The Design Code includes significant requirements for tree planting. The Owner may be required to install trees on the Parcel or in the right of way adjacent to the Parcel in accordance with the Design Code. The Founder may provide the trees, in which case the Owner shall be required to pay Founder for the cost.

(c) Protection. The cutting, removal or intentional damage of trees (including excessive pruning or failure to use due care with equipment or when removing other trees permitted to be removed) is prohibited except as specifically permitted under the Design Code.

12.6 Damage During Construction. The Parcel Owner shall be responsible for the repair and related cost of any damage to any other property within the master plan of SeaGrove, including but not limited to streets, curbs, landscaping and utilities, incurred during construction of improvements on the Parcel, whether caused by Owner, its agents, employees, contractors or suppliers. Owner agrees to promptly repair any damage and to remove any debris, mud or dirt carried by construction vehicles from Owner's Parcel to the street or other areas. Founder may, but shall not be obligated to, repair any damage, and Owner shall promptly reimburse Founder for all expenses incurred. In addition, Founder may determine in its reasonable discretion the total cost of repairing non-major damage to the various improvements described above that cannot be attributed to any particular Owner, and may divide the cost of such repair among all Parcels on a pro-rata basis, based on square footage.

## 12.7 Enforcement.

(a) Fines. The Architectural Review Board may require the builder or Owner to post a deposit from which the Architectural Review Board may deduct fines for failure to comply with the approved plans and specifications, tree regulations and rules for builder conduct. The collection of a fine shall not in any way diminish the available remedies at law or equity.

(b) Suit Permitted. If any construction is begun which has not been approved or which deviates from approved plans and specifications, the Architectural Review Board, the Founder or the Association may require the Owner to resolve the dispute through binding arbitration or may bring suit seeking damages, specific performance, declaratory decree and/or injunction, or any other remedy at law or in equity. The Board shall be empowered to bring suits on behalf of the Association. If suit is brought and the court finds that the construction was not approved or that the construction deviated from the approved plans or specifications, then the party bringing suit shall also be awarded reasonable attorney's fees, even if the relief requested is not granted.

(c) Trees. Improper cutting, removal or intentional damage to existing trees is subject to fines plus a requirement that the tree be replaced with an approved species of comparable caliper, or, if approved by the Architectural Review Board, a combination of trees totaling the caliper of the removed tree. The Architectural Review Board shall set fines.

(d) No Waiver. Failure to enforce any provision of these Master Deed Restrictions shall not be deemed a waiver of the right to do so at any time thereafter. Variances from the Design Code may be granted in particular circumstances; however, such variances shall not create a precedent for other applications.

12.8 Liability. The Architectural Review Board and its inspectors are concerned primarily with aesthetic considerations, and are not responsible for compliance with governmental requirements or design or construction defects or use of materials affecting the safety or structural integrity of the building. Approval by the Architectural Review Board of an application shall not constitute a basis for any liability of the Founder, or members of the Architectural Review Board, Board of Directors or Association for failure of the plans to conform to any applicable building codes or inadequacy or deficiency in the plans resulting in defects in the improvements, or for the performance or quality of work of any contractor or architect approved by it, or for non-compatible or unstable soil conditions or soil erosion, or any other condition of the property.



# 13 Building Time Limits

*The Building Time Limits apply during the early stages of the Neighborhood's development. While the requirement will usually be made part of sales documents, it is included here to provide additional terms and enforcement provisions, as well as legal notice of the restriction for subsequent purchasers.*

## 13.1 Founder's Intent.

(a) Purpose. To allow for neighborhood development and to discourage speculation which results in empty lots, the Owner of a Parcel must begin construction of a primary building on the Parcel, in accordance with plans and specifications approved by the Founder within a limited period of time, as described in Section 13.2, unless the deed or other recorded instrument from the Founder releases or modifies the restriction as to that Parcel.

(b) Holder of Rights. The right to enforce this Article 13 is held originally by the Founder, who may assign these rights at any time to the Architectural Review Board or to the Association. The time limit for construction does not apply to any Lots held by the Founder. At the end of the Development Period, all of the Founder's rights under this Article 13 shall be automatically assigned to the Association.

(c) Completion, Release of Restriction. Upon completion of a single-family residence in accordance with this section, Founder or the Architectural Review Board shall provide Owner with a release and satisfaction in recordable form. A single-family residence shall be considered complete when it has been constructed in accordance with the approved plans and specifications, including landscaping, and satisfies the requirements for receiving a certificate of occupancy from the municipality. Construction of an outbuilding without construction of the primary single-family residence fails to satisfy this requirement.

## 13.2 Construction Time Limit.

(a) Requirement. Unless otherwise specified on the deed or other recorded instrument executed by Founder, Owner shall begin construction of the single family residence on the Parcel within four years from the date of the original recording of the Neighborhood plat which includes the Parcel (the "Required Commencement Date") and diligently pursue construction until completion, including landscaping. Owner must submit plans and begin the architectural review process in sufficient time to begin construction on time.

(b) Unavoidable Delays. Failure to make significant progress during any thirty-day period or to complete the single family residence within twelve months from the start of construction shall be considered a failure to diligently pursue construction under (a), except in the case of casualty, extreme material shortages, extreme weather conditions or other significant matters beyond the builder's control.

### 13.3 Enforcement.

(b) Events of Default. If Owner fails to comply with the requirements of Section 13.2, then Founder shall have the right, but not the obligation, to repurchase the Parcel for the amount set out in paragraph (b). These rights shall be in addition to the Architectural Review Board's rights to enforce the requirements of Article 12.

(b) Repurchase Price. The repurchase price shall be equal to the amount paid by Owner to Founder or the current fair market value of the Lot, whichever is less, plus the cost or fair market value, whichever is less, of any improvements made in accordance with plans approved by the Architectural Review Board. Any mortgage or lien on the Parcel and all closing costs for the repurchase, plus a resale fee of 10%, shall be deducted from the amount paid to Owner by Founder.

(c) Time of Exercise. Unless Owner has obtained a release and satisfaction as provided in Section 13.1, and except as provided in Section 13.4, Founder may exercise its rights against Owner at any time up to three years after the Required Commencement Date. Founder may preserve its enforcement rights by recording, within three years after the Required Commencement Date, a lien or other notice of its intent to exercise its rights.

### 13.4 Subordination to Mortgage.

(a) Effect. Founder agrees to subordinate its right of repurchase to a Mortgagee under the terms of this section, which shall be effective whether or not noted in the deed. A Mortgagee in granting a mortgage subject to this right of repurchase agrees to these terms. Except as described in this section, Founder's right of repurchase shall not be subordinate to any other encumbrances.

(b) Assumption of Mortgage. If Founder exercises its right of repurchase while Mortgagee's mortgage encumbers the Parcel, Founder shall take the Parcel subject to the mortgage, and Mortgagee in granting a mortgage subject to this right of repurchase agrees to allow Founder to assume the mortgage.

(c) Mortgage Foreclosure. If Mortgagee files a foreclosure of its mortgage or accepts a deed in lieu of foreclosure before the Required Commencement Date or within three years thereafter and a release and satisfaction has not been recorded as provided in Section 13.1, Founder shall be notified of the foreclosure action or conveyance. Founder's rights of enforcement under Section 13.3 shall not be extinguished by foreclosure or deed in lieu of foreclosure but shall continue as a restriction on the Parcel.

(d) Extension. If Mortgagee has acquired title through a foreclosure action or a deed in lieu, then Mortgagee may give notice to Founder that it wishes to extend the Required Commencement Date or, if construction has begun, extend the time for construction. Founder shall be given thirty (30) days after such notice from Mortgagee in which to exercise a repurchase right by payment to Mortgagee of the foreclosure judgment (or amount owed, for deed in lieu), plus interest at the stated rate of the note (not default rate) provided by the mortgage at the time

of foreclosure or deed in lieu. Founder may exercise such rights whether or not the conditions for default under Section 13.3 are met at the time the notice is given. If Founder does not exercise its repurchase right, then Founder shall grant, in recordable form, an extension of the construction period provided in Section 13.2 as follows:

- (i) If construction of the single-family residence has not begun, the new Required Commencement Date shall be two years from the foreclosure judgment or deed in lieu.
- (ii) If construction of the single family residence has begun, Mortgagee shall be allowed six months from the date of the foreclosure judgment or deed in lieu to contract with a builder and to receive approval for any modifications to the approved plans and specifications. Mortgagee or Mortgagee's assignee must then diligently pursue construction until completion, including landscaping.

Subject to the extended dates, Founder's rights of enforcement under Section 13.3 shall continue as a restriction on the Parcel.

13.5 Resale Restriction; Right of First Refusal. If Owner has not constructed a single family residence on the Parcel in accordance with approved plans and specifications prior to reselling the Parcel, the Parcel shall remain subject to the requirements and remedies set out in this Article 13. The requirement to begin construction as described in Section 13.2 shall continue to run from the plat date, unless the Founder in Founder's sole discretion agrees to an extension. In the event of such a proposed sale, Founder shall have a right of first refusal to repurchase the Parcel on the same terms and conditions Owner intends to accept. Founder shall have five (5) business days from receipt of Owner's written notice to notify Owner whether Founder will exercise its right. If Founder does not exercise its right, then Owner may sell the Parcel to another purchaser, but only for the same price and terms offered to Founder. If Owner does not consummate that sale, Founder's right of first refusal applies to all subsequent offers. Founder's right of first refusal shall automatically terminate when Founder no longer has any lots for sale in the Neighborhood, including all subsequent phases.

## 14. Founder's Reserved Rights

*Some of the rights contained in this Article apply only to the Development Period or other stated period of time while others last indefinitely.*

14.1 Selection of Board. The Founder shall appoint and remove the initial officers and members of the Board and may elect a majority of the Board until required by law to end its control of the Board. No later than sixty days after completion of the first thirty (30) single family residences within the Neighborhood, Parcel owners other than the Founder shall have the right to elect at least one member of the Board. Elections shall be conducted in accordance with the Bylaws. The Founder may voluntarily surrender the right to appoint and remove officers and members of the Board before termination of the control period, in which case the Founder reserves the right to record an instrument specifying that certain actions of the Association or Board must be approved by the Founder before they become effective.

14.2 Guarantee of Assessments. The Founder shall pay General Assessments and Special Assessments on all Parcels it owns which have been made part of the Neighborhood. However, the Founder shall be excused from payment of assessments if the Founder guarantees to Parcel owners that their Assessments during the "Guarantee Period," as defined below, shall not exceed the amounts shown in the then-current estimated operating budget. If the Founder offers such a guarantee, the Founder agrees to pay any Common Expenses incurred during the Guarantee Period, which exceed the amount produced by Assessments during that time. The "Guarantee Period" may begin at Founder's discretion at any time within the first three years after the recording of this Declaration in the public records of St. Johns County, Florida and shall end at the beginning of the next fiscal year. The Guarantee Period shall then be automatically extended for successive six-month periods up to an additional five years unless terminated upon written notice by the Founder to the Association at least 30 days before the end of the then-current Guarantee Period. During the Guarantee Period, the General Assessments may be increased by up to 15% per year.

14.3 Easements in Favor of the Founder. In addition to the easements in Section 6.2, the Founder reserves for itself and its assigns the following easements in perpetuity:

(a) Construction. To the extent reasonably necessary, an easement over, under and through any roads, whether public or private, and any other Commons for construction equipment and any other purpose related to continued construction of any property within the Master Plan Area. This easement shall expire when all improvements to the Master Plan Area are complete.

(b) Cable. An exclusive easement for installation, replacement, repair and maintenance of cable and fiber optic systems. By virtue of this easement the Founder, and its successors or assigns, may install and maintain facilities and equipment, excavate for such purposes and affix and maintain wires, circuits and conduits. However, the exercise of this easement must not unreasonably disturb each Owner's right of quiet enjoyment of his Parcel.

(c) Gas. An exclusive easement for installation, replacement, repair and maintenance of underground pipes for the distribution of propane or natural gas or both. By virtue of this easement the Founder, and its successors or assigns, may install and maintain facilities and equipment and excavate for such purposes. However, the exercise of this easement must not unreasonably disturb each Owner's right of quiet enjoyment of his Parcel.

14.4 Models; Sales and Management Offices. The Founder reserves for itself and its assigns the right to maintain a sales office, a management office and an unlimited number of models within the Neighborhood during the Development Period. These facilities may be located on any Parcel in the Neighborhood and may be relocated from time to time at the Founder's discretion. The sales office, management office and models may be owned by different entities, including builders and other entities, which are unrelated to the Founder. At the end of its use as a sales or management office or model, the Parcel shall be owned by the owner of record, subject to all normal covenants and restrictions for the Neighborhood. Subject to state law and local ordinances, the Founder or its assigns may maintain signs on the Commons and on the sales office, management office and models advertising the Neighborhood.

14.5 Commercial Use of Images. The Founder shall have the following rights:

(a) the exclusive right to grant permission for the Commons to be photographed, sketched, painted or its image otherwise reproduced for commercial use (including without limitation its use as a motion picture set or as a background for the display of fashions or other goods), and

(b) the right to grant permission for similar reproduction of the exteriors of any other part of the Neighborhood that can be viewed from streets, alleys or Commons. Such exteriors may be reproduced without the consent of, or payment to, the Parcel Owner, but the above right is not intended to prevent any Parcel Owner from granting independent permission for any part of the Neighborhood owned exclusively by that Owner, in which case the consent of the Founder shall not be required.

The Founder may collect a fee for its consent to the use of such images, or for the providing of support services to photographers or others. The exercise of these rights shall not interfere with normal and customary rights of architects as to structures designed by them. Consent of the Founder shall not be required for photography or other reproductions of the images of the Neighborhood in connection with any news or feature coverage, for academic purposes, or by any governmental agency interested in the promotion of tourism or commerce or any other similar purpose.

14.6 Trademark. The name "SeaGrove St. Augustine Beach" is a trade name owned by the Founder.

14.7 Modification of Commons. During the Development Period, the Founder reserves the right to modify the design of the Commons, to make further improvements and to provide landscape maintenance and other maintenance in addition to that provided by the Association.

## 15. Purchase and Sale of Commons

*The following provisions are rarely if ever to be used, but are intended to provide flexibility over the life of the community.*

15.1 Purchase of Additional Commons. The Association may acquire additional real property to be owned as Commons. The decision to acquire additional Commons (other than that added by the Founder), whether by purchase or lease or other means, shall be authorized by a two-thirds vote of the Board of Directors. If the purchase or lease is costly enough to be considered a substantial Capital Expense, it must be approved as described in Section 8.6.

15.2 Sale or Lease for Community Benefit. Although it would be unusual, the Association may sell, donate or grant long-term leases for small portions of the Commons or exchange parts of the Commons for other property inside or outside SeaGrove when the Board finds that it benefits the community in at least one of the following two ways:

(a) The conveyance is intended to benefit the community in ways other than the revenue, if any, to be derived from the transaction. *For instance, the Association may convey or exchange property if necessary to improve access to SeaGrove or to improve utility service.*

(b) The revenue to be derived is significant and the use and appearance of the Commons is not significantly impaired. *For instance, the Association might sell or lease small amounts of space for cellular telephone transmission equipment if such equipment were not obtrusive.*

Any decision to donate, sell, exchange or lease any portion of the Commons must be approved by two-thirds of the Board. A transaction for sale, exchange or lease for a term of more than one year, including all tenant renewal options, cannot be completed until thirty days after notice to Owners. If requested by at least 10% of the Owners within the 30-day period, a meeting of Owners must be held following at least 7-days notice and, if a quorum is present in person or proxy, the decision to purchase, sell, exchange or lease may be rescinded by majority vote of the Owners present. Any contract with a third party for the purchase, sell, exchange or lease of the Commons should be contingent upon this right of rescission, unless the Board has previously passed a resolution describing the intended transaction and giving 30-days notice.

15.3 Corrective Instruments: The Association, by approval of two-thirds vote of the Board, may also execute corrective instruments, settle boundary line disputes and resolve other title matters concerning the Commons.

#### 15.4 Dedication.

(a) Common Roads. The Founder or Association shall have the right to convey title to or dedicate the Common Roads to the appropriate public agency or authority.

(b) Commons. All other Commons may be dedicated to the public by the Board upon consent in writing of two-thirds of all Members.

15.5 Condemnation. If all or part of the Commons is taken or condemned by any authority having the power of eminent domain, all compensation and damages shall be paid to the Association. The Board shall have the right to act on behalf of the Association with respect to the negotiation and litigation of the taking or condemnation affecting such property.

15.6 Other Conveyances. Except as specifically permitted by this Declaration, the Commons cannot be mortgaged or conveyed or used for commercial purposes without the approval of at least two-thirds of the Parcel Owners other than the Founder, plus the consent of the Founder so long as the Founder has any Parcel for sale in the normal course of business.

# 16. Amendment, Redevelopment and Termination

*Property Owners should be able to rely on the Declaration and the general principles it states. Amendment should not be easy. However, new solutions will be proposed from time to time to make the Association operate more efficiently or to adjust to changing conditions. Where clearly to the community's benefit, these new provisions should be incorporated into the Declaration.*

## 16.1 Amendment.

(a) By Members. This Declaration, including vested rights, may be amended at any time by an instrument signed by the president or vice president and secretary of the Association, certifying approval in writing by two-thirds (2/3) of all Members. Any amendment during the Development Period shall require Founder's consent. Rights reserved to the Founder may not be amended at any time without the specific consent of the Founder.

(b) By the Founder. The Founder specifically reserves the absolute and unconditional right, at any time during the Development Period, to amend this Declaration without the consent or joinder of any party (i) to conform to the requirements of the Federal Home Loan Mortgage Corporation, Veterans Administration, Federal National Mortgage Association or any other generally recognized institution involved in the guarantee or purchase and sale of home loan mortgages, (ii) to conform to the requirements of institutional mortgage lenders or title insurance companies, or (iii) to clarify the Declaration's provisions or correct errors.

(c) Limitation. Whenever any action described in this Declaration requires approval of greater than two-thirds (2/3) of the Members, amendment of that provision shall require the same percentage vote as would be required to accomplish that action directly. Any amendment concerning the Drainage System requires the written consent of the St. Johns River Water Management District. In addition, any amendment to Section 2.4 shall require the written consent and joinder of the Benefited Parties as defined in that section.

(d) Recording. Any amendment shall take effect upon recording in the public records.

## 16.2 Redevelopment. All or a portion of the Neighborhood, known as a "Redevelopment Area," may be purchased for redevelopment in accordance with the following provisions:

(a) Purpose. If the Neighborhood should ever be struck by a natural disaster or other casualty, all or a portion of the Neighborhood might be destroyed and need to be rebuilt. In general, after any casualty loss, improvements are to be rebuilt in accordance with the original plan. Alternatively, this section provides a method for redevelopment in accordance with a new plan when Parcel Owners representing sixty seven percent (67%) of the votes in the Association, and a majority of the Mortgagees agree that it is necessary and desirable to do so. This super-majority approval is designed to protect individual property owners' rights and expectations in their property. However, when such consensus is achieved, this section allows redevelopment, while continuing to protect the dissenting owners by assuring payment to them of fair market

value, plus a relocation allowance. The same method may be used when, after long periods of time, changing uses and conditions make redevelopment desirable.

(b) Redevelopment Area. A Redevelopment Area is a portion of the Neighborhood, which must be a defined, logical section for redevelopment. Both the plan for redevelopment and exercise of the purchase option for a Redevelopment Area must be approved by the Architectural Review Board and the Board prior to exercise of the option. The plan for redevelopment may include modification of the Design Code or termination of the Declaration for the Redevelopment Area. If the Declaration is terminated for a Redevelopment Area, the Board may sell or donate to the Owners within the Redevelopment Area the Commons located there, reserving access and use easements as appropriate.

(c) Purchase Option; Time When Available. The option to purchase Parcels within the Neighborhood for redevelopment is not available until the occurrence of one of the following:

(i) Any time after fifty (50) years from the recording of this Declaration, or

(ii) Upon a casualty loss destroying at least 75%, by value, of the insurable improvements, either within the entire Neighborhood, or within a Redevelopment Area. The option period for a casualty loss ends ninety (90) days after the casualty, and if the option is not exercised within that time, the damage must be repaired in accordance with Section 7.7 ("Repair and Reconstruction after Fire or Other Casualty").

(d) Requirements for Exercise. If Owners representing sixty seven percent (67%) of the Member's votes within the Neighborhood or the Redevelopment Area, as applicable, and Mortgagees holding mortgages on a majority of the Parcels encumbered by mortgages, wish to make a new use of that portion of the property, such Owners may exercise an option to purchase the remaining Parcels. The option to purchase must be executed by all Owners of all Parcels seeking the option, and must include all remaining Parcels.

(e) Delivery of Option; Closing. The option to purchase (or copy of the original, executed option) must be delivered in person or by registered mail to each Owner of a Parcel to be purchased. The sale price shall be paid in cash or upon terms approved by the seller, and the sale shall be closed in a timely fashion following determination of the sale price.

(f) Price. The price for each Parcel to be purchased shall be its fair market value determined by agreement between the seller and purchaser within 30 days of the delivery or mailing of the notice. In the absence of agreement, the purchasing Owners and the selling Owners shall each select a real estate appraiser, which appraiser shall then choose a third appraiser, and the purchase price shall be the average (mean) of the three appraisals. The fair market value of the property shall be determined in its present, as-is condition, subject to the Declaration, and the seller shall be entitled to any insurance proceeds attributable to that Parcel distributed on account of the casualty loss. The purchaser shall pay the expense of the appraisals and all closing costs.



(g) Relocation Allowance. In addition to the purchase price, the purchaser shall pay to the seller a relocation allowance of five percent (5%) of the purchase price.

(h) Enforcement. A judgment of specific performance of the purchase based upon the determination of the price by the appraisers may be entered in any court of competent jurisdiction.

(i) Limitation. If necessary for this section's validity under the Rule Against Perpetuities or similar law, this option shall expire 90 years from the time of recording of this Declaration, or whatever greater time period allowed by law.

16.3 Duration; Termination. The covenants and restrictions contained in this Declaration shall run with and bind the Neighborhood and shall inure to the benefit of and be enforceable by the Founder, the Association, and all Owners of property within the Neighborhood, their respective legal representatives, heirs, successors or assigns for twenty years, and shall be automatically extended for each succeeding ten year periods unless an instrument signed by Owners representing 90% of the votes in the Association shall have been recorded, agreeing to terminate the Declaration as of a specified date.

This Declaration may also be terminated in any of the following ways:

(a) Unanimous Consent. The Declaration may be terminated at any time by the consent in writing of all Owners.

(b) Dedication of Commons. The Declaration may be terminated by consent in writing by Members representing two-thirds (2/3) of the votes in the Association, if the Commons have been accepted for dedication or taken by eminent domain by the appropriate unit of local government (or, if alleys or footpaths are not accepted for dedication, they have been conveyed to the adjacent Parcel Owner, reserving an easement for continued use).

(c) Redevelopment. The Declaration may be terminated for all or a part of the Neighborhood in accordance with the redevelopment provisions of Section 16.2.

16.4 Rerecording. Unless this Declaration is terminated, the Association shall rerecord this Declaration or other notice of its terms at intervals necessary under Florida law to preserve its effect.

# 17. General Provisions

- 17.1 Interpretation. The provisions of this Declaration shall be liberally construed to effectuate their purpose of creating a uniform and consistent plan

for the development and operation of the Neighborhood as a community of the highest quality. The italicized portions at the beginning of each Article are intended to state the purposes for the provisions that follow and may be used as an aid to interpretation. However, if the italicized portion conflicts with the operative provision, the operative provision shall govern.

17.2 Invalidity. The invalidity of any part of this Declaration shall not impair or affect the validity or enforceability of the rest of the Declaration, which shall remain in full force and effect.

17.3 Enforcement of Declaration.

(a) Enforcement. Suit may be brought against any person, persons or entity violating or attempting to violate the provisions of this Declaration, either to restrain violation or to recover damages, and against his or its property to enforce any lien created by this Declaration. To enforce this Declaration or the Rules and Regulations, the Association, the Founder or any Owner may bring an action for damages, specific performance, declaratory decree or injunction, or any other remedy at law or in equity. The Board shall be empowered to bring suits on behalf of the Association.

(b) No Waiver. Failure to enforce any provision of this Declaration or the Rules and Regulations shall not be deemed a waiver of the right to do so at any time thereafter.

(c) Association's Legal Fees. Any and all costs, including but not limited to attorneys' fees and court costs, which may be incurred by the Association in the enforcement of any of the provisions of this Declaration, whether or not suit is brought, may be assessed as an Individual Parcel Assessment to the Owner against whom such action was taken.

17.4 Notices. Any notice required to be sent to the Owner shall be deemed to have been properly sent when mailed, postage prepaid, or hand delivered to the Parcel and, if different, to the last known address of the person who appears as Owner of the Parcel as that address is stated on the records of the Association at the time of the mailing.

17.5 Gender and Number. The use of the masculine gender herein shall be deemed to include the feminine gender and the use of the singular shall be deemed to include the plural, whenever the context so requires.

17.6 Consent of Mortgagees.

(a) When Consent Required. This Declaration contains provisions concerning various rights, priorities, remedies and interests of Mortgagees. Such provisions are to be construed as covenants for the protection of the Mortgagees on which they may rely in making loans secured by a mortgage on a Parcel. Accordingly, no amendment or modification of this Declaration specifically impairing such rights, priorities, remedies or interests of a mortgagee shall be adopted without the prior written consent of Mortgagees as provided in subsection (b). This section shall not be construed, however, as a limitation upon the rights of the Founder, the Association or the Members to make amendments, which do not adversely affect the Mortgagees.

(b) Percentage Required. Wherever consent of the Mortgagees is required, it shall be sufficient to obtain the written consent of Mortgagees holding a lien on a majority or more of all Parcels encumbered by a mortgage.

(c) Timely Response. Any such required consent shall be given promptly and shall not be unreasonably withheld. Any consent not given or denied within 30 calendar days of receipt of request for consent shall be deemed given.

17.7 Law to Govern. This Declaration shall be construed in accordance with the laws of the State of Florida.

IN WITNESS WHEREOF, the undersigned does hereby make this Declaration of Charter, Easements, Covenants and Restrictions for the Neighborhood and has caused this Declaration to be executed as of the day and year first above written.

WITNESSES:

Patricia H. Kelley  
print: Patricia H. Kelley

Mary K. Barr  
print: MARY K. BARR

JNM Beachside Development, Ltd.,  
a Florida limited partnership,  
by JNM Cooksey, Inc., its general partner

By: James N. McGarvey, Jr.  
James N. McGarvey, Jr., its president

STATE OF FLORIDA

COUNTY OF Duval

The foregoing instrument was acknowledged before me this 5 day of August, 2004, by James N. McGarvey, Jr., president of JNM COOKSEY, INC., a Florida corporation, on behalf of the corporation as general partner of JNM BEACHSIDE DEVELOPMENT, LTD., a Florida limited partnership. He is personally known to me or has produced a Florida driver's license as identification and did take an oath.



Patricia H. Kelley  
MY COMMISSION # DD101492 EXPIRES  
May 21, 2006  
BONDED THRU TROY FAIR INSURANCE, INC.

Patricia H. Kelley

Notary Public, State of Florida at Large

Serial Number:

## JOINDER AND CONSENT

The undersigned, the owner of Lots 2, 8, 20, 26, 37, and 38 in SeaGrove St. Augustine Beach Unit One, hereby consents and joins in the foregoing Declaration and agrees that their Lots are and shall be subject to the Declaration of Charter, Easements, Covenants and Restrictions For The Neighborhood at SeaGrove to be recorded in the public records of St. Johns County, Florida.

WITNESS

Meadowfield of Jacksonville, Inc.  
A Florida Corporation  
P.O. Box 7779  
Jacksonville, FL 32238

Kelly Morris  
Print Name: Kelly MORRIS

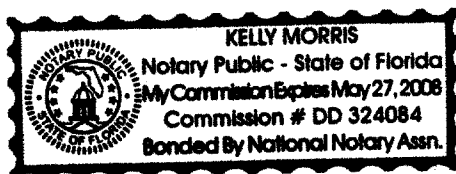
Mary K Yackel  
Print Name: Mary K Yackel

By: John B. Towers  
~~James D. Watson, President~~  
John B. Towers, Vice President

STATE OF FLORIDA

COUNTY OF Duval

The foregoing instrument was acknowledged before me this 14 day of July 2004, by James D. Watson. He is personally known to me        or has produced        as identification.



Notary Name: Kelly Morris  
My Commission #:                       
Commission expires:                       
(NOTARY SEAL)

## JOINDER AND CONSENT

The undersigned, the holder of a mortgage on Lots 2, 8, 20, 26, 37, and 38 in SeaGrove St. Augustine Beach Unit One, hereby consents and joins in the foregoing Declaration and agrees that these Lots are and shall be subject to the Declaration of Charter, Easements, Covenants, and Restrictions For The Neighborhood at SeaGrove and shall be recorded in the public records of St. Johns County, Florida.

Bank of America, N.A.  
9000 Southside Blvd., Bldg. 700  
2<sup>nd</sup> Floor  
Jacksonville, FL 32256

WITNESS

Betty J. Johnson  
Print Name: Betty J. Johnson

Crystal R. Pettway  
Print Name: CRYSTAL R. PETTWAY

G. Ross McWilliams  
Name: G. Ross McWilliams  
Title: Senior Vice President  
Dated: 4/27/04

STATE OF FLORIDA  
COUNTY OF Duval

The foregoing instrument was acknowledged before me this 27<sup>th</sup> day of April, 2004, by B. Ross McWilliams of Dr. Jim President, a national banking association on behalf of the corporation. They are personally known to me ✓ or have produced \_\_\_\_\_ as identification.

Notary Name: Betty J. Johnson  
My Commission #: \_\_\_\_\_  
Commission expires: \_\_\_\_\_  
(NOTARY SEAL)



## JOINDER AND CONSENT

The undersigned, the holder of a mortgage on Lots 4, 6, 14, 16, 18, 22, 24, 29, and 35 in SeaGrove St. Augustine Beach Unit One, hereby consents and joins in the foregoing Declaration and agrees that these Lots are and shall be subject to the Declaration of Charter, Easements, Covenants, and Restrictions For The Neighborhood at SeaGrove and shall be recorded in the public records of St. Johns County, Florida.

Watson HomeBuilders, Inc.  
P. O. Box 7779  
Jacksonville, FL 32238

WITNESS

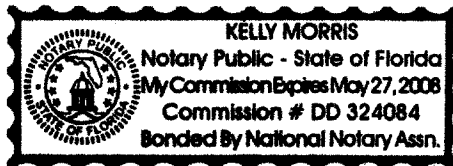
Kelly Morris  
Print Name: Kelly Morris

Mary K Yackel  
Print Name: Mary K Yackel

John B Towers  
Name: John B. Towers  
Title: Vice President  
Dated: July 14, 2004

STATE OF FLORIDA  
COUNTY OF Duval

The foregoing instrument was acknowledged before me this 14 day of July, 2004, by John B. Towers, Vice President of Watson Home Builders national banking association on behalf of the corporation. They are personally known to me \_\_\_\_\_ or have produced \_\_\_\_\_ as identification.



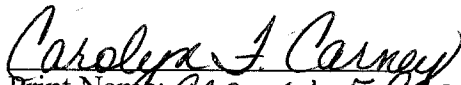
Notary Name: Kelly Morris  
My Commission #: \_\_\_\_\_  
Commission expires: \_\_\_\_\_  
(NOTARY SEAL)

## JOINDER AND CONSENT

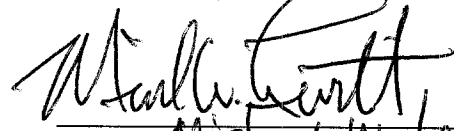
The undersigned, the holder of a mortgage on Lots 4, 6, 14, 16, 18, 22, 24, 29, and 35 in SeaGrove St. Augustine Beach Unit One, hereby consents and joins in the foregoing Declaration and agrees that these Lots are and shall be subject to the Declaration of Charter, Easements, Covenants, and Restrictions For The Neighborhood at SeaGrove and shall be recorded in the public records of St. Johns County, Florida.

WITNESS

  
 Print Name: DEBORAH D. BARBER


  
 Print Name: CAROLYN F. CARNEY

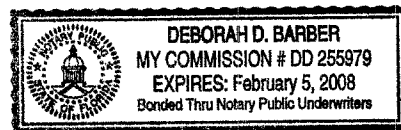
Fidelity Bank  
 10151 Deerwood Park Blvd.  
 Bldg. 200 Ste 100  
 Jacksonville, FL 32256

  
 Name: Michael W. Levitt  
 Title: Vice Pres  
 Dated: 7-19-04

STATE OF FLORIDA  
 COUNTY OF DUVAL

The foregoing instrument was acknowledged before me this 19<sup>TH</sup> day of June, 2004, by Michael W. Levitt of Fidelity Bank, a national banking association on behalf of the corporation. They are personally known to me ☒ or have produced \_\_\_\_\_ as identification.

  
 Notary Name: \_\_\_\_\_  
 My Commission #: \_\_\_\_\_  
 Commission expires: \_\_\_\_\_  
 (NOTARY SEAL)

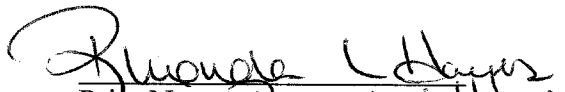



**JOINDER AND CONSENT**

The undersigned, the owner of Lots 1, 3, 7, 9, 27, 30, 32, 34, 36, 39, 40, 52, 64, 68, 74 in SeaGrove St. Augustine Beach Unit One, hereby consents and joins in the foregoing Declaration and agrees that their Lots are and shall be subject to the Declaration of Charter, Easements, Covenants and Restrictions For The Neighborhood at SeaGrove to be recorded in the public records of St. Johns County, Florida.

WITNESS

MERCEDES HOMES, INC.  
A Florida Corporation  
10475 Fortune Parkway, Ste 201  
Jacksonville, FL 32256

  
Print Name: Rhonda L Hayes

By:   
Cora M. Johnston, President  
Dennis Ginder, Vice President

  
Print Name: Stephanie L Richards

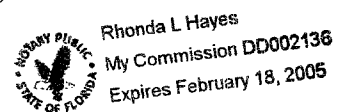
STATE OF FLORIDA

COUNTY OF Duval

The foregoing instrument was acknowledged before me this 13 day of July, 2004, by Cora M. Johnston, Dennis Ginder

~~He~~ She is personally known to me ✓ or has produced \_\_\_\_\_ as identification.

Notary Name: Rhonda L Hayes  
My Commission #: \_\_\_\_\_  
Commission expires: \_\_\_\_\_  
(NOTARY SEAL)





Schedule of Exhibits:

Exhibit A: Master Plan Area

Exhibit B: Articles of Incorporation, The SeaGrove Neighborhood Association, Inc.

Exhibit C: Bylaws, The SeaGrove Neighborhood Association, Inc.

## EXHIBIT "A"

1 of 3

A PARCEL OF LAND, BEING THE EAST 1/2, OF THE WEST 1/2, OF THE SOUTHEAST 1/4, OF SECTION 33, TOWNSHIP 7 SOUTH, RANGE 30 EAST, TOGETHER WITH THE SOUTHEAST 1/4, OF THE SOUTHEAST 1/4, OF AFORESAID SECTION 33, LYING WESTERLY OF STATE ROAD NO. 3, ANASTASIA BOULEVARD, (AS PER STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION RIGHT OF WAY MAP, SECTION NO. 78040-2551, DATED AND APPROVED ON 6/14/94), TOGETHER WITH THE NORTHEAST 1/4, OF THE NORTHEAST 1/4, OF SECTION 4, TOWNSHIP 8 SOUTH, RANGE 30 EAST, AND THAT PORTION OF THE NORTHWEST 1/4, OF THE NORTHWEST 1/4, OF SECTION 3, TOWNSHIP 8 SOUTH, RANGE 30 EAST, LYING WESTERLY OF AFORESAID STATE ROAD NO. 3, (SAID PORTION OF SECTIONS 3 AND 4, ALSO FORMERLY BEING A PORTION OF THE PLAT OF ORENDA, AS SHOWN ON THE PLAT THEREOF, RECORDED IN MAP BOOK 4, PAGE 5 OF THE PUBLIC RECORDS OF ST. JOHNS COUNTY, FLORIDA, SAID PORTION OF PLAT HAVING BEEN VACATED BY THAT RESOLUTION RECORDED IN DEED BOOK 262, PAGE 102 OF THE PUBLIC RECORDS OF ST. JOHNS COUNTY, FLORIDA, (EXCEPT LOTS 17, 18, 19, 20, BLOCK 1, AND A PORTION OF POINSETTA STREET, AND ALL OF OCEAN BOULEVARD), THAT RESOLUTION RECORDED IN OFFICIAL RECORDS BOOK 232, PAGE 20, (WHICH VATES THAT PORTION OF POINSETTA STREET, WHICH HAD NOT PREVIOUSLY BEEN VACATED), AND THAT RESOLUTION RECORDED IN OFFICIAL RECORDS BOOK 794, PAGE 660, (WHICH VACATES ALL OF OCEAN BOULEVARD); TOGETHER WITH LOTS 17, 18, 19 AND 20, BLOCK 1, ORENDA, AS SHOWN ON PLAT THEREOF, RECORDED IN MAP BOOK 4, PAGE 5 OF THE PUBLIC RECORDS OF ST. JOHNS COUNTY, FLORIDA, SAID PARCEL OF LAND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

FOR A POINT OF BEGINNING, BEGIN AT THE INTERSECTION OF THE WESTERLY RIGHT OF WAY LINE OF STATE ROAD NO. 3, ANASTASIA BOULEVARD, WITH THE SOUTH LINE OF THE NORTHWEST 1/4, OF THE NORTHWEST 1/4, OF SAID SECTION 3, TOWNSHIP 8 SOUTH, RANGE 30 EAST, (ALSO BEING THE SOUTH LINE OF THE FORMER PLAT KNOWN AS ORENDA, RECORDED IN MAP BOOK 4, PAGE 5 OF THE PUBLIC RECORDS OF SAID ST. JOHNS COUNTY, FLORIDA, AND RUN THENCE SOUTH 89° 33' 08" WEST, ALONG THE SOUTH LINE OF THE AFORESAID NORTHWEST 1/4, OF THE NORTHWEST 1/4, OF SAID SECTION 3, A DISTANCE OF 129.33 FEET, TO THE LINE DIVIDING SECTIONS 3 AND 4; RUN THENCE SOUTH 89° 24' 06" WEST, ALONG THE SOUTH LINE OF THE NORTHEAST 1/4, OF THE NORTHEAST 1/4, OF SAID SECTION 4, A DISTANCE OF 1,312.09 FEET, TO THE WEST LINE OF SAID NORTHEAST 1/4, OF THE NORTHEAST 1/4, OF SAID SECTION 4; RUN THENCE NORTH 00° 50' 24" WEST, ALONG LAST SAID LINE, A DISTANCE OF 1,321.90 FEET, TO THE NORTHWEST CORNER OF SAID NORTHEAST 1/4, OF THE NORTHEAST 1/4, OF SAID SECTION 4, (ALSO BEING THE SOUTHEAST

CORNER OF THE EAST 1/2, OF THE WEST 1/2, OF THE SOUTHEAST 1/4, OF SAID SECTION 33, TOWNSHIP 7 SOUTH, RANGE 30 EAST; RUN THENCE SOUTH  $89^{\circ} 23' 55''$  WEST, ALONG THE SOUTH LINE OF THE EAST 1/2, OF THE WEST 1/2, OF THE SOUTHEAST 1/4, OF SAID SECTION 33, A DISTANCE OF 656.03 FEET, TO THE SOUTHWEST CORNER OF AFORESAID EAST 1/2, OF THE WEST 1/2, OF THE SOUTH EAST 1/4, OF SAID SECTION 33; RUN THENCE NORTH  $00^{\circ} 58' 27''$  WEST, ALONG THE WEST LINE THEREOF, A DISTANCE OF 2,601.90 FEET, TO THE NORTH LINE OF THAT D.O.T. EASEMENT, PARCEL NO. 802, RECORDED IN OFFICIAL RECORDS BOOK 1211, PAGE 1892 OF THE PUBLIC RECORDS OF SAID ST. JOHNS COUNTY, FLORIDA; RUN THENCE NORTH  $89^{\circ} 58' 44''$  EAST, ALONG LAST SAID LINE, A DISTANCE OF 651.34 FEET, TO THE EAST LINE OF SAID EAST 1/2, OF THE WEST 1/2, OF THE SOUTHEAST 1/4, OF SAID SECTION 33; RUN THENCE SOUTH  $01^{\circ} 04' 44''$  EAST, ALONG LAST SAID LINE, (ALSO BEING THE WEST LINE OF THE PLAT OF ANASTASIA PARK, AS SHOWN ON THE PLAT THEREOF, RECORDED IN MAP BOOK 3, PAGE 65 AND OLEANDER PARK, AS SHOWN ON THE PLAT THEREOF, RECORDED IN MAP BOOK 4, PAGE 1, ALL IN THE PUBLIC RECORDS OF ST. JOHNS COUNTY, FLORIDA) A DISTANCE OF 1,282.56 FEET, TO THE SOUTHWEST CORNER OF AFORESAID OLEANDER PARK, (ALSO BEING THE NORTHWEST CORNER OF THE SOUTHEAST 1/4, OF THE SOUTHEAST 1/4, OF SECTION 33); RUN THENCE NORTH  $88^{\circ} 58' 28''$  EAST, ALONG THE NORTH LINE OF SAID SOUTHEAST 1/4, OF THE SOUTH EAST 1/4, OF SAID SECTION 33, (ALSO BEING THE SOUTHERLY LINE OF AFORESAID OLEANDER PARK, AND THEN THE SOUTHERLY LINE OF ANASTASIA PARK, A DISTANCE OF 1,101.21 FEET, TO A POINT ON THE AFORESAID WESTERLY RIGHT OF WAY LINE OF STATE ROAD NO. 3, ANASTASIA BOULEVARD; RUN THENCE ALONG THE AFORESAID WESTERLY RIGHT OF WAY LINE OF STATE ROAD NO. 3, RUN THE FOLLOWING SIX (6) COURSES AND DISTANCES: COURSE NO. 1: RUN THENCE SOUTHERLY, ALONG AND AROUND THE ARC OF A CURVE, CONCAVE WESTERLY, AND HAVING A RADIUS OF 5,679.58 FEET, THROUGH A CENTRAL ANGLE OF  $03^{\circ} 01' 24''$  TO THE RIGHT, AN ARC DISTANCE OF 299.71 FEET, TO THE POINT OF TANGENCY, LAST SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF SOUTH  $09^{\circ} 58' 48''$  EAST, 299.67 FEET; COURSE NO. 2: SOUTH  $08^{\circ} 28' 06''$  EAST, A DISTANCE OF 1,041.60 FEET, TO THE POINT OF CURVATURE, OF A CURVE LEADING SOUTHERLY; COURSE NO. 3: THENCE SOUTHERLY, ALONG AND AROUND THE ARC OF A CURVE, CONCAVE WESTERLY, AND HAVING A RADIUS OF 5,679.58 FEET, THROUGH A CENTRAL ANGLE OF  $03^{\circ} 08' 27''$  TO THE RIGHT, AN ARC DISTANCE OF 311.34 FEET, TO THE POINT OF TANGENCY, LAST SAID ARC BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF SOUTH  $06^{\circ} 53' 53''$  EAST, 311.30 FEET; CORSE NO. 4: SOUTH  $05^{\circ} 19' 39''$  EAST, A DISTANCE OF 483.07 FEET, TO THE POINT OF CURVATURE, OF A CURVE LEADING SOUTHEASTERLY; COURSE NO. 5: THENCE SOUTHEASTERLY, ALONG AND AROUND THE ARC OF A CURVE, CONCAVE NORTHEASTERLY, AND HAVING A RADIUS OF 2,914.79 FEET, THROUGH A CENTRAL ANGLE OF  $09^{\circ} 10' 29''$  TO THE RIGHT, AN ARC

3 of 3

DISTANCE OF 466.74 FEET, TO THE POINT OF TANGENCY, LAST SAID ARC BEING SUBTENDED BY A CHORD NEARING AND DISTANCE OF SOUTH 09° 54' 54" EAST, 466.24 FEET; COURSE NO 6: SOUTH 14° 27' 17" EAST, A DISTANCE OF 66.96 FEET, TO THE SOUTH LINE OF THE NORTHWEST 1/4, OF THE NORTHWEST 1/4, OF SAID SECTION 3, AND THE POINT OF BEGINNING.

Exhibit "B" to Declaration

ARTICLES OF INCORPORATION  
FOR  
SEAGROVE NEIGHBORHOOD ASSOCIATION, INC.,  
A FLORIDA NOT-FOR-PROFIT CORPORATION

The undersigned subscriber to these Articles of Incorporation, a Florida general corporation, hereby forms a not-for-profit corporation under the laws of the State of Florida.

ARTICLE I  
NAME

The name of the corporation is the SeaGrove Neighborhood Association, Inc. hereinafter referred to as the "Association." The street address of the Association is c/o James N. McGarvey, Jr., 432 Osceola Ave., Jacksonville Beach, Florida 32250.

ARTICLE II  
REGISTERED AGENT

The initial Registered Agent of the Association is James N. McGarvey, Jr. The street address of the Registered Agent is 432 Osceola Ave., Jacksonville Beach, Florida 32250.

ARTICLE III  
PURPOSES

The Association does not contemplate pecuniary gain or profit to its members. The Association's specific purposes are to provide for the maintenance and preservation of the property to be known as SeaGrove (the "Property") in accordance with the Declaration of Charter, Easements, Covenants and Restrictions, recorded or to be recorded in the public records of St. Johns County, Florida (the "Declaration") for the mutual advantage and benefit of the members of the Association, who shall be owners of separately conveyable property, such as a lot or condominium unit ("Parcel") within the Property. To promote the health, safety and welfare of the owners of Parcels, the Association shall have and exercise the following authority, powers and duties:

- (a) To exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in the Declaration, which is hereby incorporated by reference, as it may be amended from time to time, and all the powers and privileges of a not-for-profit corporation organized under Chapter 617, Florida Statutes.
- (b) To acquire, by gift, purchase or otherwise, own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association.
- (c) To operate, maintain and manage the surface water or stormwater management system(s) in a manner consistent with governmental requirements and applicable rules; to assist in the enforcement of the restrictions and covenants contained therein; and to 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, including but not limited to work within retention areas, drainage structures and drainage easements.

(d) To borrow money and to mortgage, pledge or hypothecate any and all of its real or personal property as security for money borrowed or debts incurred.

(e) To participate in mergers and consolidations with other nonprofit corporations organized for similar purposes.

#### ARTICLE IV MEMBERSHIP

Every person or entity who is a record owner of a Parcel within the Property shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Parcel.

#### ARTICLE V VOTING RIGHTS

Voting rights are assigned in accordance with the provisions of the Declaration. However, until the occurrence of certain events as described of the Declaration, the developer of the Property shall have the right to elect a majority of the members of the Board

#### ARTICLE VI BOARD OF DIRECTORS

The affairs of the Association shall be managed by a Board of Directors, who do not need to be members of the Association. The Board of Directors shall be selected as provided in the Declaration and Bylaws.

#### ARTICLE VII TERM OF EXISTENCE

This corporation shall commence existence with the filing of these Articles of Incorporation with the Secretary of State, Tallahassee, Florida. The corporation shall have perpetual existence unless sooner dissolved in accordance with the provisions herein contained or in accordance with the laws of the State of Florida.

#### ARTICLE VIII DISSOLUTION

The Association may be dissolved as provided in the Declaration. 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 that would comply with Section 40C-42.027, F.A.C. and be approved in

writing by the St. Johns River Water Management District prior to such termination, dissolution or liquidation.

#### ARTICLE IX OFFICERS

Subject to the direction of the Board, the affairs of this Association shall be administered by its officers, as designated in the Bylaws of this Association. Said officers shall be elected annually by the Board in accordance with the Bylaws.

#### ARTICLE X BYLAWS

The Bylaws of this Association shall be adopted by the first Board and recorded among the public records of St. Johns County, Florida. The Bylaws may be altered, amended, modified or repealed by (a) a majority of the Directors, or (b) assent in writing of members representing a majority of the voting interests. Any such modification shall be effective upon recording in the public records of St. Johns County.

#### ARTICLE XI AMENDMENTS

This Association reserves the right to amend or repeal any of the provisions contained in these Articles by approval in writing of two-thirds (2/3) of the membership.

#### ARTICLE XII SUPREMACY

These Articles and the Bylaws are subject to the Declaration and in the event of a conflict, the Declaration shall govern. In the event of a conflict between the Articles and Bylaws, the Articles shall govern.

#### ARTICLE XIII INDEMNIFICATION

This Association shall indemnify and hold harmless any and all of its present or former directors, officers, employees or agents, to the full extent permitted by law. Said indemnification shall include but not be limited to the expenses, including the cost of any judgments, fines, settlements and counsel's fees actually and necessarily paid or incurred in connection with any action, suit or proceeding, whether civil, criminal, administrative or investigative, and any appeal thereof, to which any such persons or his legal representative may be made a party or may be threatened to be made a party by reason of his being or having been a director, officer, employee or agent as herein provided. The foregoing right of indemnification shall not affect any other rights to which any director, officer, employee or agent may be entitled as a matter of law or which he may be lawfully granted.

ARTICLE XIV  
INCORPORATOR

The incorporator of the corporation is JNM Beachside Development, Ltd., a Florida limited partnership whose address 432 Osceola Ave., Jacksonville Beach, Florida 32250.

IN WITNESS WHEREOF, the incorporator has caused these Articles of Incorporation to be executed this 15 day of April, year of 2004.

WITNESSES:

Patricia H. Kelley  
print: Patricia H. Kelley

Mary K. Barr  
print: MARY K. BARR

JNM Beachside Development, Ltd.,  
a Florida limited partnership,  
by JNM Cooksey, Inc., its general partner

By: James N. McGarvey, Jr.  
James N. McGarvey, Jr., its president

STATE OF FLORIDA  
COUNTY OF Duval

The foregoing instrument was acknowledged before me this 15 day of April, 2004, by James N. McGarvey, Jr., president of JNM COOKSEY, INC., a Florida corporation, on behalf of the corporation as general partner of JNM BEACHSIDE DEVELOPMENT, LTD., a Florida limited partnership. He is personally known to me or has produced a Florida driver's license as identification and did take an oath.

Patricia H. Kelley

Notary Public, State of Florida at Large  
Serial Number:



Patricia H. Kelley  
MY COMMISSION # DD101492 EXPIRES  
May 21, 2006  
BONDED THRU TROY FAIR INSURANCE, INC.



# Certificate of Status

I certify from the records of this office that SEAGROVE NEIGHBORHOOD ASSOCIATION, INC. is a corporation organized under the laws of the State of Florida, filed electronically on April 15, 2004.

The document number of this corporation is N04000003804.

I further certify that said corporation has paid all fees due this office through December 31, 2004, and its status is active.

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

I further certify that this is an electronically transmitted certificate authorized by section 15.16, Florida Statutes, and authenticated by the code noted below.

Authentication Code: 040416120746-200032883942#1

Given under my hand and the  
Great Seal of the State of Florida  
at Tallahassee, the Capital, this the  
Sixteenth day of April, 2004



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

Exhibit "C" to Declaration

BYLAWS  
FOR

## SEAGROVE NEIGHBORHOOD ASSOCIATION, INC.,

A FLORIDA NOT-FOR-PROFIT CORPORATION

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Introduction

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The SeaGrove Neighborhood Association, Inc. (the "Association") is organized as a not-for-profit corporation under Chapter 617, Florida Statutes. It is also subject to the special provisions of Chapter 720, Florida Statutes, for homeowners' associations. These Bylaws were written to comply with those chapters at the time the Association was formed. However, those laws may change, and the Association is required to comply with changes to the law.

The Bylaws are attached as an exhibit to the Declaration of Charter, Easements, Covenants and Restrictions for the Neighborhood at Seagrove, recorded or to be recorded in the public records of St. Johns County, Florida. The Articles of Incorporation, the document that legally created the corporation under state law, is also an attachment to the Declaration. A corporation's Bylaws provide the details for running the organization. They must not contradict the statutes, the Declaration or the Articles of Incorporation but they fill in the gaps.

These Bylaws incorporate certain relevant portions of Chapter 720, which are shown in italics with a bar to the left to set them off from the rest of the text. These Bylaws do not restate those procedures that are adequately described in the statute, and the Association should follow the statutory requirements. In some cases, the statutes have been reformatted to make them easier to read, and extraneous paragraphs have been deleted. Where the statute uses the term "developer," it shall refer to the Founder as defined in the Declaration. The entire statute is not included and should be consulted for additional provisions.

Bylaws are intended to be easier to amend than either the Declaration or the Articles of Incorporation so that the Association can adjust the Bylaws to its needs. Any amendments to the Bylaws must be recorded in the public records of St. Johns County as an amendment to the Declaration. However, any amendments to the statute shall be automatically incorporated into these Bylaws and do not need to be approved or recorded, although such changes should be noted the next time the Bylaws are amended for any other purpose.

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I. Members

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1.1 Membership. The Members of the Association are the owners of separately conveyable parcels of real property ("Parcels") in the residential portion of SeaGrove (the "Neighborhood") as described in the Declaration. The membership of each Owner shall terminate when he or she ceases to be an Owner of a Parcel. Upon the sale, transfer or other disposition of his ownership interest in a Parcel, membership in the Association shall automatically be transferred to the new Parcel Owner. The Association may issue certificates evidencing membership.

1.2 Shares; Votes. Each Member shall have an interest in the funds and assets of the Association and shall be assigned a vote as set out in the Declaration.

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## II. Membership Meetings

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**Editor's Note:** A quorum is the percentage of membership necessary to conduct business of the Association at a meeting. State law allows those physically present to be counted, plus those who have filed a proxy. A proxy is a legal document that allows a Member who will not be present at the meeting to designate another person to vote for that Member. A general proxy allows the designee to vote on all matters, while a limited proxy directs the designee to vote for certain matters in a certain way.

Article 3 of the Declaration provides additional information concerning voting methods.

### ***720.306 Meetings of members; voting and election procedures; amendments.--***

#### ***(1) QUORUM; AMENDMENTS.--***

*(a) Unless a lower number is provided in the bylaws, the percentage of voting interests required to constitute a quorum at a meeting of the members shall be 30 percent of the total voting interests. Unless otherwise provided in this chapter or in the articles of incorporation or Bylaws, decisions that require a vote of the members must be made by the concurrence of at least a majority of the voting interests present, in person or by proxy, at a meeting at which a quorum has been attained.*

*(2) ANNUAL MEETING.--The association shall hold a meeting of its members annually for the transaction of any and all proper business at a time, date, and place stated in, or fixed in accordance with, the Bylaws. The election of directors, if one is required to be held, must be held at, or in conjunction with, the annual meeting or as provided in the governing documents.*

*(3) SPECIAL MEETINGS.--Special meetings must be held when called by the board of directors or, unless a different percentage is stated in the governing documents, by at least 10 percent of the total voting interests of the association. Business conducted at a special meeting is limited to the purposes described in the notice of the meeting.*

*(4) CONTENT OF NOTICE.--Unless law or the governing documents require otherwise, notice of an annual meeting need not include a description of the purpose or purposes for which the meeting is called. Notice of a special meeting must include a description of the purpose or purposes for which the meeting is called.*

*(5) ADJOURNMENT.--Unless the Bylaws require otherwise, adjournment of an annual or special meeting to a different date, time, or place must be announced at that meeting before an adjournment is taken, or notice must be given of the new date, time, or place pursuant to s. 720.303(2). Any business that might have been transacted on the original date of the meeting may be transacted at the adjourned meeting. If a new record date for the adjourned meeting is or*

*must be fixed under Is. 617.0707, notice of the adjourned meeting must be given to persons who are entitled to vote and are members as of the new record date but were not members as of the previous record date.*

*(6) PROXY VOTING.--The members have the right, unless otherwise provided in this subsection or in the governing documents, to vote in person or by proxy. To be valid, a proxy must be dated, must state the date, time, and place of the meeting for which it was given, and must be signed by the authorized person who executed the proxy. A proxy is effective only for the specific meeting for which it was originally given, as the meeting may lawfully be adjourned and reconvened from time to time, and automatically expires 90 days after the date of the meeting for which it was originally given. A proxy is revocable at any time at the pleasure of the person who executes it. If the proxy form expressly so provides, any proxy holder may appoint, in writing, a substitute to act in his or her place.*

**720.303 Association powers and duties; meetings of board....--**

*(2) BOARD MEETINGS.--.... The bylaws or amended bylaws may provide for giving notice by electronic transmission in a manner authorized by law for meetings of the board of directors, committee meetings requiring notice under this section, and annual and special meetings of the members; however, a member must consent in writing to receiving notice by electronic transmission.*

2.1 Rules. The meetings of the membership shall be held in accordance with the provisions of the Declaration and, subject to the Declaration, in accordance with these By-Laws. Except where in conflict with the Declaration, Roberts Rules of Order (as amended) shall govern the conduct of all membership meetings.

2.2 Annual Meeting. The Board shall determine the date and time of the annual meeting, which shall ordinarily be at least 11 months but no later than 13 months since the previous annual meeting.

2.3 Special Meetings. Unless specifically provided otherwise in these Bylaws or in the Declaration, meetings of the membership shall be held when directed by the President or the Board or when requested in writing by Members holding a majority of the votes having the right to vote at such meeting. The call for the meeting shall be issued by the secretary.

2.4 Notice.

(a) Electronic Means. The Board may provide for posting on an Association website, notice by electronic transmission or similar means. Such notice may be in addition to, or with the written consent of the Members, instead of, delivery by mail or personal delivery.

(b) Written Notice. Notice of all Members' meetings, regular or special, shall be given by the President, Vice President or Secretary of the Association to each Member unless waived in writing. Such notices shall be mailed or personally delivered to each Member not less

than seven (7) days prior to the meeting, except in an emergency, in which case the Board shall give such notice as is reasonable under the circumstances.

(c) Posting. In addition, except in an emergency, when such notice requirement shall be waived, written notice shall be posted at a conspicuous place on the Neighborhood not less than forty-eight (48) hours prior to any special meeting and not less than fourteen (14) days prior to the annual meeting.

2.5 Waiver. Any Owner may waive notice of a meeting or consent to the holding of a meeting without notice or consent to action taken without a meeting, by execution of a waiver or consent in writing. Such waiver or consent may be executed prior to, at, or subsequent to the meeting or Association action to which the waiver or consent relates.

2.6 Quorum. Voting at an Association meeting requires presence of Members in person or proxy representing the percentage of votes established by the Board as necessary to transact business. The Board may revise this percentage from time to time, but in no event shall the required percentage be less than 10% or more than 50% of the membership. If Florida law is ever modified to permit other forms of representation, such as teleconferencing, to be counted toward a quorum, the Board may by rule adopt such change without amendment of these Bylaws.

2.7 Meeting Location. The Board shall determine the place for all regular and special meetings, which shall be in St. Johns County.

2.8 Proxies. Proxies are permitted for any meeting of the membership.

2.9 Action without Meeting. If permitted by the Board, the membership may approve any matter (specifically including the election of Directors) by written ballot. Ballots shall be mailed or hand delivered to all Members. The Board shall establish for each vote the amount of time to be permitted for voting, which shall be no less than 10 days nor more than 60 days, and all ballots returned within the permitted time shall be counted. The Board may also establish a minimum number of ballots that must be returned in order for the vote to be valid, within the limits required for a quorum. The Board may also adopt rules permitting voting by internet or other procedures that may become available from time to time.

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### III. Board of Directors

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**Editor's Note:** The Board of Directors sets policy for the maintenance of Association Property, enforces the Declaration and makes most of the decisions about operation of the Association.

#### ***720.303 Association powers and duties; meetings of board....--***

*(2) BOARD MEETINGS.--A meeting of the board of directors of an association occurs whenever a quorum of the board gathers to conduct association business. All meetings of the board must be open to all members except for meetings between the board and its attorney with respect to proposed or pending litigation where the contents of the discussion would otherwise*

*be governed by the attorney-client privilege. Notices of all board meetings must be posted in a conspicuous place in the community at least 48 hours in advance of a meeting, except in an emergency. In the alternative, if notice is not posted in a conspicuous place in the community, notice of each board meeting must be mailed or delivered to each member at least 7 days before the meeting, except in an emergency*

*Notwithstanding this general notice requirement, for communities with more than 100 members, the bylaws may provide for a reasonable alternative to posting or mailing of notice for each board meeting, including publication of notice, provision of a schedule of board meetings, or the conspicuous posting and repeated broadcasting of the notice on a closed-circuit cable television system serving the homeowners' association. However, if broadcast notice is used in lieu of a notice posted physically in the community, the notice must be broadcast at least four times every broadcast hour of each day that a posted notice is otherwise required. When broadcast notice is provided, the notice and agenda must be broadcast in a manner and for a sufficient continuous length of time so as to allow an average reader to observe the notice and read and comprehend the entire content of the notice and the agenda. The bylaws or amended bylaws may provide for giving notice by electronic transmission in a manner authorized by law for meetings of the board of directors, committee meetings requiring notice under this section, and annual and special meetings of the members; however, a member must consent in writing to receiving notice by electronic transmission.*

**720.306 Meetings of members; voting and election procedures; amendments.--**

*(7) ELECTIONS.--Elections of directors must be conducted in accordance with the procedures set forth in the governing documents of the association. All members of the association shall be eligible to serve on the board of directors, and a member may nominate himself or herself as a candidate for the board at a meeting where the election is to be held. Except as otherwise provided in the governing documents, boards of directors must be elected by a plurality of the votes cast by eligible voters.*

*(8) RECORDING.--Any parcel owner may tape record or videotape meetings of the board of directors and meetings of the members. The board of directors of the association may adopt reasonable rules governing the taping of meetings of the board and the membership.*

3.1 Initial Composition. The initial Board shall consist of three members originally appointed by the Founder.

3.2 First Election. As provided in Section 14.1 of the Declaration, no later than sixty days after completion of the first thirty (30) single family residences within the Neighborhood, Parcel owners other than the Founder shall have the right to elect at least one member of the Board. The Association shall call a meeting of the Owners to elect a member of the Board. Notice shall be given not less than thirty (30) days before the meeting. The meeting may be called and notice given by any Owner if the Association fails to do so. At the meeting, such Owners shall elect the director that they are then entitled to elect, who shall replace one named by the Developer and who shall serve until the next regularly scheduled annual meeting of the Association, when a successor shall be elected.

3.2 Transition. As provided in Section 14.1 of the Declaration and Section 720.307, Florida Statutes, Parcel Owners other than the Founder shall be entitled to elect a majority of the Board three months after 90 percent of the Parcels in all phases of the Neighborhood have been conveyed. Until that time, the Founder may select a majority of the Board. The Founder may voluntarily surrender the right to appoint and remove officers and members of the Board before termination of the control period, in which case the Founder reserves the right to record an instrument specifying that certain actions of the Association or Board must be approved by the Founder before they become effective.

3.4 Number of Directors. After transition from developer control, the Board shall consist of five directors.

3.5 Term. Directors shall hold office for a term of two years. A director may be elected to a one-year term to permit staggered terms. Directors may be elected for successive terms.

3.6 Qualifications. Directors are not required to be Owners.

3.7 Voting Procedure. In voting for the Board of Directors, a Member may cast his or her votes for as many candidates as there are Directors to be elected. A Member is not required to use all of that Member's votes; however, no cumulative voting shall be permitted. For example, if there are three seats to be filled and the Member has one vote, the Member may cast one vote each for one, two or three candidates, but shall not cast more than one vote for any particular candidate. If the Member is eligible to cast two votes, the Member may cast two votes apiece for up to three candidates. The candidates receiving the highest number of votes shall be declared elected. Directors may be elected by a plurality; a majority is not required. However, if there are a large number of candidates, the Board may in advance of the voting determine that a certain minimum percentage of the votes may be required for election, and provide for run-off elections if such percentage is not achieved.

3.8 Powers and Duties. The Board shall have the following powers and duties:

- (a) To elect the officers of the Association as hereinafter provided;
- (b) To administer the affairs of the Association and the Neighborhood and formulate policies for such purposes;
- (c) To adopt administrative rules and regulations governing the administration, management, operation and use of the Neighborhood and to amend such rules and regulations from time to time;
- (d) To provide for the maintenance, repair and replacement of those parts of the Neighborhood stated in the Declaration to be maintained by the Association;
- (e) To provide for the designation, hiring and removal of employees and other personnel or service companies, including a property manager, to engage or contract for the

services of others, to make purchases for the maintenance, repair, replacement, administration, management and operation of the Neighborhood and to delegate any such powers to the employees or agents of the Association;

(f) To estimate the amount of the annual budget, to provide the manner of assessing and collecting from the Owners their respective shares of such estimated expenses as hereinafter provided and to assess any supplemental assessment as the Board shall deem necessary;

(g) To enter into contracts for cable television services, high-speed Internet access, telephone service, security services, and other telecommunications or information services to be provided to the Neighborhood, including, without limitation, bulk service agreements, wholesale purchase agreements, resale agreements, and facilities construction, installation,, maintenance and repair agreements,

(h) Unless otherwise provided herein or in the Declaration, to comply with the instructions of a majority of the Owners as expressed in a resolution duly adopted at any annual or special meeting of the Owners; and

(i) To exercise all other powers and duties of the Board provided for in the Declaration and the Articles.

3.9 Removal. Except for directors selected by the Founder, any director may be removed from office, with or without cause, by at least a majority vote of all Members, at any duly called meeting of Members. A special Association meeting to remove a director or directors from office may be called by Members representing 10% of the membership giving notice of the meeting unless a lower percentage is permitted by law. The notice shall state the purpose of the meeting and shall be given to all Members in writing at least one week prior to the Association meeting.

3.10 Vacancy. Any vacancy occurring in the Board may be filled by a majority vote of the remaining Board members, except that a vacancy resulting from removal of a director by the Members shall be filled by a vote of the membership. Any Board member selected by the Founder may be replaced at any time by the Founder. Members shall also vote to fill a vacancy if there are not sufficient remaining Board members to constitute a quorum.

3.11 Meetings; Notice. Regular or special meetings of the Board shall be held upon call by the President or a majority of the Board on not less than forty-eight (48) hours notice in writing to each director, unless the Board determines an emergency to exist, in which event the Board shall give such notice as is reasonable under the circumstances. All meetings of the Board, except for meetings between the board and its attorney permitted by law to be private, shall be open to all Members and, except in an emergency as provided above, notices of all such meetings shall be posted in a conspicuous place on the Neighborhood at least 48 hours prior to the meeting. The Board may provide for alternative posting on an Association website, notice by electronic transmission or similar means easily accessible by all Members. If required by law, Members must consent in writing to receiving notice by electronic transmission. Members other than Directors shall not be entitled to vote or participate in any other way at the Board meeting unless



the Board so permits. Except under emergency conditions, all meetings shall be held in St. Johns County.

3.12 Waiver. Any director may waive notice of a meeting or consent to the holding of a meeting without notice or consent to any action of the Board without a meeting. Such waiver or consent may be executed prior to, at, or subsequent to the meeting or Board action to which the waiver or consent relates.

3.13 Quorum. Voting at a Board meeting requires presence of at least one-half of the directors, in person or telephone conference or, by rule of the Board, any other legal means. Any action required to be taken by vote of the Board may be taken in the absence of a meeting (or in the absence of a quorum at a meeting) by obtaining the written approval of a majority of the Board.

3.14 Compensation. Directors shall receive no compensation for their services unless expressly provided for in resolutions duly adopted by the Owners but may be reimbursed for expenses.

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#### IV. Officers

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4.1 President. The President shall preside over the meetings of the Board and of the Association and shall be the chief executive officer of the Association. In the recess of the Board, the President shall have general control and management of the business and affairs of the Association.

4.2 Additional Officers. Subject to the provisions of the Declaration and Articles, at each annual meeting of the Board, the Board shall elect the following officers of the Association:

(a) One or more Vice Presidents, who shall also be directors and who shall, in the absence or disability of the President, perform the duties and exercise the powers of the President;

(b) A Secretary, who shall keep the minutes of all meetings of the Board and of the membership and who shall perform all the duties generally incident to the office of Secretary;

(c) A Treasurer, who shall cause to be kept the financial records and books of account of the Association; and

(d) Such additional officers as the Board shall see fit to elect. An individual may hold more than one position.

4.3 Powers. The officers shall have the general powers usually vested in such officers of a not-for-profit corporation, provided that the Board may delegate any specific powers to any other officer or impose such limitations or restrictions upon the powers of any officer as the Board may deem necessary.

4.4 Term. Each officer shall hold office for the term of one year and until his successor shall have been elected and qualified.

4.5 Vacancy. Vacancies in any office shall be filled by the Board at special meetings thereof. Any officer may be removed at any time, with or without cause, by the affirmative vote of a majority of the whole Board.

4.6 Compensation. Officers shall receive no compensation for their services, unless expressly provided for in a resolution duly adopted by the Owners, but may be reimbursed for expenses.

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## V. Records

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**Editor's Note:** The Declaration provides as follows:

3.5 Record Keeping. The Board shall keep a record of all meetings, both of the Board and of the Association. For each action taken, the record shall state the vote and a description of the action approved, and, where applicable, the reasons why the action was considered necessary and a summary of the information on which the decision was based. The record shall be available for inspection by any Member.

***720.303 Association powers and duties; meetings of board; official records; budgets; financial reporting.--***

*(3) MINUTES.--Minutes of all meetings of the members of an association and of the board of directors of an association must be maintained in written form or in another form that can be converted into written form within a reasonable time. A vote or abstention from voting on each matter voted upon for each director present at a board meeting must be recorded in the minutes.*

*(4) OFFICIAL RECORDS.--The association shall maintain each of the following items, when applicable, which constitute the official records of the association:*

*(a) Copies of any plans, specifications, permits, and warranties related to improvements constructed on the common areas or other property that the association is obligated to maintain, repair, or replace.*

*(b) A copy of the Bylaws of the association and of each amendment to the Bylaws.*

*(c) A copy of the articles of incorporation of the association and of each amendment thereto.*

*(d) A copy of the declaration of covenants and a copy of each amendment thereto.*

*(e) A copy of the current rules of the homeowners' association.*

*(f) The minutes of all meetings of the board of directors and of the members, which minutes must be retained for at least 7 years.*

*(g) A current roster of all members and their mailing addresses and parcel identifications. The association shall also maintain the electronic mailing addresses and the numbers designated by members for receiving notice sent by electronic transmission of those members consenting to receive notice by electronic transmission. The electronic mailing*

addresses and numbers provided by unit owners to receive notice by electronic transmission shall be removed from association records when consent to receive notice by electronic transmission is revoked. However, the association is not liable for an erroneous disclosure of the electronic mail address or the number for receiving electronic transmission of notices.

(i) A current copy of all contracts to which the association is a party, including, without limitation, any management agreement, lease, or other contract under which the association has any obligation or responsibility. Bids received by the association for work to be performed must also be considered official records and must be kept for a period of 1 year.

(j) The financial and accounting records of the association, kept according to good accounting practices. All financial and accounting records must be maintained for a period of at least 7 years. The financial and accounting records must include:

1. Accurate, itemized, and detailed records of all receipts and expenditures.
2. A current account and a periodic statement of the account for each member, designating the name and current address of each member who is obligated to pay assessments, the due date and amount of each assessment or other charge against the member, the date and amount of each payment on the account, and the balance due.
3. All tax returns, financial statements, and financial reports of the association.
4. Any other records that identify, measure, record, or communicate financial information.

(5) **INSPECTION AND COPYING OF RECORDS.**--The official records shall be maintained within the state and must be open to inspection and available for photocopying by members or their authorized agents at reasonable times and places within 10 business days after receipt of a written request for access. This subsection may be complied with by having a copy of the official records available for inspection or copying in the community.

(a) The failure of an association to provide access to the records within 10 business days after receipt of a written request creates a rebuttable presumption that the association willfully failed to comply with this subsection.

(b) A member who is denied access to official records is entitled to the actual damages or minimum damages for the association's willful failure to comply with this subsection. The minimum damages are to be \$50 per calendar day up to 10 days, the calculation to begin on the 11th business day after receipt of the written request.

(c) The association may adopt reasonable written rules governing the frequency, time, location, notice, and manner of inspections, and may impose fees to cover the costs of providing copies of the official records, including, without limitation, the costs of copying. The association shall maintain an adequate number of copies of the recorded governing documents, to ensure their availability to members and prospective members, and may charge only its actual costs for reproducing and furnishing these documents to those persons who are entitled to receive them.

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## VI. Budget; Financial Reporting

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6.1 **Initial Budget.** The Founder shall determine the budget for the fiscal year in which a Parcel is first conveyed to an Owner other than the Founder.

6.2 **Subsequent Years.** Beginning with the year in which a Parcel is first conveyed to an Owner other than the Founder and each year thereafter, at least one month before the end of the

fiscal year, the Board shall, by majority vote, adopt a budget for the coming year and set the annual General Assessments at a level sufficient to meet the budget. At least two weeks before the fiscal year to which the budget applies, the Board shall send to each Member a copy of the budget in reasonably itemized form, which shall include the amount of General Assessments payable by each Member.

6.3 Approval. If General Assessments are to be increased to greater than 115% of the previous year's General Assessment which was not a year in which General Assessments were guaranteed in whole or in part by Founder, and petitions signed by at least 10% of all Members request review within thirty (30) days after the budget is delivered to Members, the Board shall call a Neighborhood Meeting to present the budget and to answer any questions. After presentation, the budget shall be deemed approved unless the percentage required to transact business is present and the budget is rejected by a majority of the Members present. If the budget is rejected, the Board shall approve a new budget within ten (10) days and send a copy to each Member.

**Editor's Note:** Additional provisions may be found in Articles 8 and 9 of the Declaration.

***720.303 Association powers and duties; meetings of board; official records; budgets; financial reporting.--***

*(2) BOARD MEETINGS.--.....An assessment may not be levied at a board meeting unless the notice of the meeting includes a statement that assessments will be considered and the nature of the assessments. Directors may not vote by proxy or by secret ballot at board meetings, except that secret ballots may be used in the election of officers. This subsection also applies to the meetings of any committee or other similar body, when a final decision will be made regarding the expenditure of association funds, and to any body vested with the power to approve or disapprove architectural decisions with respect to a specific parcel of residential property owned by a member of the community.*

*(6) BUDGETS.--The association shall prepare an annual budget. The budget must reflect the estimated revenues and expenses for that year and the estimated surplus or deficit as of the end of the current year. The budget must set out separately all fees or charges for recreational amenities, whether owned by the association, the developer, or another person. The association shall provide each member with a copy of the annual budget or a written notice that a copy of the budget is available upon request at no charge to the member. The copy must be provided to the member within the time limits set forth in subsection (5). [See Part V, above, for text]*

*(7) FINANCIAL REPORTING.--The association shall prepare an annual financial report within 60 days after the close of the fiscal year. The association shall, within the time limits set forth in subsection (5), provide each member with a copy of the annual financial report or a written notice that a copy of the financial report is available upon request at no charge to the member. The financial report must consist of either:*

*(a) Financial statements presented in conformity with generally accepted accounting principles; or*

(b) *A financial report of actual receipts and expenditures, cash basis, which report must show:*

1. *The amount of receipts and expenditures by classification; and*
2. *The beginning and ending cash balances of the association.*

(8) *ASSOCIATION FUNDS; COMMINGLING.—*

(a) *All association funds held by a developer shall be maintained separately in the association's name. Reserve and operating funds of the association shall not be commingled prior to turnover except the association may jointly invest reserve funds; however, such jointly invested funds must be accounted for separately.*

(b) *No developer in control of a homeowners' association shall commingle any association funds with his or her funds or with the funds of any other homeowners' association or community association.*

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## VII. Amendment

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7.1 Amendment. The Bylaws may be altered, amended, modified or repealed by (a) unanimous approval of the Directors, after notice to Members and opportunity for discussion, or (b) approval of a majority of the Members at a meeting at which a quorum was present, or (c) assent in writing of Members representing a majority of the voting interests. The President or Vice-President and secretary shall execute a certificate indicating compliance with the approval process. Any such modification shall be effective upon recording in the public records of St. Johns County.

7.2 Changes to Law. The Board may at any time revise or restate a working copy of the Bylaws to incorporate changes to the law or additional provisions of the law, to incorporate relevant portions of the Declaration or, after turnover, to delete portions of the statute concerning the developer. If the Board makes such changes, it may record the revised Bylaws at any time, but is not required to do so.

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## VIII. Supremacy

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In the event of a conflict among the Bylaws, Articles or Declaration, the Declaration shall control, followed by the Articles and then Bylaws.

These Bylaws were adopted by the Board on \_\_\_\_\_, 20\_\_\_\_\_.

ROGERS TOWERS  
ATTORNEYS AT LAW  
170 MALAGA STREET, SUITE A  
P.O. BOX 3504  
GUSTINE, FL 32085-3504

Prepared by and Returned to:  
James N. McGarvey, Jr.  
432 Osceola Avenue  
Jacksonville Beach, FL 32250

**SECOND SUPPLEMENTARY DECLARATION OF  
CHARTER, EASEMENTS, COVENANTS  
AND RESTRICTIONS**

This **Second Supplementary Declaration of Charter, Easements, Covenants and Restrictions** (the "Supplementary Declaration") is made this 28 day of March, 2005, by **JNM Beachside Development, Ltd.**, a Florida limited partnership, whose address is 432 Osceola Avenue, Jacksonville Beach, Florida 32250.

**RECITALS:**

- A. The "Founder" is JNM Beachside Development, Ltd., a Florida limited partnership, its successors and assigns, or any successor or assign of all or substantially all of its interests in the development of SeaGrove St. Augustine Beach, located in St. Johns County, Florida;
- B. By Declaration of Charter, Easements, Covenants and Restrictions dated the 5<sup>th</sup> day of August, year of 2004, and recorded in Official Records Book 2257, Page 1879 of the Public Records of St. Johns County, Florida (the "Declaration"), the Founder submitted certain real property ("Units One and Two") within SeaGrove to the terms, provisions, restrictions, easements, covenants and conditions of the Declaration, to further the enjoyment of the natural resources of SeaGrove and enhance its natural beauty; to encourage a harmonious architecture; and to allow for self governing of SeaGrove by its owners.
- C. Pursuant to the terms of Article 2 of the Declaration, the Founder reserved the right to add to SeaGrove any part of the Master Plan Area (as defined in the Declaration) by recording a Supplemental Declaration in the St. Johns County public records.
- D. Founder and Neighborhood Realty, Inc. have platted the real property described in SeaGrove St. Augustine Beach Unit Five, in the plat thereof recorded in Map Book 53, Pages 55 through 66 of the Public Records of St. Johns County, Florida ("Unit Five").
- E. Unit Five is within the Master Plan Area as described in the Declaration.
- F. The Founder desires to subject Unit Five to the terms, conditions and provisions of the Declaration.

**NOW, THEREFORE**, the Founder hereby declares as follows:

## **ARTICLE I**

### **EXTENSION AND INCORPORATION OF THE DECLARATION**

The Founder hereby extends the lien, operation and effect of Declaration to Unit Five with the effect that hereafter Unit Five (including all Lots and other property contained therein) shall be held, transferred, sold, conveyed, mortgaged and occupied subject to the terms, provisions, covenants, restrictions, conditions, easements, charges, liens and all other matters set forth in the Declaration, which by this reference are fully incorporated herein.

## **ARTICLE II**

### **INTERPRETATION AND DEFINITIONS**

In the event of a conflict between the Declaration and this Supplementary Declaration, this Supplementary Declaration shall control and supersede. Reference shall be made to the terms and provisions of the Declaration where necessary to interpret, construe and clarify the provisions of this Supplementary Declaration. Except as otherwise defined herein, all capitalized words defined in the Declaration shall have the same meanings in this Supplementary Declaration.

## **ARTICLE III**

### **CONSTRUCTION TIME LIMIT**

Unless otherwise specified on the deed or other recorded instrument executed by Founder, Owner of a Lot included in SeaGrove St. Augustine Beach Unit Five shall commence construction on or before February 15, 2009. Owner shall diligently pursue construction until completion, including landscaping. Owner must submit plans and begin the architectural review process in sufficient time to begin construction on time.

## **ARTICLE IV**

### **JURISDICTIONAL WETLANDS PROPERTY**

Certain parts of Unit Five as shown on the Plat are designated as "wetlands property" as defined by the rules and regulations of the Florida Department of Environmental Protection ("DEP") and the United States Army Corps of Engineers ("Corp"). Nothing shall be constructed upon and no activity of any sort shall be conducted within such "wetlands property," nor shall any soil, vegetation or other materials be interfered with, removed or otherwise disturbed in any manner, unless permitted in writing in advance by the ARB, the DEP, the Corps and the St. Johns River Water Management District, as and if applicable.

## ARTICLE V

### MISCELLANEOUS PROVISIONS

- 4.1 Effect. The terms, provision and conditions of the Declaration are incorporated by reference herein and made applicable to all Owners within Unit Five. The provisions of the Declaration, as hereby supplemented, shall run with title to Unit Five, and shall be binding upon all parties having any right, title, or interest in or to all or any portion thereof, their respective heirs, personal representatives, successors, and assigns, and shall be enforceable by and inure to the benefit of the Founder, the Association and each Owner, as applicable. The grantee of any deed conveying any Lot within Unit Five shall be deemed, by the acceptance of such deed, to have agreed to observe, comply with and be bound by the provisions of the Declaration, as supplemented hereby.
- 4.2 Operation. This instrument will take effect upon its recordation in the Public Records of St. Johns County, Florida. From and after such date, Founder intends that all references to the Declaration or any supplementary declaration now or hereafter made in any other document recorded in the Public Records of St. Johns County, Florida, or elsewhere, shall refer to the Declaration including this Supplementary Declaration unless expressly provided otherwise.
- 4.3 Limitation. Except as supplemented hereby, the Declaration has not been otherwise amended and remains in full force and effect.

IN WITNESS THEREOF, Founder has caused this Second Supplementary Declaration to be executed by and through its authorized officer who is hereunto duly authorized, as of the day and year first above set forth.

***JNM Beachside Development, Ltd., a Florida limited partnership, by its General Partner:***

***JNM Cooksey, Inc., a Florida Corporation,***

By: \_\_\_\_\_

Name: James N. McGarvey, Jr.  
 Title: President  
 Address: 432 Osceola Avenue  
 Jacksonville Beach, FL 32250

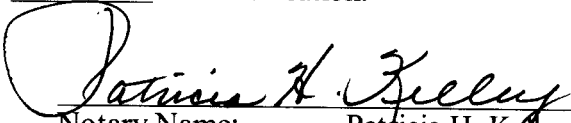
Print Name: \_\_\_\_\_

Print Name: \_\_\_\_\_



**STATE OF FLORIDA****COUNTY OF DUVAL**

The foregoing instrument was acknowledged before me this 18<sup>th</sup> day of March, 2005 by James N. McGarvey, the President of JNM Cooksey, Inc., a Florida corporation, general partner of JNM Beachside Development, Ltd., a Florida limited partnership, on behalf of the corporation and the limited partnership. He/she is personally known to me ☒ or has produced \_\_\_\_\_ as identification.

  
Notary Name: Patricia H. Kelley  
My Commission#: DDT01492  
Commission expires: May 21, 2006  
(NOTARY SEAL)

G:\backup\sgc&amp;rextensionunit5



Patricia H. Kelley  
MY COMMISSION # DD101492 EXPIRES  
May 21, 2006  
BONDED THRU TROY FAIN INSURANCE, INC.

2  
Prepared by and Returned to:  
James N. McGarvey, Jr.  
432 Osceola Avenue  
Jacksonville Beach, FL 32250



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## THIRD SUPPLEMENTARY DECLARATION TO THE DECLARATION

of  
Charter, Easements, Covenants and Restrictions  
For  
The Neighborhood at SeaGrove

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This Third Supplementary Declaration (the "Supplementary Declaration") is made this 10<sup>th</sup> day of August, 2005, by JNM Beachside Development, Ltd., a Florida limited partnership to be known as the "Founder," whose address is 432 Osceola Avenue, Jacksonville Beach, Florida 32250.

### RECITALS:

- A. Founder has previously recorded the Declaration of Charter, Easements, Covenants and Restrictions for the Neighborhood at SeaGrove dated the 9th day of August, 2004, and recorded in Official Records Book 2257, Page 1879 of the Public Records of St. Johns County, Florida (as amended and supplemented from time to time, the "Declaration") and has submitted certain real property to its terms.
- B. In Article 2 of the Declaration, the Founder reserved the right to add to SeaGrove any part of the Master Plan Area (as defined in the Declaration) by recording a Supplemental Declaration in the St. Johns County public records.
- C. Founder is the owner of the real property described as SeaGrove St. Augustine Beach Unit Six, in the plat thereof recorded in Map Book 54, Pages 105 through 106 of the Public Records of St. Johns County, Florida (the "Additional Property"). The Additional Property is within the Master Plan Area as described in the Declaration.
- D. The Founder desires to subject the Additional Property to the Declaration.

## DECLARATION:

The Founder hereby submits the Additional Property to the Declaration with the following modification:

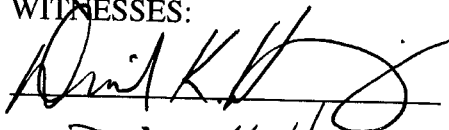
Section 13.2 of the Declaration is hereby modified as to all Lots in the Additional Property so that the Required Commencement Date shall be December 1, 2007, unless otherwise specified on the deed or other recorded instrument executed by Founder. Except as specifically modified by this provision, Article 13 of the Declaration remains in full force and effect.

Upon the recording of this Supplemental Declaration, the Additional Property shall be considered a part of the Neighborhood for all purposes. Without limiting the generality of the foregoing, owners of property within the Additional Property shall be members of the Association on the same basis as the original members and shall pay the same assessments.

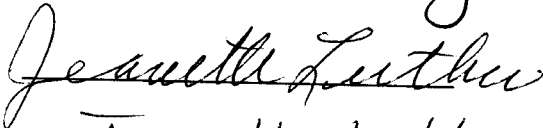
This Supplemental Declaration shall run with the land and be binding upon, and inure to the benefit of, every owner of the Neighborhood or any portion of it.

IN WITNESS THEREOF, Founder has caused this Third Supplementary Declaration to be executed by and through its authorized officer who is hereunto duly authorized, as of the day and year first above set forth.

WITNESSES:

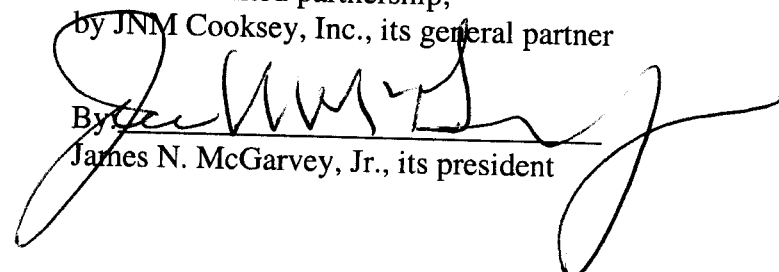


print: Dinah K. Herring



print: Jeanette Luther

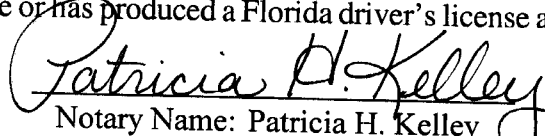
JNM Beachside Development, Ltd.,  
a Florida limited partnership,  
by JNM Cooksey, Inc., its general partner

  
By James N. McGarvey, Jr., its president

STATE OF FLORIDA

COUNTY OF Duval

The foregoing instrument was acknowledged before me this 10<sup>th</sup> day of August, 2005, by James N. McGarvey, Jr., president of JNM COOKSEY, INC., a Florida corporation, on behalf of the corporation as general partner of JNM BEACHSIDE DEVELOPMENT, LTD., a Florida limited partnership. He is personally known to me or has produced a Florida driver's license as identification and did take an oath.



Notary Name: Patricia H. Kelley

My Commission#: DD101492

Commission expires: May 21, 2006

(NOTARY SEAL)



Patricia H. Kelley  
MY COMMISSION # DD101492 EXPIRES  
May 21, 2006  
BONDED THRU TROY FAIR INSURANCE, INC.

Record and return to:  
James N. McGarvey, Jr.  
432 Osceola Avenue  
Jacksonville Beach, FL 32250

Prepared by:  
Doris S. Goldstein, Attorney  
P.O. Box 23646  
Jacksonville, FL 32241  
www.newtownlaw.com



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**SUPPLEMENTAL DECLARATION**  
(Unit 7)  
to the  
**DECLARATION**  
of  
Charter, Easements, Covenants and Restrictions for  
**The Neighborhood at SeaGrove**

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This Supplemental Declaration (the "Supplemental Declaration") is made this 8th day of September, 2005, by JNM Beachside Development, Ltd., a Florida limited partnership to be known as the "Founder," whose address is 432 Osceola Avenue, Jacksonville Beach, Florida 32250.

**RECITALS:**

- A. Founder has previously recorded the Declaration of Charter, Easements, Covenants and Restrictions for the Neighborhood at SeaGrove dated the 9th day of August, 2004, and recorded in Official Records Book 2257, Page 1879 of the Public Records of St. Johns County, Florida (as amended and supplemented from time to time, the "Declaration") and has submitted certain real property to its terms.
- B. In Article 2 of the Declaration, the Founder reserved the right to add to SeaGrove any part of the Master Plan Area (as defined in the Declaration) by recording a Supplemental Declaration in the St. Johns County public records.
- C. Founder is the owner of the real property described as SeaGrove St. Augustine Beach Unit 7, according to the plat thereof recorded in Map Book 54, Pages 107 through 110 of the Public Records of St. Johns County, Florida (the "Additional Property"). The Additional Property is within the Master Plan Area as described in the Declaration.
- D. The Founder desires to subject the Additional Property to the Declaration.

## D E C L A R A T I O N :

The Founder hereby submits the Additional Property to the Declaration with the following modifications:

1. Required Commencement Date. Section 13.2 of the Declaration is hereby modified as to all Lots in the Additional Property so that the Required Commencement Date shall be December 1, 2009, unless otherwise specified on the deed or other recorded instrument executed by Founder. Except as specifically modified by this provision, Article 13 of the Declaration remains in full force and effect.
2. Force Main. A separate force main for sewage serves all Lots within the Additional Property. The Association shall maintain the force main and may establish a reserve fund for replacement. The cost of the force main repair and replacement, including a reserve fund if established, shall be divided evenly among all Lot Owners within the Additional Property and shall be assessed as an Individual Lot Assessment. The Lot Owner is required to install and maintain, at his own sole expense, the pump station to tie into the force main system. The pump station shall be in compliance with St. Johns County Utilities approvals, other agency approvals, and with the engineering plans and specifications prepared by the design engineers for the Neighborhood.
3. Landscaping at Pond Banks: As per Section 5.6(b) of the Declaration, Lot Owners are required to install, irrigate and maintain landscaping on their lots to the curb. Lakefront Lot Owners are required to provide the same to the water's edge. Lots 25, 27, 28, and 30 of the SeaGrove Unit 7 Plat shall also be required to install, irrigate and maintain the landscaping on the east and west sides of the lake in the back of the lot as follows:

Lot 25 – east side of the lake to the midpoint of the lake (approximately 82');  
 Lot 27 – west side of the lake to the midpoint of the lake (approximately 75');  
 Lot 28 – west side of the lake to the midpoint of the lake (approximately 75'); and  
 Lot 30 – east side of the lake to the midpoint of the lake (approximately 82').

Upon the recording of this Supplemental Declaration, the Additional Property shall be considered a part of the Neighborhood for all purposes. Without limiting the generality of the foregoing, owners of property within the Additional Property shall be members of the Association on the same basis as the original members and shall pay the same assessments.

This Supplemental Declaration shall run with the land and be binding upon, and inure to the benefit of, every owner of the Neighborhood or any portion of it, their heirs, successors, and assigns.

IN WITNESS THEREOF, Founder has caused this Supplemental Declaration to be executed by and through its authorized officer who is hereunto duly authorized, as of the day and year first above set forth.

WITNESSES:

Patricia H. Kelley

print: Patricia H. Kelley

Dinah K. Herring

print: Dinah K. Herring

STATE OF FLORIDA

COUNTY OF Duval

The foregoing instrument was acknowledged before me this 8th day of September, 2005, by James N. McGarvey, Jr., president of JNM COOKSEY, INC., a Florida corporation, on behalf of the corporation as general partner of JNM BEACHSIDE DEVELOPMENT, LTD., a Florida limited partnership. He is personally known to me or has produced a Florida driver's license as identification and did take an oath.

Patricia H. Kelley

Notary Name: Patricia H. Kelley

My Commission#: DD101492

Commission expires: May 21, 2006

(NOTARY SEAL)



Patricia H. Kelley  
MY COMMISSION # DD101492 EXPIRES  
May 21, 2006  
BONDED THRU TROY FAIR INSURANCE, INC.

JNM Beachside Development, Ltd.,  
a Florida limited partnership,  
by JNM Cooksey, Inc., its general partner

By: James N. McGarvey, Jr.  
James N. McGarvey, Jr., its president

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Record and return to:  
James N. McGarvey, Jr.  
432 Osceola Avenue  
Jacksonville Beach, FL 32250

Prepared by:  
Doris S. Goldstein, Attorney  
P.O. Box 23646  
Jacksonville, FL 32241  
www.newtownlaw.com



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**SUPPLEMENTAL DECLARATION**  
(Unit 8)  
to the  
**DECLARATION**  
of  
Charter, Easements, Covenants and Restrictions for  
**The Neighborhood at SeaGrove**

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This Supplemental Declaration (the "Supplemental Declaration") is made this 8<sup>th</sup> day of September, 2005, by JNM Beachside Development, Ltd., a Florida limited partnership to be known as the "Founder," whose address is 432 Osceola Avenue, Jacksonville Beach, Florida 32250.

**RECITALS:**

- A. Founder has previously recorded the Declaration of Charter, Easements, Covenants and Restrictions for the Neighborhood at SeaGrove dated the 9th day of August, 2004, and recorded in Official Records Book 2257, Page 1879 of the Public Records of St. Johns County, Florida (as amended and supplemented from time to time, the "Declaration") and has submitted certain real property to its terms.
- B. In Article 2 of the Declaration, the Founder reserved the right to add to SeaGrove any part of the Master Plan Area (as defined in the Declaration) by recording a Supplemental Declaration in the St. Johns County public records.
- C. Founder is the owner of the real property described as SeaGrove St. Augustine Beach Unit 8, according to the plat thereof recorded in Map Book 55, Pages 102 through 107 of the Public Records of St. Johns County, Florida (the "Additional Property"). The Additional Property is within the Master Plan Area as described in the Declaration.
- D. The Founder desires to subject the Additional Property to the Declaration.

## DECLARATION:

The Founder hereby submits the Additional Property to the Declaration with the following modifications or additions:

1. Required Commencement Date. Section 13.2 of the Declaration is hereby modified as to the Additional Property so that, unless otherwise specified on the deed or other recorded instrument executed by Founder, the Required Commencement Date shall be as follows:

Lots 87 to 120 and 130 to 167 (inclusive) of SeaGrove St. Augustine Beach Unit 8 shall have a Required Commencement Date on or before December 1, 2007.

Lots 168 to 199 (inclusive) of SeaGrove St. Augustine Beach Unit 8 shall have a Required Commencement Date on or before December 1, 2009.

Except as specifically modified by this provision, Article 13 of the Declaration remains in full force and effect.

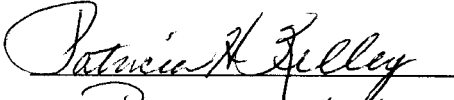
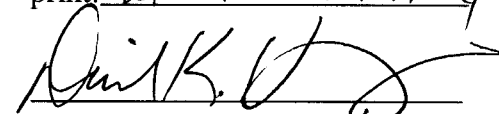
2. Fence. Lots 185 to 194 (inclusive) of SeaGrove St. Augustine Beach Unit 8 shall maintain the existing fence located on the rear lot lines at the Marsh Creek Golf Course in good condition and shall repair and/or replace the fence as needed in the like condition at his sole expense. Any changes or alterations to the fence must be approved by both the SeaGrove Architectural Review Board and the Marsh Creek Homeowners Association.

Upon the recording of this Supplemental Declaration, the Additional Property shall be considered a part of the Neighborhood for all purposes. Without limiting the generality of the foregoing, owners of property within the Additional Property shall be members of the Association on the same basis as the original members and shall pay the same assessments.

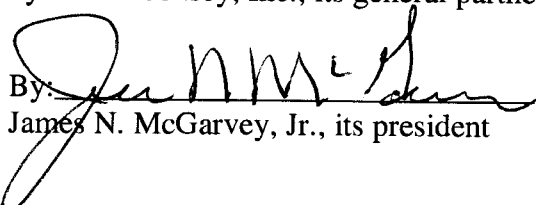
This Supplemental Declaration shall run with the land and be binding upon, and inure to the benefit of, every owner of the Neighborhood or any portion of it, their heirs, successors and assigns.

IN WITNESS THEREOF, Founder has caused this Supplemental Declaration to be executed by and through its authorized officer who is hereunto duly authorized, as of the day and year first above set forth.

WITNESSES:

  
 print: Patricia A. Kelley  
  
 print: Dinah K. Herring

JNM Beachside Development, Ltd.,  
 a Florida limited partnership,  
 by JNM Cooksey, Inc., its general partner

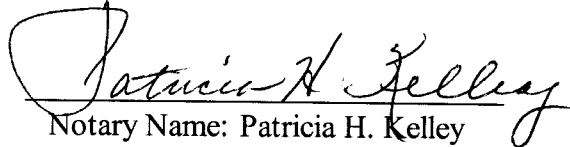
By:   
 James N. McGarvey, Jr., its president



STATE OF FLORIDA

COUNTY OF Duval

The foregoing instrument was acknowledged before me this 8<sup>th</sup> day of September, 2005, by James N. McGarvey, Jr., president of JNM COOKSEY, INC., a Florida corporation, on behalf of the corporation as general partner of JNM BEACHSIDE DEVELOPMENT, LTD., a Florida limited partnership. He is personally known to me, or has produced a Florida driver's license as identification and did take an oath.



Notary Name: Patricia H. Kelley

My Commission#: DD101492

Commission expires: May 21, 2006

(NOTARY SEAL)



Patricia H. Kelley  
MY COMMISSION # DD101492 EXPIRES  
May 21, 2006  
BONDED THRU TROY FAIR INSURANCE, INC.

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②

Record and return to:  
James N. McGarvey, Jr.  
432 Osceola Avenue  
Jacksonville Beach, FL 32250

Prepared by:  
Doris S. Goldstein, Attorney  
P.O. Box 23646  
Jacksonville, FL 32241  
www.newtownlaw.com



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**SUPPLEMENTAL DECLARATION**  
(Parcel CC of Unit 3)  
to the  
**DECLARATION**  
of  
Charter, Easements, Covenants and Restrictions for  
**The Neighborhood at SeaGrove**

---

This Supplemental Declaration (the "Supplemental Declaration") is made this 8th day of September, 2005, by JNM Beachside Development, Ltd., a Florida limited partnership to be known as the "Founder," whose address is 432 Osceola Avenue, Jacksonville Beach, Florida 32250.

**R E C I T A L S:**

- A. Founder has previously recorded the Declaration of Charter, Easements, Covenants and Restrictions for the Neighborhood at SeaGrove dated the 9th day of August, 2004, and recorded in Official Records Book 2257, Page 1879 of the Public Records of St. Johns County, Florida (as amended and supplemented from time to time, the "Declaration") and has submitted certain real property to its terms.
- B. In Article 2 of the Declaration, the Founder reserved the right to add to SeaGrove any part of the Master Plan Area (as defined in the Declaration) by recording a Supplemental Declaration in the St. Johns County public records.
- C. Founder is the owner of the real property described as Parcel CC of SeaGrove St. Augustine Beach Unit 3, according to the plat thereof recorded in Map Book 51, Pages 66 and 67 of the Public Records of St. Johns County, Florida (the "Additional Property"). The Additional Property is within the Master Plan Area as described in the Declaration.
- D. The Founder desires to subject the Additional Property to the Declaration.

## DECLARATION:

The Founder hereby submits the Additional Property to the Declaration.

The Additional Property is also subject to the Common Drive Easement and Maintenance Agreement (SeaGrove South of Main) dated September 14, 2004 and recorded in Official Records Book 2279, Page 442 of the Public Records of St. Johns County, Florida

Upon the recording of this Supplemental Declaration, the Additional Property shall be considered a part of the Neighborhood for all purposes. Without limiting the generality of the foregoing, owners of property within the Additional Property shall be members of the Association on the same basis as the original members and shall pay the same assessments.

This Supplemental Declaration shall run with the land and be binding upon, and inure to the benefit of, every owner of the Neighborhood or any portion of it, their heirs, successors, and assigns.

IN WITNESS THEREOF, Founder has caused this Supplemental Declaration to be executed by and through its authorized officer who is hereunto duly authorized, as of the day and year first above set forth.

WITNESSES:

Patricia H. Kelley  
 print: Patricia H. Kelley  
Dinah K. Herring  
 print: Dinah K. Herring

JNM Beachside Development, Ltd.,  
 a Florida limited partnership,  
 by JNM Cooksey, Inc., its general partner

By: James N. McGarvey, Jr.  
 James N. McGarvey, Jr., its president

STATE OF FLORIDA  
 COUNTY OF Duval

The foregoing instrument was acknowledged before me this 8th day of September, 2005, by James N. McGarvey, Jr., president of JNM COOKSEY, INC., a Florida corporation, on behalf of the corporation as general partner of JNM BEACHSIDE DEVELOPMENT, LTD., a Florida limited partnership. He is personally known to me or has produced a Florida driver's license as identification and did take an oath.

Patricia H. Kelley  
 Notary Name: Patricia H. Kelley  
 My Commission#: DD101492  
 Commission expires: May 21, 2006  
 (NOTARY SEAL)



Patricia H. Kelley  
 MY COMMISSION # DD101492 EXPIRES  
 May 21, 2006  
 BONDED THRU TROY FAIR INSURANCE, INC.