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**DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS OF
THE RESERVE AT GRAND HAVEN**

FCC RD

**This instrument prepared by and
after recording should be returned to:**

James Mancuso, Esquire
James Mancuso & Associates, P.A.
555 Winderley Place, Suite 129
Maitland, Florida 32751

**DECLARATION OF COVENANTS, CONDITIONS AND
RESTRICTIONS OF THE RESERVE AT GRAND HAVEN**

THIS DECLARATION is made and entered into this 23rd day of July, 1998, by Pulte Home Corporation, a Michigan corporation, hereinafter referred to as "Declarant".

RECITALS:

A. Declarant is the owner of certain property located in the Flagler County, Florida, which is more particularly described on Exhibit "A" attached hereto and made a part hereof (hereinafter referred to as the "Property").

B. Declarant intends to develop the Property into a community to be known as The Reserve At Grand Haven.

C. At the time of the recordation of the plat for The Reserve At Grand Haven Phase I (Village D1-A), Declarant shall encumber the Property with these covenants and restrictions and be bound to these regulations and other Governing Documents (as hereinafter defined).

D. The Property and each Lot (as defined in Article I) shall be held, sold, conveyed, leased, mortgaged and otherwise dealt with subject to the easements, covenants, conditions, restrictions, reservations, liens and charges set forth in this Declaration.

E. The Property is also subject to and encumbered by the Master Declaration (as defined in Article I). The Property and each Lot (as defined in Article I) shall be held, sold, conveyed, leased, mortgaged and otherwise dealt with subject to the easements, covenants, conditions, restrictions, reservations, liens and charges set forth in the Master Declaration.

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

ARTICLE I
DEFINITIONS

Section 1. "Articles" shall mean the Articles of Incorporation of the Association which have been filed in the office of the Secretary of the State of Florida, as same may be amended from time to time, a copy of which is attached hereto as Exhibit "C".

Section 2. "Association" shall mean and refer to The Reserve At Grand Haven Homeowners Association, Inc., its successors and assigns.

Section 3. "Board" shall mean the Board of Directors of the Association elected in accordance with the Bylaws.

Section 4. "Bylaws" shall mean the Bylaws of the Association which have been or will be adopted by the Board, as same may be amended from time to time, a copy of which is attached hereto as Exhibit "D".

Section 5. "Common Area" shall mean all real property (including the improvements thereto) owned by the Association for the common use and enjoyment of the Owners. The Common Area includes, but is not limited to, parking areas, sidewalks, , paths, entryways, swale areas, and open areas in the Common Area. The Common Area to be owned by the Association at the time of conveyance of the first Lot are described as follows:

Parcels C, D, and F, of The Reserve At Grand Haven Phase I (Village D1-A), according to the Plat thereof, as recorded in Plat Book 31, Pages 31 through 33, inclusive, Public Records of Flagler County, Florida.

Declarant may convey Common Area to the Association at any time in fee simple, free of any mortgages or other liens, except ad valorem taxes for the year of conveyance. The Association shall accept title to any real property or personal property offered to the Association by Declarant.

Section 6. "Common Maintenance Areas" means all property from time to time designated by the Declarant or the Association as a maintenance responsibility of the Association for the common use and enjoyment of all Owners, together with all improvements, fixtures, and tangible personal property now or hereafter situated thereon.

Section 7. "Conservation Easement Areas" shall mean and refer to all areas designated as Conservation Easement Areas upon any recorded subdivision plat or plats of the Property.

Section 8. "Declarant" shall mean and refer to Pulte Home Corporation, a Michigan corporation authorized to transact business in the State of Florida, and its successors and assigns. The Declarant may assign all or a portion of its rights hereunder. In the event of a partial assignment, the assignee shall be deemed the Declarant and may exercise such rights of the Declarant specifically assigned to it. Any such assignment may be made on a non-exclusive basis.

Section 9. "Declaration" shall mean and refer to this Declaration of Covenants, Conditions, and Restrictions of The Reserve At Grand Haven.

Section 10. "Governing Documents" shall mean and collectively refer to the Declaration and the Articles of Incorporation and Bylaws of the Association.

Section 11. "Institutional Lender" shall mean a bank, savings and loan association, insurance company, real estate or mortgage investment trust, pension fund, agency of the United States Government, mortgage banker or company, Federal National Mortgage Association, the Declarant or any affiliate of the Declarant or other lender generally recognized as an institution type lender, which holds a mortgage on one or more of the Lots.

Section 12. "Lakefront Lots" means all Lots containing within the Lot lines a portion of a lake or pond, or having frontage on or common boundaries with a lake or pond.

Section 13. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map or plat of the Property with the exception of the Common Area.

Section 14. "Master Association" shall mean and refer to Grand Haven Master Association, Inc., the Florida not-for-profit corporation formed to carry out the intent of the Master Declaration (as hereinafter defined). The relationship between the Association and the Master Association is more fully described in Article XII of this Declaration.

Section 15. "Master Association Assessments" shall mean and refer to those charges made by the Master Association from time to time against the Property for the purposes set forth in the Master Declaration.

Section 16. "Master Declaration" shall mean and refer to the Amended and Restated Declaration of Covenants, Conditions and Restrictions for Grand Haven Master Association recorded in Official Record Book 557, pages 1768 through 1796 of

the Public Records of Flagler County, Florida and any amendment or supplement thereto (hereinafter the "Master Declaration").

Section 17. "Member" shall mean and refer to every person or entity who is an Owner, as hereinafter described, and in being such an Owner comprises the Membership of the Association.

Section 18. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Property, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 19. "Person" shall mean and include an individual, corporation, governmental agency, business trust, estate, trust, partnership, association, sole proprietorship, joint venture, two or more persons having a joint or common interest, or any other legal entity.

Section 20. "Plat" means that subdivision plat of The Reserve At Grand Haven (Village D1-A) recorded in Plat Book 31, pages 31 through 33, inclusive, of the Public Records of Flagler County, Florida and the recorded plat of any lands made subject to the provisions of this Declaration pursuant to the provisions hereof, and amendments thereto.

Section 21. "Property" or "Properties" shall mean and refer to that certain real property described in the Recitals of this Declaration and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 22. "Residence" means any single family residential dwelling constructed or to be constructed on or within any Lot together with any appurtenant improvements, including, without limitation, driveways, detached buildings, patios, sidewalks, and recreational facilities.

Section 23. "Surface Water/Stormwater Management System" shall mean a system operated, maintained and managed by the Association which is designed and constructed or implemented to control discharges which are necessitated by rainfall events, incorporating methods to collect, convey, store, absorb, inhibit, treat, use or reuse water to prevent or reduce flooding, overdrainage, environmental degradation, and water pollution or otherwise affect the quantity and quality of discharges, from the system, as permitted pursuant to Chapters 40C-4, 40C-40 or 40C-42, Florida Administrative Code and operated, maintained and managed in a manner consistent with any applicable St. Johns River Water Management District permit (the "Permit").

The Surface Water/Stormwater Management System shall include all environmental conservation areas and other water management areas in the Common Area.

Section 24. "Undeveloped Parcel" shall mean and refer to that certain real property described on Exhibit "B" attached hereto and by this reference made a part hereof, which is presently an unimproved and undeveloped parcel of land that the Declarant may, but is not obligated to, develop, improve and, by annexation, subject to this Declaration.

ARTICLE II **PROPERTY RIGHTS**

Section 1. Owners' Easements of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Area, which shall be appurtenant to and shall pass with the title of every Lot, subject to the following provisions:

A. The right of the Association to suspend the voting rights and right to use Common Area facilities, if any, by an Owner for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed sixty (60) days for any infraction of its published rules and regulations;

B. The right of the Association to mortgage or convey the Common Area to any homeowner association, public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the Members, however, except as set forth in Article IV Section 11 of this Declaration, no such mortgage or conveyance shall be effective without the affirmative vote (in person or by proxy) or written consent, or any combination thereof, of Owners holding not less than two-thirds (2/3) of the total votes of the Class A Membership of the Association. If ingress or egress to any Residence is through the Common Area, any conveyance or encumbrance of such section of the Common Area is subject to Lot Owner's easement.

Section 2. Delegation of Use. Any Owner may delegate, in accordance with the Bylaws, his right or enjoyment to the Common Area and facilities to members of his family, his tenants or contract purchasers who reside on his Lot, but not otherwise.

Section 3. Utility Easements. Public utilities serving the Property and the Lots, have been, or will be, installed in the Common Area and within or upon the Property for the use, benefit, and service of the Property, the Lots, and all improvements on the Property. A permanent, perpetual, mutual and non-exclusive easement shall exist over, across and into the Property, Lots, and all improvements upon the Property for

installation, maintenance, and repair of all utilities for lines, wires, pipes, equipment, and other items necessary for supplying light, heat, air conditioning, water, sewer, power, telephone, any cable television and other utilities or means of communication to the Property, Lots, and the improvements upon the Property. Any and all use of the said utility easements shall be in accordance with the applicable provisions of this Declaration.

Section 4. Surface Water/Stormwater Management and Drainage Easement. An easement is hereby created over the Common Area in favor of the Association, including its agents or other designees, for surface water drainage and for the installation and maintenance of the Surface Water/Stormwater Management System for the Property; provided, however, that such easement shall be subject to improvements constructed within the Property as permitted by controlling governmental authority from time to time.

Section 5. Public Easements. Fire, police, health and sanitation, and other public service personnel and vehicles shall have a permanent and perpetual easement for ingress and egress over and across the Common Area.

Section 6. Declarant's Easement Over Lots. For so long as Declarant is the Owner of any Lot, the Declarant hereby reserves unto itself the right to grant an easement to itself or any other entity, over each such Lot owned by Declarant, for purposes of ingress and egress, drainage, utility, gas, telephone, cable television, and electrical services.

Section 7. Association's Right of Entry. The Association's duly authorized representatives or agents shall, at all reasonable times, have and possess a reasonable right of entry and inspection upon the Common Area or any Lot for the purpose of fully and faithfully discharging the duties of the Association. Non-exclusive easements are hereby granted in favor of the Association throughout the Property as may reasonably be necessary for the Association to perform its services required and authorized hereunder, so long as none shall unreasonably interfere with the use of any Lot. Furthermore, a nonexclusive easement is hereby created over all utility easements and drainage easements located on any Lot, whether now existing or hereafter created, including but not limited to all utility easements and drainage easements contained on the Plat, which easement is in favor of the Association, including its agents and designees, in perpetuity, to utilize for all proper purposes of the Association.

Section 8. Access. Declarant reserves unto itself, including its designees from time to time, and hereby grants to the Association and all Owners, including their respective tenants, guests and invitees, perpetual, non-exclusive easements of ingress

and egress over and across those portions of the Common Area lying adjacent to and between the boundary line(s) of the Lot(s) to and from dedicated rights of way

Section 9. Survival. Any and all easements, licenses, or other rights granted or reserved pursuant to this Article shall survive any termination of this Declaration.

ARTICLE III MEMBERSHIP AND VOTING RIGHTS

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

Section 2. The Association shall have two classes of voting Membership:

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

Class B. The Class B Member shall be the Declarant. The Class B Member shall be entitled to three (3) votes for each Lot owned. The Class B Membership shall cease and be converted to Class A Membership on the happening of any of the following events, whichever occurs earlier:

- A. The total votes outstanding in the Class A Membership equals the total votes outstanding in the Class B Membership, or
- B. The date exactly ten (10) years after the recording of this Declaration; or
- C. At the election of the Declarant (whereupon the Class A Members shall be obligated to elect the Board and assume control of the Association).

Provided, however in the event additional Lots are added to the Association by annexation pursuant to Article IV of the Declaration, after the Class B Membership shall cease under Section 2(A) of this Article, the Class B Membership and voting rights shall be immediately reinstated and resumed, and shall continue until the subsequent occurrence of one of the above events.

ARTICLE IV
PROPERTY SUBJECT TO THIS DECLARATION AND
ADDITIONS TO THE PROPERTY

Section 1. Property Subject to Declaration. The Property is, and shall be, held, transferred, sold, conveyed, and occupied subject to this Declaration.

Section 2. Additions to the Property. The Declarant and the Association reserve the right to add or cause to be added other real property, not now included within the Property to the Property in the manner set forth below, and such additional real property shall be subject to the provisions of this Declaration.

Section 3. Annexation Without Association Approval. The Declarant may from time to time within ten (10) years of the date of this Declaration bring, in whole or in part, the Undeveloped Parcel under the provisions hereof by recorded supplemental declarations which shall not require the consent of the existing Owners or the Association, or any mortgagee, or the Department of Housing and Urban Development, or the Veterans Administration. To the extent that additional real property (i.e., the Undeveloped Parcel) shall be made a part of the Property, reference herein to the Property should be deemed to be reference to all of such additional property where such references are intended to include property other than that legally described above. Nothing herein shall prevent the Declarant from rezoning and changing the development plans, with respect to such future portions, or adding additional or other property to the Property.

The additional lands annexed in accordance with the provisions hereof shall become subject to the provisions of this Declaration upon the recording in the Public Records of Flagler County, Florida of an amendment or supplement hereto properly executed by the Declarant and without the consent of the members of the Association. Until such amendment is recorded, no provision of this Declaration shall be effective as to all or any portion of the Undeveloped Parcel, nor shall this Declaration constitute a cloud or encumbrance on the title of said Undeveloped Parcel.

Section 4. Additions or Modifications. Such amendments or supplements to the Declaration may contain such complementary additions and modifications of this Declaration as may be necessary to reflect the different character, if any, of the Undeveloped Parcel, which is the subject of such amendments or supplements to the Declaration, as determined by the Declarant. Further, such amendments or supplements to the Declaration may contain provisions relating to such Undeveloped Parcel, or any portions thereof, dealing with, among other things, assessments and the basis thereof, rules and regulations, architectural controls and other provisions

pertaining to all or part of such Undeveloped Parcel to the exclusion of other portions of the Property.

Section 5. Other Annexation of Property. Land, other than land annexed in accordance with section 3 of this Article, may be annexed to the Property upon the affirmative vote (in person or by proxy) or written consent, or any combination thereof, of Owners holding not less than two-thirds (2/3) of the total votes of the Association. Such annexation shall become effective upon the recording of an amendment or supplement to this Declaration in the Public Records of Flagler County.

Section 6. Platting. As long as there is a Class B membership, the Declarant shall be entitled at any time and from time to time, to plat and/or replat all or any part of the Property and to file subdivision restrictions and/or amendments thereto with respect to any undeveloped portion or portions of the Property without the consent or approval of any Owner.

Section 7. Amendment. As long as there is a Class B membership, the provisions of this Article IV cannot be amended without the written consent of the Declarant, and any amendment of this Article IV without the written consent of the Declarant shall be deemed null and void.

Section 8. Recordation. Upon each commitment of additional real property to this Declaration, a recordation of such additions shall be made as a supplement to this Declaration in the Official Records of Flagler County, Florida, such real property described therein shall be committed to the covenants contained in this Declaration and shall be considered "Property" as fully as though originally designated herein as Property.

Section 9. Merger. Nothing in this Declaration is intended to limit or restrict in any way the Association's rights or ability to merge with the Master Association or any other association as the Board may feel is in the best interests of the Association and its Members. A merger or consolidation of the Association must be approved by the affirmative vote (in person or by proxy) or written consent, or any combination thereof, of Owners holding not less than two-thirds (2/3) of the total votes of the Association. Upon a merger or consolidation of the Association with another association, all Common Area, rights and obligations shall by operation of law, be transferred to the surviving or consolidated association or, alternatively, the properties, rights and obligations of another association, by operation of law, may be added to the properties, rights and obligations of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated association may administer the covenants established by this Declaration within the Property together with the covenants and restrictions established by any supplement upon any other properties as one scheme.

No such merger or consolidation, however, shall cause a revocation, change or addition to the covenants in the Declaration as it pertains to the Property, except as hereinafter provided.

Section 10. Withdrawal of Property. Declarant shall be entitled to withdraw portions of the Property owned by Declarant from the terms and conditions of this Declaration. For purposes of this Declaration, the portion of the Property withdrawn from the terms hereof shall be referred to as the "Withdrawn Property". In order to withdraw such portion of the Property from the terms and conditions of this Declaration, Declarant shall record in the Public Records of Flagler County an instrument executed with the formalities of a Deed, which instrument shall make reference to this Declaration, state that the purpose of the instrument is to withdraw the Withdrawn Property from the terms and conditions of this Declaration, and contain a legal description of the Withdrawn Property. Declarant shall have the right to withdraw portions of the Property from the terms and conditions of this Declaration without the joinder, ratification or approval of the Association, any Owner, or any lienholder, provided that Declarant is the fee simple owner of the Withdrawn Property. Upon the withdrawal of the Withdrawn Property from the terms and conditions of this Declaration, the Withdrawn Property shall no longer be subject to the terms of this Declaration. Declarant shall have the right to convey Withdrawn Property to the Association as Common Area.

Section 11. Special Taxing Districts. In the event that a special taxing district or community development district (hereinafter "Taxing District") is established to provide any services currently rendered by, or which are the responsibility of, the Association, these covenants and conditions shall no longer be of any force and effect as to any such services provided by the Taxing District, provided however the covenants and conditions set forth herein shall continue to bind and run with the land as to all of the Properties for services not provided by the Taxing District. The Association shall have the right to convey or transfer all or portions of the Common Area to the Taxing District so long as the Members shall have the right to use and enjoy the Common Area. If Taxing District is terminated for any reason, these covenants and conditions shall thereupon apply in full force and effect as if the Taxing District had never been created.

ARTICLE V FUNCTIONS OF THE ASSOCIATION

Section 1. Through Board Action. The affairs and decisions of the Association shall be conducted and made by the Board. The Members shall only have such power or rights of approval or consent as is expressly specified herein, or in the Articles or Bylaws. In the absence of a specific requirement of approval by Members, the Board may act on its own through its proper officers.

Section 2. Required Services. In addition to those other responsibilities specified in the Articles or Bylaws, the Association, or its management company if applicable, shall be required to provide the following services as and when deemed necessary and appropriate by the Board and shall have easement rights necessary to perform same:

A. All maintenance and repair of the Common Area, and all improvements and landscaping thereon including roadways, sidewalks, and utilities, as and when deemed necessary by the Board.

B. Mowing of the front yard and side yard lawns of each Lot. The side yard shall be mowed to the rear line of the house or to the side yard fence whichever is closer to the front yard. Maintenance of trees, shrubs, hedges, bushes, plantings, and irrigation system on each Lot is the respective Lot Owner's responsibility unless otherwise mandated by the Board.

C. Payment of ad valorem taxes and commercial personal property taxes, if applicable, with respect to the Common Area, both prior to and after conveyance of same by Declarant to the Association.

D. Operation of the Common Area in accordance with the rules and other standards adopted by the Board from time to time, both prior to and after conveyance of same by Declarant to the Association.

E. Taking any and all actions necessary to enforce all covenants, restrictions and easements affecting the Property and performing any of the functions or services delegated to the Association in any covenants, conditions or restrictions applicable to the Property, or in the Articles or Bylaws.

F. Conducting business of the Association, including arranging for ancillary administrative services such as legal, accounting, and financial, and communication services such as informing Owners of activities, meetings, and other important events.

G. Purchasing insurance as may be required hereby or by the Bylaws and any other insurance to the extent deemed necessary or desirable by the Board.

H. Acceptance of any instrument of conveyance with respect to any Common Area delivered to the Association.

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

Section 3. Authorized Services. The Association shall be authorized, but not required, to provide the following functions and services and shall have easement rights necessary to perform same:

A. Such other services as are authorized in the Articles or Bylaws.

B. Cleanup, landscaping, maintenance, dredging, water treatment or other care of canals, roads, or other property (public or private) adjacent to or near the Property, or other Property designated Common Maintenance Area by the Declarant or Association, to the extent such care would, in the reasonable determination of the Board, be beneficial to the Property and to the extent that the Association has been granted the right to so care for the affected property by the owner thereof or other Person authorized to grant such right, including, but not limited to, any appropriate governmental authority.

Section 4. Actions by Association. Anything herein to the contrary notwithstanding, no general funds of the Association shall be utilized for bringing, supporting, investigating or otherwise abetting any legal action, claim or extra-judicial action except for (i) imposition, enforcement and collection of Assessments, including lien rights, pursuant to Article VII hereof, (ii) collecting of debts owed to the Association, (iii) bringing any contest or appeal of tax assessments relating to any property owned by the Association, (iv) actions brought by the Association to enforce the provisions of this Declaration, and (v) counterclaims brought by the Association in proceedings instituted against it, unless such legal action, claim or extra-judicial action shall be specifically approved for such purposes by 75% of the total votes of all Members of the Association in existence at any time.

**ARTICLE VI
COMMUNITY WALLS**

Section 1. Community Wall. The Declarant may construct walls or fences within the Property (hereinafter "Community Wall(s)"). A Community Wall shall hereinafter be defined as any wall or fence built by the Declarant, or later built by the Association, in any Common Area, easement, or elsewhere on the Property as a visual barrier, decorative or architectural feature, safety feature, or for any other reason at the sole discretion of the Declarant, or as a requirement of any municipality or governing authority for the benefit of the Association.

Section 2. Maintenance of Community Walls. The Association shall be responsible for the maintenance of Community Walls.

**ARTICLE VII
COVENANT FOR MAINTENANCE ASSESSMENTS**

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned within the Property, hereby covenants and each Owner of any Lot, by acceptance of a deed thereof whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) commencement assessments; (2) annual assessments or charges; (3) special assessments for capital improvements; (4) specific assessments; (5) emergency assessments; and (6) assessments for the costs of maintenance and operation of the Surface Water/Stormwater Management System. All assessments, together with late fees, interest, costs, and reasonable attorneys' fees for collection thereof, shall be a charge on the land and shall be a continuing lien upon the Property against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorneys' fees for collection thereof, shall also be the personal obligation of the Person who was the Owner of such Property at the time when the assessment fell due until paid.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the residents in the Property and for the improvement and maintenance of the Common Area, Common Maintenance Area, easement areas benefiting the Property, or right-of-way areas adjacent to the Property the Association chooses to maintain, or for any other purpose set forth in the Declaration that the Association deems necessary.

Section 3. Maximum Annual Assessment. Until January 1 of the year immediately following the conveyance of the first Lot to any Owner, the maximum annual assessment shall be Eight Hundred Forty Dollars (\$840) per Lot.

A. From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased each year by five percent (5%) above the maximum assessment for the previous year unilaterally by the Board without approval by a vote of the Membership.

B. From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, to increase the maximum annual assessment more than five percent (5%) of the prior year's maximum annual assessment, the affirmative vote (in person or by proxy) or written consent, or any combination thereof, of Owners holding not less than two-thirds (2/3) of the total votes of the Association at a meeting duly called for that purpose, must occur.

C. The Board may fix the annual assessment at an amount not in excess of the maximum.

D. Notwithstanding anything contained in this Declaration to the contrary, charges for Lot maintenance described in Article V Section 2(B) (the "Lot Maintenance") shall not be included in the annual assessment for a Lot until a certificate of occupancy is issued for the house on said Lot and the Association begins performing the Lot Maintenance. The Association budget shall specify the Lot Maintenance portion of the annual assessment.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, or to repair any Community Walls, including fixtures and personal property related thereto, provided that any such assessment shall require the affirmative vote (in person or by proxy) or written consent, or any combination thereof, of Owners holding not less than two-thirds (2/3) of the total votes of the Association, at a meeting duly called for this purpose.

Section 5. Specific Assessments. Any indebtedness of an Owner to the Association arising under any provision of the Governing Documents, including any indemnity, or by contract express or implied, or because of any act or omission of the Owner or any occupant of such Owner's Lot, or arising by reason of any Owner's failure

to properly maintain those portions of the exterior of his Lot and Residence as herein provided, also may be assessed by the Association against the Owner's Lot after the Owner fails to pay it when due and the failure continues for thirty (30) days after written notice.

Section 6. Emergency Assessments. The Association may also levy an emergency assessment at any time by a majority vote of the Board, for the purpose of defraying, in whole or in part, the cost of any extraordinary or emergency matters that affect the Common Area or Members, including, after depletion of any applicable reserves, any unexpected expenditures not provided for by the budget or unanticipated increases in the amounts budgeted. Any emergency assessment shall be due and payable at the time and in the manner specified by the Board.

Section 7. Uniform Rate of Assessment. All assessments must be fixed at a uniform rate for all Lots.

Section 8. Commencement Assessment. A commencement assessment of Two Hundred Dollars (\$200) per Lot shall be paid to the Association at the time of closing by the original purchaser of a Lot purchasing from the Declarant or its successor. The Association may use the commencement assessment for any of the purposes set forth in this Declaration. The commencement assessment shall be paid directly to the Association and shall be utilized in a manner consistent with other assessments.

Section 9. Date of Commencement of Annual Assessments: Due Dates. The annual assessments provided for in this Article shall commence as to all Lots on the date (which shall be the first day of the month) fixed by the Board to be the date of commencement. Each subsequent annual assessment shall be imposed for the year beginning January 1 and ending December 31. The annual assessments shall be payable in advance in monthly installments, or in annual, semi-annual or quarter-annual installments if so determined by the Board. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the assessments shall be sent to every Owner subject thereto. The Association shall, upon demand and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of its issuance.

Notwithstanding anything herein to the contrary, as long as Class B Membership exists, as to unoccupied Lots owned by Declarant, Declarant may elect not to pay the annual assessment on each such unoccupied Lot. Should Declarant elect not to pay

the assessment, Declarant shall pay all costs incurred by the Association in accomplishment of the purposes set forth in Article VII, Section 2 hereof, in excess of the total amount collected by the Association through all assessments. This obligation of the Declarant shall hereinafter be referred to as the Declarant's "Deficiency Obligation". Irrespective of any election on the part of the Declarant, any Residence located on any Lot owned by the Declarant which is occupied as a residence shall be subject to one hundred percent (100%) of any and all applicable assessments. Declarant may at any time revoke this election and place himself in the position of being obligated to pay the full impact of all assessments for each Lot owned by the Declarant at the time said revocation is presented to the Association.

Section 10. Effect of Nonpayment of Assessments: Remedies of the Association. Any assessment not paid within fifteen (15) days after the due date shall bear a late fee of twenty-five dollars (\$25.00) and interest from the due date at the rate of six percent (6%) per annum. The Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the Owner's Lot. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

Section 11. Assumption of Delinquent Assessments by Successors. The personal component of the obligation for delinquent assessments shall not pass to the Lot Owner's successors in title unless expressly assumed by them. Irrespective of the assumption of the personal component of the obligation by any successors in title; the lien for delinquent assessments shall continue to be a lien upon the Lot until such time as it is fully paid.

Section 12. Subordination of the Lien to Mortgages. The lien of the assessments provided for in this Article shall be subordinate to the lien of any mortgage to any Institutional Lender which is now or hereafter placed upon any property subject to assessment as long as said mortgage lien is a first lien against the property encumbered thereby. Any unpaid assessment which cannot be collected as a lien against any Lot by reason of the provisions of this Section shall be deemed to be an assessment divided equally among, payable by and a lien against all Lots subject to assessment by the Association, including the Lots as to which the foreclosure (or conveyance in lieu of foreclosure) took place. Notwithstanding any contrary provision hereof, no Institutional Lender acquiring title to a Lot through foreclosure or conveyance in lieu of foreclosure, and no purchaser at a foreclosure sale, and no persons claiming by, through or under such Institutional Lender or purchaser, shall be personally obligated to pay assessments that accrue prior to the Institutional Lender's or the foreclosure purchaser's acquiring title.

Failure to pay Assessments shall not constitute a default in any mortgage unless provided in such mortgage. Nothing contained in this Declaration shall be construed to impose a duty on any mortgagee to collect Assessments.

ARTICLE VIII **ARCHITECTURAL CONTROL**

Except for those improvements constructed by Declarant, no building, shed, fence, wall, mailbox, newspaper box, or other structure shall be commenced, erected, or maintained upon the Property, nor shall any exterior addition to, change, alteration or repair (other than repairing or restoring the exterior of any building located upon the Property to its original appearance and color) therein be made until the plans and specifications showing the nature, kind, shape, height, color, materials and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding Residences and topography by the Board or by an architectural committee appointed by the Board.

ARTICLE IX **USE RESTRICTIONS**

The Property, which shall include all Lots that result from the subdividing and platting of the parcels owned by the Declarant and all Common Areas or tracts, shall be subject to the following restrictions, reservations and conditions, which shall be binding upon the Declarant and upon each and every Owner who shall acquire hereafter a Lot or any portion of the Property, and shall be binding upon their respective heirs, personal representatives, successors and assigns.

Section 1. Violation. If any Person claiming by, through or under Declarant, or its successors or assigns, or any other Person, shall violate or attempt to violate any of the covenants herein, it shall be lawful for the Declarant or any Owner to bring any proceeding at law or in equity against the Person(s) violating or attempting to violate any such covenants, including action to enjoin or prevent him or them from so doing, or to cause the violation to be remedied and to recover damages or other dues for such violation. If the party or parties bringing any such action prevail, they shall be entitled to recover from the Person(s) violating these restrictions the costs incurred by such prevailing party, including reasonable attorneys' fees and disbursements incurred through all appellate levels. Invalidation of any of these covenants by judgment of court order shall in no way affect any of the other covenants and provisions, contained herein, which shall remain in full force and effect.

Section 2. Residential Lots. All Lots included within the real estate to which these restrictions pertain shall be known and described as residential Lots. Each Lot shall be used, improved, and devoted exclusively to single family residential use and for no commercial purpose, except for the rights of Declarant set forth herein. No structure shall be erected, altered, placed or permitted to remain on any of said Lots, other than for residential use.

Section 3. Mining or Drilling. There shall be no mining, quarrying or drilling for minerals, oil, gas or otherwise undertaken within any portion of the Property. Excepted from the foregoing shall be activities of the Declarant or the Association, or any assignee of the Declarant or the Association, in dredging the water areas, creating land areas from water areas, or creating, excavating, or maintaining drainage or other facilities or easements, or the installation of wells or pumps in compliance with applicable governmental requirements, or for sprinkler systems for any portions of the Property.

Section 4. Antennas, Aerials, Satellite Dishes and Flagpoles. No outside antennas, antenna poles, antenna masts, satellite television reception devices larger than forty inches (40") in diameter, electronic devices, antenna towers or citizen band (CB) or amateur band (ham) antennas shall be permitted except as approved in writing by the Association. Satellite television reception devices no larger than forty inches (40") in diameter are permitted without Association approval if the devices are affixed to the rear portion of a Residence or placed in the rear yard. Owners shall use their best efforts to locate the satellite television reception devices so they are not visible from the street fronting the building. No antennae shall extend more than two feet (2') above a Residence. A flagpole for display of the American flag or any other flag shall be permitted only if first approved in writing by the Association, as to its design, height, location and type of flag.

Section 5. Walls and Fences. No dog runs, animal pens, chain link fences, walls or fences of any kind shall be placed or erected on the Property at any time without the express written permission of the Board.

Section 6. Subdivision or Partition. No portion of the Property shall be subdivided except with the Board's prior written consent.

Section 7. Casualty Destruction to Improvements. In the event an improvement is damaged or destroyed by casualty, hazard or other loss, then, within a reasonable period of time after such incident, the Owner thereof shall either commence to rebuild or repair the damaged improvement and diligently continue such rebuilding or repairing activities to completion or, upon a determination by the Owner that the improvement will not be repaired or replaced promptly, shall clear the damaged improvement and grass

over and landscape such Lot. A destroyed improvement shall only be replaced with an improvement of an similar size, type, construction, and elevation as that destroyed unless the prior written consent of the Board is obtained.

Section 8. Insurance Rates. Nothing shall be done or kept on any Common Area which shall increase the insurance rates of the Association without the prior written consent of the Board.

Section 9. Surface Water/Stormwater Management System.

A. The Association shall operate, maintain, and manage the Surface Water/Stormwater Management System(s) in a manner consistent with the Southwest Florida Water Management District Permit requirements and applicable District rules, and shall assist in the enforcement of the restrictions and covenants contained herein. Maintenance of the Surface Water/Stormwater Management System(s) shall mean the exercise of practices which allow the systems to provide drainage, water storage, treatment, conveyance or other surface water or stormwater management capabilities as permitted by the Southwest Florida Water Management District. The Association shall be responsible for such maintenance and operation of the entire Surface Water/Stormwater Management System within the Property including but not limited to, all lakes, canals, swale areas, retention areas, culverts, pipes, and related appurtenances regardless of location or whether owned by the Association. Any repair or reconstruction of the Surface Water/Stormwater Management System shall be as permitted, or if modified, as approved by the Southwest Florida Water Management District.

B. No structure of any kind shall be constructed or erected within, nor shall an Owner in any way change, alter, impede, revise or otherwise interfere with the flow and the volume of water in any portion of any drainage areas or the Surface Water/Stormwater Management System, nor shall any grading, alteration, or other modifications to these areas be made without the prior written permission of the Board, Flagler County, and the St. Johns River Water Management District.

C. No Owner shall remove native vegetation (including cattails) that becomes established within the portions of the Surface Water/Stormwater Management System abutting their Lot. Removal includes dredging, the application of herbicide, cutting, and the introduction of grass carp. Owners should address any questions regarding authorized activities within the Surface Water/Stormwater Management System to the St. Johns River Water Management District, Permitting Department.

D. No Owner shall in any way deny or prevent ingress and egress by the Declarant, the Association, Flagler County, or the St. Johns River Water Management

District to any drainage areas or the Surface Water/Stormwater Management System for maintenance or landscape purposes. The right of ingress and egress, and easements therefor are hereby specifically reserved and created in favor of the Declarant, the Association, the St. Johns River Water Management District, Flagler County, or any appropriate governmental or quasi-governmental agency that may reasonably require such ingress and egress.

E. No Lot shall be increased in size by filling in any drainage areas or other portion of the Surface Water/Stormwater Management System. No Owner shall fill, dike, rip-rap, block, divert or change the established drainage areas or the Surface Water/Stormwater Management System without the prior written consent of the Board, Flagler County, and the St. Johns River Water Management District.

F. Any wall, fence, paving, planting or other improvement which is placed by an Owner within a drainage area, drainage easement, or the Surface Water/Stormwater Management System including, but not limited to, easements for maintenance or ingress and egress access, shall be removed, if required by the Association or the St. Johns River Water Management District, the cost of which shall be paid for by such Owner as a Specific Assessment.

G. The St. Johns River Water Management District and Flagler County shall have the right to enforce, by a proceeding at law or in equity, the provisions contained in this Declaration which relate to the maintenance, operation and repair of the Surface Water/ Stormwater Management System.

H. No owner of property within the Property may construct or maintain any building, Residence, or structure, or perform any activity in the wetlands, buffer areas, and upland conservation areas described in the approved permit and recorded plat of the subdivision, unless prior approval is received from The St. Johns River Water Management District and Flagler County pursuant to Chapter 40, Florida Administrative Code.

I. The covenants and restrictions regarding the Surface Water/Stormwater Management System are in no way intended to obligate the Association to perform any repairs, maintenance, corrections or modifications to those areas that Flagler County or the St. Johns River Water Management District will maintain as part of their governmental obligation, agreement with the Declarant, or as provided in any permits or ordinances.

J. It is contemplated that title to or easements for the Common Area and Surface Water/Stormwater Management System for the Property have been or will be granted and conveyed by Declarant to the Association. Following such conveyance,

the Association shall, subject to the terms and provisions of this Declaration, have sole and exclusive jurisdiction over and responsibility for the ownership, administration, management, regulation, care, maintenance, repair, restoration, replacement, improvement, preservation and protection of the Common Area and Surface Water/Stormwater Management System within the Property. Accordingly, each Owner, by the acceptance of a deed to his Lot, shall be deemed to have agreed that neither Declarant, Flagler County, nor any other governmental agency shall have any liability or responsibility whatsoever (whether financial or otherwise) with respect to the Common Area and the Surface Water/Stormwater Management System and each such Owner shall be deemed to have agreed to look solely and exclusively to the Association with respect to any such liability or responsibility.

Section 10. Lake Level Fluctuations. Neither Declarant nor the Association makes any representation concerning the current or future water levels in any of the bodies of water in the Common Area or Surface Water/Stormwater Management System, nor shall Declarant or the Association bear any responsibility in attempting to adjust or modify the water levels since such levels are subject to seasonal groundwater and rainfall fluctuations that are beyond the control of Declarant and the Association.

Each Owner hereby acknowledges that lake level fluctuations are a naturally occurring phenomenon and each Owner, by the acceptance of a deed to his Lot, shall be deemed to have agreed that neither Declarant, the Association, Flagler County, nor any other governmental agency shall have any liability or responsibility whatsoever (whether financial or otherwise) with respect to the lake level fluctuations.

Section 11. Lakes, Ponds, Retention and Other Water Areas. The Association may establish rules and regulations relevant to access and use of lakes, ponds, retention and other water areas within in the Property (hereinafter referred to as "Water Areas") which may include, without limitation, regulation or prohibition of sailing, boating or other watercrafts (including jet skis or other vehicles containing gas, diesel or other form of combustion engines), swimming, fishing, or other water sports or activities. To the extent the rules and regulations of the Association allow access to or use of Water Areas, such use shall be at the risk of the Person undertaking such activity, and there shall be no obligation by the Declarant or Association to provide supervisory personnel or lifeguards. Docks and other structures or improvements within Water Areas within the Property shall not be permitted unless approved by the Board. No docks shall exceed one story.

Section 12. Conservation Easement Areas. The Conservation Easement Areas shall and are hereby declared to be subject to a deed restriction in favor of the Declarant, its successors and assigns, for the purpose of retaining and maintaining the Conservation Easement Areas in their predominantly natural condition as a wooded

water recharge, detention and percolation and environmental conservation area. In furtherance of this conservation easement, each of the following uses of the Conservation Easement Areas are hereby prohibited and restricted without the prior written consent of the St. Johns River Water Management District:

A. The construction or placing of buildings, roads, signs, billboards or other advertising, utilities, or any other structures and improvements on or above the ground; and

B. The dumping or placing of soil or other substances or materials as landfill or the dumping or placing of trash, waste or unsightly or offensive materials; and

C. The removal or destruction of trees, shrubs or other vegetation from the Conservation Easement Areas; and

D. The excavation, dredging or removal of loam, peat, gravel, rock, soil, or other material substance in such a manner as to affect the surface of the Conservation Easement Areas; and

E. Any use which would be detrimental to the retention of the Conservation Easement Areas in their natural condition; and

F. Any use which would be detrimental to drainage, flood control, water conservation, erosion control, soil conservation, or fish and wildlife preservation; and

G. Acts or uses detrimental to such retention of land or water areas; and

H. Acts or uses detrimental to the preservation of the structural integrity or physical appearance of sites or properties of historical, architectural, archaeological, or cultural significance.

The Conservation Easement Areas hereby created and declared shall be perpetual.

The Declarant, its successors and assigns and the St. Johns River Water Management District shall have the right to enter upon the Conservation Easement Areas at all reasonable times and in a reasonable manner, to assure compliance with the aforesaid prohibition and restrictions.

The Declarant, and all subsequent owners of any land upon which there is located any Conservation Easement Area shall be responsible for the periodic removal of trash and other debris which may accumulate on such easement parcel.

The prohibitions and restrictions upon the Conservation Easement Areas as set forth herein may be enforced by the St. Johns River Water Management District or the Department of Environmental Protection by proceedings at law or in equity including, without limitation, actions for injunctive relief.

All rights and obligations arising hereunder are appurtenances and covenants running with the land of the Conservation Easement Areas, and shall be binding upon and inure to the benefit of the Declarant, and its successors and assigns. Upon conveyance by the Declarant to third parties of any land affected hereby, the Declarant shall have no further liability or responsibility hereunder, provided the deed restriction including the Conservation Easement Areas are properly recorded.

THE PROVISIONS IN THIS CONSERVATION EASEMENT AREA RESTRICTION MAY NOT BE AMENDED WITHOUT PRIOR APPROVAL FROM THE ST. JOHNS RIVER WATER MANAGEMENT DISTRICT.

Section 13. Pets, Livestock and Poultry. No animals, livestock or poultry of any kind shall be raised, bred or kept within the Property, other than household pets provided they are not kept, bred or maintained for any commercial purpose, and provided that they do not become a nuisance or annoyance to any other Owner. No pet shall be allowed outside a Lot except on a leash. No pets shall be permitted to place or have excretions on any portion of the Property unless the owner of the pet physically removes any such excretions from that portion of the Property. For purposes hereof, "household pets" shall mean dogs, cats, domestic birds and fish. Pets shall also be subject to applicable rules and regulations of the Association and their owners shall be held accountable for their actions. Commercial activities involving pets shall not be allowed. The Association or the Declarant may establish limits on the number and kind of pets that may be kept or permitted to be kept on any Lot.

Section 14. Signs. No signs, except a "for sale" sign not exceeding four square feet in surface area and one sign of not more than one (1) square foot used to indicate the name of the resident, shall be erected or displayed to the public view on any Lot. Notwithstanding the foregoing, the Declarant specifically reserves the right for itself, its successors, nominees, assigns, and the Association, to place and maintain any and all signs they may deem necessary, regardless of whether or not the sign complies with the mandates of the Association and its Members, in connection with construction, marketing, sales and rental of Lots, and identifying or informational signs, anywhere on the Property.

Section 15. Garbage Containers, Oil and Gas Tanks, Outdoor Equipment. All garbage and trash containers must be underground or placed in walled-in areas or landscaped areas so that they are not visible from any adjoining Lot or any street. No oil tanks or bottled gas tanks shall be allowed on any Lot without the express written consent of the Board. Adequate landscaping shall be installed and maintained by the Owner to conceal oil tanks or bottled gas tanks if approved by the Board. No Lot shall be used or maintained as a dumping ground for rubbish, trash or other waste. There shall be no burning of trash or other waste material. Trash, garbage or other waste shall be kept only in closed containers and all equipment for the storage or disposal of such materials shall be kept in a clean and sanitary condition.

Section 16. Vehicles and Recreational Equipment. No truck or commercial vehicle, (except police or other governmental automobiles), mobile home, motor home, house trailer, utility trailer, camper, boat, boat trailer or other recreational vehicle or equipment, horse trailer, bus, passenger vehicle without current registration, van (other than a passenger van), or the like shall be permitted to be parked or to be stored at any place on any portion of the Property unless they are parked within a garage, or are located on a Lot so they cannot be seen from any street and are shielded from view from any adjoining Lot. For the purposes of this rule the following definitions shall apply:

A. "Truck" means a vehicle with any sort of weight capacity, which has a compartment or bed for carrying cargo, as opposed to passengers. Regardless if such vehicle has a cover or "topper" for the cargo-carrying area, it shall be deemed to be a truck. Trucks with a cargo capacity of one ton or less shall be permitted on the Property.

B. "Commercial Vehicle" means any vehicle, which from viewing the exterior of the vehicle or any portion thereof, shows any commercial marking, signs, displays, or otherwise indicates a commercial use. Commercial Vehicles shall not include regular passenger automobiles, trucks with a cargo capacity of one ton or less, or vans that have commercial markings, signs, or logos, if used for transportation to and from work.

This prohibition of parking shall not apply to temporary parking of trucks and commercial vehicles used for pickup, delivery and repair and maintenance of a Lot, nor to any vehicles of the Declarant.

Any such vehicle or recreational equipment parked in violation of these or other regulations contained herein or in the rules and regulations adopted by the Association may be towed by the Association at the sole expense of the owner of such vehicle or

recreational equipment if it remains in violation for a period of twenty-four (24) consecutive hours or for forty-eight (48) non-consecutive hours in any seven (7) day period. The Association shall not be liable to the owner of such vehicle or recreational equipment for trespass, conversion or otherwise, nor guilty of any criminal act by reason of such towing, and neither its removal nor failure of the owner of such vehicle or recreational equipment to receive any notice of said violation shall be grounds for relief of any kind.

Section 17. Repairs. No maintenance or repairs shall be performed on any vehicles upon any portion of the Property unless they are parked within a garage, or are located on a Lot so they cannot be seen from any street and are shielded from view from any adjoining Lot, except in an emergency situation. Notwithstanding the foregoing, all repairs to disabled vehicles within the Property must be completed within twelve (12) hours from its immobilization or the vehicle must be removed.

Section 18. Prohibited Structures. No structure, including, but not limited to, trailers, tents, shacks, sheds, barns, tree houses or out buildings shall be placed or erected on the Property at any time without the express written permission of the Board.

Section 19. Nuisances. No obnoxious, unpleasant, unsightly or offensive activity shall be carried on, nor may anything be done, which can be reasonably construed to constitute a nuisance, public or private in nature. Any questions with regard to the interpretation of this section shall be decided by the Board, whose decision shall be final.

Section 20. Window Treatment. No reflective foil, sheets, newspapers, or other similar material shall be permitted on any window or glass door. Drapes, blinds, verticals, and other window coverings visible from outside a Residence shall have a white, beige, or similar light coloring.

Section 21. Games and Play Structures. All game and play structures, including permanent or temporary roll-out basketball hoops and backboards, tree houses, and other recreational equipment shall be located or screened so they cannot be seen from any street and are shielded from view from any adjoining Lot.

Section 22. Compliance with Documents. Each Owner and his family members, guests, invitees, lessees and their family members, guests, and invitees; and his or its tenants, licensees, guests, invitees and sub-tenants shall be bound and abide by this Declaration. The conduct of the foregoing parties shall be considered to be the conduct of the Owner responsible for, or connected in any manner with, such individual's presence within the Property. Such Owner shall be liable to the Association for the cost

of any maintenance, repair or replacement of any real or personal property rendered necessary by his act, neglect or carelessness, or by that of any other of the foregoing parties which shall be immediately paid for by the Owner as an assessment as provided in Article VII. Failure of an Owner to notify any Person of the existence of the covenants, conditions, restrictions, and other provisions of this Declaration shall not in any way act to limit or divest the right to enforcement of these provisions against the Owner or such other Person.

Section 23. Other Restrictions Established by the Association. The Association shall have the authority, as hereinabove expressed, from time to time to include other restrictions as it shall deem appropriate. Said restrictions shall be governed in accordance with the criteria hereinabove set forth for residential planning criteria promulgated by the Association. However, once the Association promulgates certain restrictions, same shall become as binding and shall be given the same force and effect as the restrictions set forth herein until the Association modifies, changes or promulgates new restrictions or the Association modifies or changes restrictions set forth by the Association.

Section 24. Common Area. Other than those improvements constructed by Declarant, no improvements shall be constructed upon any portion of the Common Area without the approval of the Board. The following shall apply to the Common Area:

- A. No activities constituting a nuisance shall be conducted upon any Common Area.
- B. No rubbish, trash, garbage or other discarded items shall be placed or allowed to remain upon any Common Area.
- C. The Association may from time to time adopt reasonable rules and regulations concerning use of the Common Area which shall be binding upon all Members.
- D. Nothing shall be stored, constructed within or removed from the Common Area other than by the Declarant, except with the prior written approval of the Board.
- E. Except for those capital improvements made to the Common Area by the Declarant at its expense, at all times hereafter, all capital improvements to the Common Area exceeding Ten Thousand Dollars (\$10,000), except for replacement or repair of those items installed by the Declarant and personal property related to the maintenance of the Common Area, shall require the affirmative vote (in person or by proxy) or written consent, or any

combination thereof, of Owners holding not less than two-thirds (2/3) of the total votes of the Association at a meeting duly called for this purpose unless such capital improvement is required by any Federal, State or local law or ordinance.

Section 25. Property Maintenance. Each Lot and all improvements and landscaping thereon, shall at all times be kept and maintained in a safe, clean, wholesome and attractive condition and shall not be allowed to deteriorate, fall into disrepair or become unsafe or unsightly. In particular, no weeds, underbrush or other unsightly growth and no trash, rubbish, refuse, debris or unsightly objects of any kind shall be permitted or allowed to accumulate on a Lot. In the event an Owner of any Lot shall fail to maintain the premises and improvements situated thereon in such a manner, the Owner shall be notified and given thirty days within which to correct or abate the situation. If the Owner fails to do so, the Association shall have the right (although it shall not be required to do so) to enter upon the Lot for the purpose of repairing, maintaining and restoring the Lot and the exterior of the building and other improvements located thereupon at the sole cost of the Owner of the Lot. The cost of such repair, maintenance and restoration, together with reasonable attorneys' fees and costs for collection thereof incurred through all appellate levels, shall thereupon constitute a lien upon the Lot, which lien shall become effective only upon the filing of a written claim of lien. The form, substance and enforcement of the lien shall be in accordance with the construction lien law of the State of Florida, and the Owner of the Lot shall, by virtue of having acquired the Lot subject to these restrictions, be deemed to have authorized and contracted for such repair, maintenance and restoration. The lien herein provided will be subordinate to a first mortgage lien.

Section 26. No Implied Waiver. The failure of the Association or the Declarant to object to an Owner's or other party's failure to comply with this Declaration or any other Governing Documents shall in no event be deemed a waiver by the Declarant or the Association, or any other Person having an interest therein, of that Owner's or other party's requirement and obligation to abide by this Declaration.

Section 27. Imposition of Fines for Violations. It is acknowledged and agreed among all Owners that a violation of any of the provisions of this Declaration by an Owner or resident may impose irreparable harm to the other Owners or residents. All Owners agree that a fine may be imposed by the Declarant or Association for each day a violation continues after notification by the Declarant or the Association. All fines collected shall be used for the benefit of the Association. Any fine levied shall be paid within fifteen (15) days after mailing of notice of that fine. If not paid within the fifteen (15) days the amount of such fine shall accrue interest at a rate of six percent (6%) per annum, and shall be treated as a Specific Assessment as provided in Article VII.

Section 28. Association Waiver. In the event that a violation of any of these restrictions shall inadvertently occur, which violation shall not be of such nature to defeat the intent and purpose of these covenants, the Association shall have the right and authority to waive such violation.

Section 29. Rights of Declarant. Notwithstanding anything in this Declaration to the contrary, Declarant shall have the right to use Property for ingress and egress thereover including the use of construction machinery and trucks thereon and no Person shall in any way impede or interfere with the Declarant, its employees or agents, in the exercise of this right herein reserved, or interfere with the completion of the contemplated improvements or sale of Lots and improvements thereon. Furthermore, the Declarant may make such use of Property free from the interference of Owners or contract purchasers as may be reasonably necessary to facilitate the completion and sale of Lots and improvements thereon, including but not limited to, the maintenance of a sales office and model area, the showing of Property, the display of signs, and the right to construct or place sales and construction offices of a temporary nature on the Property.

ARTICLE X

ENFORCEMENT OF NON-MONETARY DEFAULTS

Section 1. Non-monetary Defaults. In the event of a violation by any Member or Owner (other than the nonpayment of any Assessments or other monies) of any of the provisions of the Governing Documents or restrictions set forth by the Association, the Association shall notify the Member or Owner of the violation by written notice. If the violation is not cured as soon as practicable, and in any event, no later than seven (7) days after the receipt of the written notice, or if the violation is not capable of being cured within the seven (7) day period, or if the Member or Owner fails to commence and diligently proceed to completely cure the violation, the Association may, at its option:

- A. Specific Performance. Commence an action to enforce the performance on the part of the Member or Owner, or for such equitable relief as may be necessary under the circumstances, including injunctive relief; and/or
- B. Damages. Commence an action to recover damages; and/or
- C. Corrective Action. Take any and all action reasonably necessary to correct such violation, which action may include, but is not limited to, removing any building or improvement for which architectural approval has not been obtained, or perform any maintenance required to be performed by this Declaration, including the right to enter upon a Lot to make such

corrections or modifications as are necessary, or remove anything in violation of the provisions of the Governing Documents or any restrictions set forth by the Association.

Section 2. Expenses. All expenses incurred by the Association in connection with the correction of any violation, or the commencement of any action against any Owner, including administrative fees and costs and reasonable attorneys' fees and disbursements through the appellate level, shall be a Specific Assessment assessed against the applicable Owner, and shall be due upon written demand by the Association.

Section 3. Late Fees. Any remedy sought by the Declarant or Association shall be subject to a late fee as set by the Board which shall bear an interest rate of six percent (6%) per annum.

Section 4. No Waiver. The failure of the Association to enforce any right, provision, covenant or condition which may be granted by the Governing Documents shall not constitute a waiver of the right of the Association to enforce such right, provisions, covenant, or condition in the future.

Section 5. Rights Cumulative. All rights, remedies and privileges granted to the Association pursuant to any terms, provisions, covenants or conditions of the Governing Documents shall be deemed to be cumulative, and the exercise of any one or more shall neither be deemed to constitute an election of remedies, nor shall it preclude the Association from executing such additional remedies, rights or privileges as may be granted or as it might have by law.

Section 6. Enforcement By or Against the Persons. In addition to the foregoing, the Declaration may be enforced by the Declarant, the Association, or any Owner by any procedure at law or in equity against any Person violating or attempting to violate any provision herein, to restrain any violation, to require compliance with the provisions contained herein, to recover damages, or to enforce any lien created herein. The expense of any litigation to enforce this Declaration shall be borne by the Person against whom enforcement is sought, provided such proceeding results in a finding that such Person was in violation of this Declaration. The prevailing party in any such action shall be entitled to recover its reasonable attorney fees and disbursements through the appellate level.

Section 7. Certificate as to Default. Upon request by any Owner or mortgagee, holding a mortgage encumbering any Lot, the Association shall execute and deliver a written certificate as to whether such Owner is in default with respect to compliance with the terms and provisions of this Declaration.

ARTICLE XI
INDEMNIFICATION

Section 1. Indemnification of Officers, Directors or Agents. The Association shall indemnify any Person who was or is a party or is threatened to be made a party, to any threatened, pending or contemplated action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he is or was a Director, employee, Officer or agent of the Association, against expenses (including attorneys' fees and appellate attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interest of the Association. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, in and of itself, create a presumption that the Person did not act in good faith and in a manner which he reasonably believed to be in, or not opposed to, the best interest of the Association; and with respect to any criminal action or proceeding, that he had no reasonable cause to believe that his conduct was unlawful.

A. To the extent that a Director, Officer, employee or agent of the Association is entitled to indemnification by the Association in accordance with this Article, he shall be indemnified against expenses (including attorneys' fees and appellate attorneys' fees) actually and reasonably incurred by him in connection therewith.

B. The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under the laws of the State of Florida, any Bylaw, agreement, vote of Members or otherwise. As to action taken in an official capacity while holding office, the indemnification provided by this Article shall continue as to a Person who has ceased to be a member of the Board, Officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such a Person.

C. The Association shall have the power to purchase and maintain insurance on behalf of any Person who is or was a Director, Officer, employee or agent of the Association, or is or was serving at the request of the Association as a Director, Officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the Association would have the power to indemnify him against such liability under the provisions of this Article.

ARTICLE XII
RELATIONSHIP WITH THE MASTER ASSOCIATION

Section 1. Creation of the Master Association. The Master Association was formed for the purpose of holding title to common area within the Grand Haven Community (as defined in the Master Declaration) and enforcing the Master Declaration. The Association shall have the right to convey or transfer portions of the Common Area to the Master Association so long as the Members shall have the right to use and enjoy the Common Area.

Section 2. Rights and Duties of the Association. The Association shall:

- A. Abide by the Master Declaration and the covenants set forth therein; and
- B. Perform such other duties as are prescribed by Master Declaration or Master Association articles of incorporation or bylaws.

Section 3. Conflict. The Master Declaration shall take precedence over conflicting provisions in this Declaration.

ARTICLE XIII
AMENDMENTS

Section 1. Amendment by the Association. The covenants, restrictions, easements, charges and liens of this Declaration may be amended, changed, or added to, at any time and from time to time, upon the affirmative vote (in person or by proxy) or written consent, or any combination thereof, of Owners holding not less than two-thirds (2/3) of the total votes of the Association. Any amendment of this Declaration shall be recorded in the Public Records of Flagler County, Florida.

Section 2. Amendment to Comply with Governmental Authority. As long as there is a Class B Membership, Declarant specifically reserves the right to amend this Declaration, without the consent or joinder of any party, in order to comply with the requirements of the Department of Housing and Urban Development, Veteran's Administration, St. Johns River Water Management District, or Federal National Mortgage Association, Flagler County, or any other governmental agency.

ANY AMENDMENT TO THE DECLARATION WHICH ALTERS THE SURFACE WATER/STORMWATER MANAGEMENT SYSTEM, BEYOND MAINTENANCE IN ITS ORIGINAL CONDITION, INCLUDING THE WATER MANAGEMENT PORTIONS OF

THE COMMON AREA, MUST HAVE THE PRIOR APPROVAL OF THE ST. JOHNS RIVER WATER MANAGEMENT DISTRICT.

Section 3. Amendment to Correct Scrivener's Errors and Clarify Ambiguities. Declarant shall have the right at any time to amend this Declaration to correct scrivener's errors and to clarify ambiguities determined to exist herein. No amendment shall impair or prejudice rights or priorities of any Institutional Lender without their written consent.

ARTICLE XIV **GENERAL PROVISIONS**

Section 1. Assignment of Rights and Duties to the Association. The Declarant may at any time assign and delegate to the Association all or any portion of the Declarant's rights, title, interests, duties or obligations created by this Declaration. It is understood that the Association has been formed as a homeowner's association in order to effectuate the intent of the Declarant for the proper development, operation and management of the Property. Wherever herein the Declarant or the Association or both are given the right, duty, or obligation to approve, enforce, waive, collect, sue, demand, give notice, or take any other action or grant any relief or perform any task, such action may be taken by the Declarant or the Association until such time as the Declarant or any successor declarant is divested of its interest in any portion of the Property or the Undeveloped Parcels, or has terminated its interest in the Property or Undeveloped Parcels, or the Declarant has assigned its rights, duties, and obligations hereunder to the Association. Thereafter, all rights, duties and obligations of the Declarant shall be administered solely by the Association in accordance with the procedures set forth herein and the Governing Documents.

Section 2. Covenants to Run with the Title to the Land. This Declaration, as amended and supplemented from time to time as herein provided, shall be deemed to run with the title to the Property and shall remain in full force and effect until terminated in accordance with provisions set out herein.

Section 3. Enforcement. The Declarant, the Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of the Declaration. Failure by the Association or by any Owner to enforce any covenants or restrictions herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 4. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

Section 5. Duration. The covenants and restrictions of this Declaration shall run with and bind the land for a term of twenty-five (25) years from the date this Declaration is recorded. Thereafter these covenants and restrictions shall be automatically extended for successive periods of ten (10) years, unless termination of the provisions of this Declaration is approved by the affirmative vote (in person or by proxy) or written consent, or any combination thereof, of Owners holding not less than two-thirds (2/3) of the total votes of the Association. Any termination of this Declaration shall be recorded in the Public Records of Flagler County, Florida. Unless this Declaration is terminated as provided above, the association shall re-record this Declaration or other notice of its terms at intervals necessary under Florida law to preserve its effect.

Section 6. Communication. All communication from individual Owners to the Declarant, its successors or assigns; the Board; or any Officer of the Association shall be in writing.

Section 7. Notice. Any notice required to be sent to any Member or Owner under the provisions of this Declaration shall be deemed to have been properly sent when mailed, postpaid, to the last known address of the Person who appears as Member or Owner on the records of the Association at the time of such mailing.

Section 8. Conflict. This Declaration shall take precedence over conflicting provisions in the Articles and Bylaws, and the Articles shall take precedence over the Bylaws.

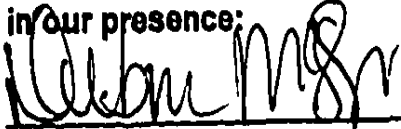
Section 9. Usage. Whenever used herein the singular number shall include the plural and plural the singular, and the use of any gender shall include all genders.


Section 10. Governing Law. The construction, validity and enforcement of this Declaration shall be determined according to the laws of the State of Florida. Any action or suit brought in connection with this Declaration shall be in Flagler County, Florida.

Section 11. HUD/VA Approval. As long as there is a Class B Membership and so long as the Department of Housing and Urban Development ("HUD") and/or the Veteran's Administration ("VA") is holding, insuring, or guaranteeing any loan secured by property subject to this Declaration, the following actions will require the approval of HUD or VA: annexation of additional properties, dedication of common area, and amendment of this Declaration.

IN WITNESS WHEREOF, the undersigned, being the Declarant has hereunto set its hand and seal the day and year first above written.


Signed, sealed, and delivered
in our presence:


Print Name: DEBRA J. MCGREGOR


Witness
Print Name: Brenda M. MARTIN

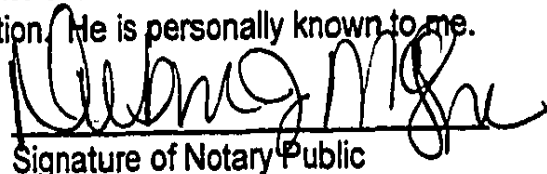
DECLARANT:

PULTE HOME CORPORATION

By: 
Name: Joseph M. Shaffer
Title: Attorney-in-Fact
8081 Phillips Highway, Suite 14
Jacksonville, Florida 32256

STATE OF FLORIDA
COUNTY OF DUVAL

The foregoing instrument was acknowledged before me this 23rd day of July, 1998, by Joseph M. Shaffer as Attorney-in-Fact of PULTE HOME CORPORATION, a Michigan corporation, on behalf of the corporation. He is personally known to me.

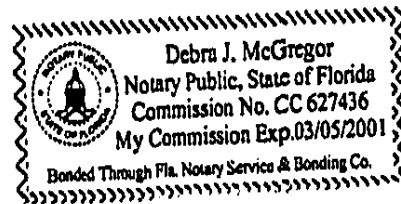


Signature of Notary Public

DEBRA J. MCGREGOR

Print name of Notary Public

My Commission Expires:



VILLAGE D 1-A AT GRAND HAVEN

A PART OF SECTION 22, TOWNSHIP 11 SOUTH, RANGE 31 EAST, FLAGLER COUNTY, FLORIDA, MORE PARTICULARLY DESCRIBED AS FOLLOWS: FOR A POINT OF REFERENCE, COMMENCE AT THE NORTHWEST CORNER OF SECTION 15 OF SAID TOWNSHIP AND RANGE; THENCE SOUTH 01°02'33" EAST ALONG THE WEST LINE OF SAID SECTION 15, A DISTANCE OF 2298.35 FEET; THENCE NORTH 74°15'57" WEST, A DISTANCE OF 573.33 FEET; THENCE SOUTH 26°04'23" WEST ALONG A LINE TO ITS INTERSECTION WITH THE EASTERLY RIGHT-OF-WAY LINE OF COLBERT LANE EXTENSION (A RIGHT-OF-WAY OF VARYING WIDTH), A DISTANCE OF 133.54 FEET; THENCE SOUTH 06°48'22" EAST ALONG SAID EASTERLY RIGHT-OF-WAY LINE, A DISTANCE OF 517.99 FEET TO THE POINT OF CURVE OF A CURVE, CONCAVE EASTERLY HAVING A RADIUS OF 1940.00 FEET; THENCE SOUTHERLY CONTINUING ALONG SAID EASTERLY RIGHT-OF-WAY LINE AND ALONG THE ARC OF SAID CURVE, AN ARC DISTANCE OF 480.45 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING OF SOUTH 13°54'03" EAST AND A CHORD DISTANCE OF 479.22 FEET TO THE POINT OF TANGENCY OF SAID CURVE; THENCE SOUTH 20°59'45" EAST CONTINUING ALONG SAID EASTERLY RIGHT-OF-WAY LINE, A DISTANCE OF 624.00 FEET TO THE POINT OF CURVE OF A CURVE, CONCAVE WESTERLY HAVING A RADIUS OF 2060.00 FEET; THENCE SOUTHERLY CONTINUING ALONG SAID EASTERLY RIGHT-OF-WAY LINE AND ALONG THE ARC OF SAID CURVE, AN ARC DISTANCE OF 498.04 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING OF SOUTH 14°04'10" EAST AND A CHORD DISTANCE OF 496.82 FEET TO THE POINT OF TANGENCY OF SAID CURVE; THENCE SOUTH 07°08'36" EAST CONTINUING ALONG SAID EASTERLY RIGHT-OF-WAY LINE, A DISTANCE OF 541.59 FEET TO THE POINT OF CURVE OF A CURVE, CONCAVE EASTERLY HAVING A RADIUS OF 2940.00 FEET; THENCE SOUTHERLY CONTINUING ALONG SAID EASTERLY RIGHT-OF-WAY LINE AND ALONG THE ARC OF SAID CURVE, AN ARC DISTANCE OF 265.89 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING OF SOUTH 09°44'03" EAST AND A CHORD DISTANCE OF 265.80 FEET TO THE POINT OF TANGENCY OF SAID CURVE; THENCE SOUTH 12°19'31" EAST CONTINUING ALONG SAID EASTERLY RIGHT-OF-WAY LINE, A DISTANCE OF 362.38 FEET TO AN ANGLE POINT IN SAID RIGHT-OF-WAY LINE; THENCE NORTH 77°40'29" EAST, A DISTANCE OF 35.00 FEET; THENCE SOUTH 12°19'31" EAST CONTINUING ALONG SAID EASTERLY RIGHT-OF-WAY LINE, A DISTANCE OF 488.88 FEET TO THE POINT OF BEGINNING; THENCE NORTH 82°49'13" EAST LEAVING SAID EASTERLY RIGHT-OF-WAY LINE, A DISTANCE OF 293.31 FEET; THENCE NORTH 49°20'41" EAST, A DISTANCE OF 185.97 FEET TO A POINT ON A CURVE, CONCAVE NORTHEASTERLY HAVING A RADIUS OF 640.00 FEET; THENCE SOUTHEASTERLY ALONG THE ARC OF SAID CURVE, AN ARC DISTANCE OF 5.46 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING OF SOUTH 44°18'54" EAST AND A CHORD DISTANCE OF 5.46 FEET TO THE POINT OF TANGENCY OF SAID CURVE; THENCE SOUTH 44°33'33" EAST, A DISTANCE OF 299.89 FEET TO THE POINT OF CURVE OF A CURVE, CONCAVE

EXHIBIT "A"

VILLAGE D1-A AT GRAND HAVEN - CONTINUED

NORTHEASTERLY HAVING A RADIUS OF 790.00 FEET; THENCE SOUTHEASTERLY ALONG THE ARC OF SAID CURVE, AN ARC DISTANCE OF 499.18 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING OF SOUTH 62°39'40" EAST AND A CHORD DISTANCE OF 490.92 FEET TO A POINT ON SAID CURVE; THENCE SOUTH 38°30'56" WEST, A DISTANCE OF 511.23 FEET TO THE POINT OF CURVE OF A CURVE, CONCAVE EASTERLY HAVING A RADIUS OF 357.00 FEET; THENCE SOUTHERLY ALONG THE ARC OF SAID CURVE, AN ARC DISTANCE OF 486.74 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING OF SOUTH 00°32'37" EAST AND A CHORD DISTANCE OF 449.91 FEET TO THE POINT OF TANGENCY OF SAID CURVE; THENCE SOUTH 39°36'09" EAST, A DISTANCE OF 209.63 FEET TO THE POINT OF CURVE OF A CURVE, CONCAVE NORTHEASTERLY HAVING A RADIUS OF 164.00 FEET; THENCE SOUTHEASTERLY ALONG THE ARC OF SAID CURVE, AN ARC DISTANCE OF 166.21 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING OF SOUTH 68°38'09" EAST AND A CHORD DISTANCE OF 159.18 FEET TO THE POINT OF TANGENCY OF SAID CURVE; THENCE NORTH 82°19'53" EAST, A DISTANCE OF 230.99 FEET; THENCE SOUTH 24°02'02" EAST, A DISTANCE OF 129.73 FEET TO A POINT ON A CURVE, CONCAVE NORTHERLY HAVING A RADIUS OF 138.05 FEET; THENCE WESTERLY ALONG THE ARC OF SAID CURVE, AN ARC DISTANCE OF 51.80 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING OF SOUTH 83°40'32" WEST AND A CHORD DISTANCE OF 51.50 FEET TO THE POINT OF TANGENCY OF SAID CURVE; THENCE NORTH 85°34'28" WEST, A DISTANCE OF 287.83 FEET TO THE POINT OF CURVE OF A CURVE, CONCAVE NORTHEASTERLY HAVING A RADIUS OF 239.24 FEET; THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE, AN ARC DISTANCE OF 84.28 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING OF NORTH 75°28'58" WEST AND A CHORD DISTANCE OF 83.84 FEET TO A POINT ON SAID CURVE; THENCE SOUTH 47°42'40" WEST ALONG A LINE TO ITS INTERSECTION WITH AFORESAID EASTERLY RIGHT-OF-WAY LINE OF COLBERT LANE EXTENSION, A DISTANCE OF 284.15 FEET; THENCE NORTH 42°56'20" WEST ALONG SAID EASTERLY RIGHT-OF-WAY LINE, A DISTANCE OF 86.04 FEET TO THE POINT OF CURVE OF A CURVE, CONCAVE NORTHEASTERLY HAVING A RADIUS OF 2165.00 FEET; THENCE NORTHWESTERLY CONTINUING ALONG SAID EASTERLY RIGHT-OF-WAY LINE AND ALONG THE ARC OF SAID CURVE, AN ARC DISTANCE OF 1156.78 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING OF NORTH 27°37'56" WEST AND A CHORD DISTANCE OF 1143.07 FEET TO THE POINT OF TANGENCY OF SAID CURVE; THENCE NORTH 12°19'31" WEST, CONTINUING ALONG SAID EASTERLY RIGHT-OF-WAY LINE, A DISTANCE OF 532.52 FEET TO THE POINT OF BEGINNING.

VILLAGE D 1-B AT GRAND HAVEN

PART OF SECTION 22, TOWNSHIP 11 SOUTH, RANGE 31 EAST, TOGETHER WITH PARCEL E, VILLAGE D 1-A AT GRAND HAVEN (A PROPOSED PLAT), FLAGLER COUNTY, FLORIDA, MORE PARTICULARLY DESCRIBED AS FOLLOWS: FOR A POINT OF REFERENCE, COMMENCE AT THE NORTHWEST CORNER OF SECTION 15 OF SAID TOWNSHIP AND RANGE; THENCE SOUTH $01^{\circ}02'33''$ EAST ALONG THE WEST LINE OF SAID SECTION 15, A DISTANCE OF 2298.35 FEET; THENCE NORTH $74^{\circ}15'57''$ WEST, A DISTANCE OF 573.33 FEET; THENCE SOUTH $26^{\circ}04'23''$ WEST ALONG A LINE TO ITS INTERSECTION WITH THE EASTERLY RIGHT-OF-WAY LINE OF COLBERT LANE EXTENSION (A RIGHT-OF-WAY OF VARYING WIDTH), A DISTANCE OF 133.54 FEET; THENCE SOUTH $06^{\circ}48'22''$ EAST ALONG SAID EASTERLY RIGHT-OF-WAY LINE, A DISTANCE OF 517.99 FEET TO THE POINT OF CURVE OF A CURVE, CONCAVE EASTERLY HAVING A RADIUS OF 1940.00 FEET; THENCE SOUTHERLY CONTINUING ALONG SAID EASTERLY RIGHT-OF-WAY LINE AND ALONG THE ARC OF SAID CURVE, AN ARC DISTANCE OF 480.45 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING OF SOUTH $13^{\circ}54'03''$ EAST AND A CHORD DISTANCE OF 479.22 FEET TO THE POINT OF TANGENCY OF SAID CURVE; THENCE SOUTH $20^{\circ}59'45''$ EAST CONTINUING ALONG SAID EASTERLY RIGHT-OF-WAY LINE, A DISTANCE OF 624.00 FEET TO THE POINT OF CURVE OF A CURVE, CONCAVE WESTERLY HAVING A RADIUS OF 2060.00 FEET; THENCE SOUTHERLY CONTINUING ALONG SAID EASTERLY RIGHT-OF-WAY LINE AND ALONG THE ARC OF SAID CURVE, AN ARC DISTANCE OF 498.04 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING OF SOUTH $14^{\circ}04'10''$ EAST AND A CHORD DISTANCE OF 496.82 FEET TO THE POINT OF TANGENCY OF SAID CURVE; THENCE SOUTH $07^{\circ}08'36''$ EAST CONTINUING ALONG SAID EASTERLY RIGHT-OF-WAY LINE, A DISTANCE OF 541.59 FEET TO THE POINT OF CURVE OF A CURVE, CONCAVE EASTERLY HAVING A RADIUS OF 2940.00 FEET; THENCE SOUTHERLY CONTINUING ALONG SAID EASTERLY RIGHT-OF-WAY LINE AND ALONG THE ARC OF SAID CURVE, AN ARC DISTANCE OF 265.89 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING OF SOUTH $09^{\circ}44'03''$ EAST AND A CHORD DISTANCE OF 265.80 FEET TO THE POINT OF TANGENCY OF SAID CURVE; THENCE SOUTH $12^{\circ}19'31''$ EAST CONTINUING ALONG SAID EASTERLY RIGHT-OF-WAY LINE, A DISTANCE OF 362.38 FEET TO AN ANGLE POINT IN SAID RIGHT-OF-WAY LINE; THENCE NORTH $77^{\circ}40'29''$ EAST, A DISTANCE OF 35.00 FEET; THENCE SOUTH $12^{\circ}19'31''$ EAST CONTINUING ALONG SAID EASTERLY RIGHT-OF-WAY LINE, A DISTANCE OF 1021.40 FEET TO THE POINT OF CURVE OF A CURVE, CONCAVE NORTHEASTERLY HAVING A RADIUS OF 2165.00 FEET; THENCE SOUTHEASTERLY CONTINUING ALONG SAID EASTERLY RIGHT-OF-WAY LINE AND ALONG THE ARC OF SAID CURVE, AN ARC DISTANCE OF 1114.40 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING OF SOUTH $27^{\circ}04'17''$ EAST AND A CHORD DISTANCE OF 1102.14 FEET TO THE POINT OF BEGINNING; THENCE NORTH $48^{\circ}10'48''$ EAST LEAVING SAID EASTERLY RIGHT-OF-WAY LINE, A DISTANCE OF 130.00 FEET TO A POINT ON A CURVE, CONCAVE NORTHEASTERLY HAVING A RADIUS OF 2035.00 FEET; THENCE SOUTHEASTERLY ALONG THE ARC OF SAID CURVE, AN ARC DISTANCE OF 16.75 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING OF SOUTH $42^{\circ}03'27''$ EAST AND A CHORD DISTANCE OF 16.75 FEET TO A POINT ON SAID CURVE; THENCE NORTH $47^{\circ}42'40''$ EAST, A DISTANCE OF 136.00 FEET TO A POINT ON A CURVE, CONCAVE NORTHEASTERLY HAVING A RADIUS OF 1899.00 FEET; THENCE SOUTHEASTERLY ALONG THE ARC OF SAID CURVE, AN ARC DISTANCE OF 19.15 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING OF SOUTH $42^{\circ}34'40''$ EAST AND A CHORD DISTANCE OF 19.15 FEET TO THE POINT OF COMPOUND CURVE OF A CURVE, CONCAVE NORTHEASTERLY HAVING A RADIUS OF 239.24 FEET; THENCE SOUTHEASTERLY ALONG THE ARC OF SAID CURVE, AN ARC DISTANCE OF 178.32 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING OF SOUTH $64^{\circ}13'14''$ EAST AND A CHORD DISTANCE OF 174.22 FEET TO THE POINT OF TANGENCY OF SAID CURVE; THENCE SOUTH $35^{\circ}34'28''$ EAST, A DISTANCE OF 287.83 FEET TO THE POINT OF CURVE OF A CURVE, CONCAVE NORTHERLY HAVING A RADIUS OF 138.05 FEET; THENCE EASTERLY ALONG THE ARC OF SAID CURVE, AN ARC DISTANCE OF 63.03 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING OF NORTH $81^{\circ}20'41''$ EAST AND A CHORD DISTANCE OF 62.49 FEET TO THE POINT OF COMPOUND CURVE OF A CURVE, CONCAVE SOUTHWESTERLY HAVING A RADIUS OF 160.00 FEET; THENCE SOUTHEASTERLY ALONG THE ARC OF SAID CURVE, AN ARC DISTANCE OF 485.33 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING OF SOUTH $24^{\circ}50'28''$ EAST AND A CHORD DISTANCE OF 319.53 FEET TO THE POINT OF TANGENCY OF SAID CURVE; THENCE SOUTH $62^{\circ}03'13''$ WEST, A DISTANCE OF 260.03 FEET; THENCE NORTH $42^{\circ}56'20''$ WEST, A DISTANCE OF 139.39 FEET TO THE POINT OF CURVE OF A CURVE, CONCAVE SOUTHERLY HAVING A RADIUS OF 86.20 FEET; THENCE WESTERLY ALONG THE ARC OF SAID CURVE, AN ARC DISTANCE OF 135.40 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING OF NORTH $87^{\circ}56'20''$ WEST AND A CHORD DISTANCE OF 121.91 FEET TO THE POINT OF TANGENCY OF SAID CURVE; THENCE SOUTH $47^{\circ}03'40''$ WEST ALONG A LINE TO ITS INTERSECTION WITH THE AFORESAID EASTERLY RIGHT-OF-WAY LINE OF COLBERT LANE EXTENSION, A DISTANCE OF 139.19 FEET; THENCE NORTH $42^{\circ}56'20''$ WEST ALONG SAID EASTERLY RIGHT-OF-WAY LINE, A DISTANCE OF 417.76 FEET TO THE POINT OF CURVE OF A CURVE, CONCAVE NORTHEASTERLY HAVING A RADIUS OF 2165.00 FEET; THENCE NORTHWESTERLY CONTINUING ALONG SAID EASTERLY RIGHT-OF-WAY LINE AND ALONG THE ARC OF SAID CURVE, AN ARC DISTANCE OF 42.38 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING OF NORTH $42^{\circ}22'42''$ WEST AND A CHORD DISTANCE OF 42.38 FEET TO THE POINT OF BEGINNING.

CONTAINING 6.61 ACRES MORE OR LESS.

VILLAGE D1C AT GRAND HAVEN

A PART OF SECTION 22, TOWNSHIP 11 SOUTH, RANGE 31 EAST, FLAGLER COUNTY, FLORIDA, MORE PARTICULARLY DESCRIBED AS FOLLOWS: FOR A POINT OF REFERENCE, COMMENCE AT THE SOUTHEAST CORNER OF PARCEL E, THE RESERVE AT GRAND HAVEN, AS RECORDED IN MAP BOOK 31, PAGES 31 THROUGH 33 OF THE PUBLIC RECORDS OF SAID COUNTY, SAID POINT LYING ON THE EASTERLY RIGHT-OF-WAY LINE OF COLBERT LANE EXTENSION (A RIGHT-OF-WAY OF VARYING WIDTH); THENCE SOUTH 42°56'20" EAST ALONG SAID EASTERLY RIGHT-OF-WAY LINE, A DISTANCE OF 500.71 FEET TO THE POINT OF CURVE OF A CURVE, CONCAVE SOUTHWESTERLY HAVING A RADIUS OF 2110.00 FEET; THENCE SOUTHEASTERLY CONTINUING ALONG SAID EASTERLY RIGHT-OF-WAY LINE AND ALONG THE ARC OF SAID CURVE, AN ARC DISTANCE OF 191.67 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING OF SOUTH 40°20'12" EAST AND A CHORD DISTANCE OF 191.60 FEET TO THE POINT OF BEGINNING; THENCE NORTH 47°03'40" EAST LEAVING SAID EASTERLY RIGHT-OF-WAY LINE, A DISTANCE OF 147.88 FEET TO THE POINT OF CURVE OF A CURVE, CONCAVE WESTERLY HAVING A RADIUS OF 86.20 FEET; THENCE NORTHERLY ALONG THE ARC OF SAID CURVE, AN ARC DISTANCE OF 135.40 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING OF NORTH 02°03'40" EAST AND A CHORD DISTANCE OF 121.91 FEET TO THE POINT OF TANGENCY OF SAID CURVE; THENCE NORTH 42°56'20" WEST, A DISTANCE OF 48.61 FEET; THENCE NORTH 62°03'13" EAST, A DISTANCE OF 260.03 FEET TO A SOUTHWESTERLY CORNER OF PROPOSED VILLAGE CENTER AT GRAND HAVEN; THENCE ALONG A SOUTHERLY LINE OF SAID PROPOSED VILLAGE CENTER THE FOLLOWING EIGHT COURSES: COURSE NO. 1) SOUTH 27°56'48" EAST, A DISTANCE OF 27.09 FEET; COURSE NO. 2) SOUTH 76°59'33" EAST, A DISTANCE OF 96.12 FEET; COURSE NO. 3) SOUTH 34°45'54" EAST, A DISTANCE OF 71.31 FEET; COURSE NO. 4) NORTH 46°26'37" EAST, A DISTANCE OF 41.26 FEET; COURSE NO. 5) NORTH 50°26'27" EAST, A DISTANCE OF 57.15 FEET; COURSE NO. 6) NORTH 70°47'42" EAST, A DISTANCE OF 102.45 FEET; COURSE NO. 7) NORTH 89°41'26" EAST, A DISTANCE OF 86.67 FEET; COURSE NO. 8) SOUTH 56°05'40" EAST, A DISTANCE OF 96.05 FEET TO A POINT ON THE WESTERLY RIGHT-OF-WAY LINE OF PROPOSED WATERSIDE PARKWAY EXTENSION PHASE 3, SAID POINT LYING ON A CURVE, CONCAVE NORTHEASTERLY HAVING A RADIUS OF 840.01 FEET; THENCE SOUTHEASTERLY ALONG SAID PROPOSED WESTERLY RIGHT-OF-WAY LINE AND ALONG THE ARC OF SAID CURVE, AN ARC DISTANCE OF 296.34 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING OF SOUTH 15°28'12" EAST AND A CHORD DISTANCE OF 294.80 FEET TO THE POINT OF TANGENCY OF SAID CURVE; THENCE SOUTH 25°33'32" EAST CONTINUING ALONG SAID PROPOSED WESTERLY RIGHT-OF-WAY LINE, A DISTANCE OF 257.08 FEET; THENCE SOUTH 28°12'38" WEST LEAVING SAID PROPOSED WESTERLY RIGHT-OF-WAY LINE, A DISTANCE OF 224.82 FEET; THENCE SOUTH 28°22'41" WEST, A DISTANCE OF 49.46 FEET; THENCE SOUTH 20°29'40" EAST, A DISTANCE OF 33.29 FEET; THENCE SOUTH 09°22'04" WEST, A DISTANCE OF 89.78 FEET; THENCE SOUTH 02°01'22" WEST, A DISTANCE OF 83.54 FEET; THENCE SOUTH 44°47'13" WEST, A DISTANCE OF 67.46 FEET; THENCE SOUTH 11°30'29" EAST, A DISTANCE OF 37.01 FEET; THENCE NORTH 56°32'24" WEST, A DISTANCE OF 96.44 FEET; THENCE SOUTH 30°07'51" WEST, A DISTANCE OF 52.98 FEET; THENCE SOUTH 25°19'48" WEST, A DISTANCE OF

VILLAGE D1C AT GRAND HAVEN - CONTINUED

71.90 FEET; THENCE SOUTH 18°12'58" WEST, A DISTANCE OF 116.81 FEET TO A POINT ON A CURVE, CONCAVE SOUTHWESTERLY HAVING A RADIUS OF 81.20 FEET; THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE, AN ARC DISTANCE OF 128.86 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING OF NORTH 54°58'04" WEST AND A CHORD DISTANCE OF 115.76 FEET TO THE POINT OF TANGENCY OF SAID CURVE; THENCE SOUTH 79°34'12" WEST, A DISTANCE OF 134.39 FEET TO A POINT ON THE AFORESAID EASTERLY RIGHT-OF-WAY LINE OF COLBERT LANE EXTENSION, SAID POINT LYING ON A CURVE, CONCAVE SOUTHWESTERLY HAVING A RADIUS OF 2110.00 FEET; THENCE NORTHWESTERLY ALONG SAID EASTERLY RIGHT-OF-WAY LINE AND ALONG THE ARC OF SAID CURVE, AN ARC DISTANCE OF 960.39 FEET, SAID ARC BEING SUBTENDED BY A CHORD BEARING OF NORTH 24°41'41" WEST AND A CHORD DISTANCE OF 952.12 FEET TO THE POINT OF BEGINNING.

CONTAINING 17.85 ACRES MORE OR LESS.

FCC RD

**ARTICLES OF INCORPORATION
OF
THE RESERVE AT GRAND HAVEN HOMEOWNERS ASSOCIATION, INC.,
a corporation not for profit**

In compliance with the requirements of Florida Statute, Chapter 617, the undersigned, a resident of Florida, and of full age, for the purpose of forming a corporation not for profit does hereby certify:

**ARTICLE I
NAME OF CORPORATION**

The name of the corporation is The Reserve At Grand Haven Homeowners Association, Inc., a corporation not for profit organized under Chapter 617 of the Florida Statutes (hereinafter referred to as the "Association").

**ARTICLE II
PRINCIPAL OFFICE**

The principal office of the Association is located at 8081 Philips Highway, Suite 14, Jacksonville, Florida 32256, which shall be the initial registered office of the Association.

**ARTICLE III
REGISTERED AGENT**

Ralph Colton, whose address is 8081 Philips Highway, Suite 14, Jacksonville, Florida 32256, is hereby appointed the initial registered agent of the Association.

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

This Association does not contemplate pecuniary gain or profit to the members thereof, and the specific purposes for which it is organized and for which it is to be operated are to provide for maintenance, preservation, and care of the property of the Association, and to provide architectural control of the residence lots and common area within that certain tract of property described in the Declaration of Covenants, Conditions and Restrictions of The Reserve At Grand Haven, (hereinafter called the "Declaration"), recorded or to be recorded in the Office of the Clerk of the Circuit Court, Flagler County, Florida and as the same may be amended from time to time as therein provided (hereinafter referred to as the "Property"), and to promote the health, safety and welfare of the residents within the Property and any additions thereto as may hereafter be brought within the jurisdiction of this Association for these purposes. In connection therewith, the Association shall have the following powers:

(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.

(b) To fix, levy, collect and enforce payment by any lawful means, all charges or assessments due to the Association or any other person affiliated with the Association pursuant to the terms of the Declaration; to pay all expenses in connection therewith; and to pay all office and other expenses incident to the conduct of the business of the Association, including all licenses, taxes or governmental charges levied or imposed against the property of the Association:

(c) 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.

(d) To borrow money, and with the affirmative vote of 2/3 of the voting interests of the Association as described in Article VI hereof, mortgage, pledge, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred.

(e) To dedicate, sell, or transfer all or any part of the common area as defined in the Declaration (hereinafter "Common Area") to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. Any such dedication or transfer shall be effective with the affirmative vote of 2/3 of the voting interests of the Association as described in Article VI hereof.

(f) To participate in mergers and consolidations with other non-profit corporations organized for the same purposes, provided that any such merger or consolidation shall have the assent of two-thirds (2/3) of the members.

(g) To annex additional property and common area in the manner set forth in the Declaration.

(h) To have and to exercise any and all powers, rights and privileges which a corporation organized under Florida law, including Chapter 617, Florida Statutes, by law may now or hereafter have or exercise.

(i) 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 systems, including but not limited to work within retention areas, drainage structures, and drainage easements.

(j) To operate, maintain, and manage the surface water or stormwater management system, including all lakes, retention areas, culverts, and related appurtenances, in a manner consistent with the St. Johns River Water

Management District permit requirements and applicable District rules, and assist in the enforcement of the restrictions and covenants contained therein.

(k) To adopt and publish rules and regulations governing the use of the Common Area, and the personal conduct of the Members and their guests thereon, and to establish penalties for any infraction thereof;

(l) To sue and be sued in the name of the Association.

ARTICLE V **MEMBERSHIP**

Every person or entity who is a record owner of a fee or undivided fee interest in any lot which is subject to the Declaration, including contract sellers, shall be a member of the Association with the voting rights described in Article VI hereof. The foregoing shall not include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any lot which is subject to assessment by the Association.

ARTICLE VI **VOTING RIGHTS**

The Association shall have two classes of voting membership with the relative rights and preferences as follows:

Class A: Class A members shall be all owners, with the exception of the Declarant, of any lot shown upon any recorded plat of the Property (hereinafter "Lot" or "Lots"). Each Class A member shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, each such person shall be members, however, the vote for such Lot shall be exercised as they collectively determine, and in no event shall more than one vote be cast with respect to any Lot.

Class B: The Class B member shall be the Declarant (as defined in the Declaration), who shall be entitled to three (3) votes for each Lot owned. Unless converted earlier and voluntarily by the Declarant, the Class B membership shall cease and be converted to Class A membership upon the first to occur of any of the following events:

(a) the total votes outstanding in the Class A membership equals the total votes outstanding in the Class B membership; or

(b) ten (10) years from the date of the original recording of the Declaration in the public records of Flagler County, Florida; or

(c) At the election of the Declarant (whereupon the Class A Members shall be obligated to elect the Board and assume control of the Association).

ARTICLE VII
BOARD OF DIRECTORS

The affairs of the Association shall be managed by a Board of not less than three (3) Directors nor more than seven (7), who need not be members of the Association. The initial number of directors shall be three (3) and may be changed by amendment of the bylaws of the Association. The names and addresses of the persons who are to act in the capacity of directors until the election of their successors are:

Ralph Colton - 8081 Philips Highway, Suite 14, Jacksonville, Florida 32256

Vicki Bratvold - 8081 Philips Highway, Suite 14, Jacksonville, Florida 32256

Hunter Collins - 8081 Philips Highway, Suite 14, Jacksonville, Florida 32256

The manner in which the directors are appointed is as stated in the bylaws.

ARTICLE VIII
DISSOLUTION

The Association may be dissolved upon the affirmative vote of 2/3 of the voting interests of the Association as described in Article VI hereof. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency or to any non-profit corporation, association, trust or other organization to be used for purposes similar to those for which this Association was created.

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

ARTICLE IX
DURATION

The existence of the Association shall commence with the filing of these Articles of Incorporation with the Secretary of State, Tallahassee, Florida. The Association shall exist perpetually.

ARTICLE X
AMENDMENTS

The Association shall have the right to amend these Articles at any time upon the affirmative vote of 2/3 of the voting interests of the Association as described in Article VI hereof. Amendments may be proposed by resolution approved by a majority of the Board of Directors; provided, however, that no amendment shall make any changes in the qualifications for membership nor the voting rights of the members, without approval in writing by all members and the joinder of all record owners of mortgages upon the Lots. No amendment shall be made that is in conflict with Florida law or the Declaration unless the latter is amended to conform to the same.

ARTICLE XI
BYLAWS

The bylaws of the Association shall be adopted by the Board of Directors at the first meeting of Directors, and may be altered, amended or rescinded thereafter in the manner provided therein.

ARTICLE XII
FHA/VA APPROVAL

As long as there is a Class B membership and FHA/VA is holding, insuring, or guaranteeing any loan secured by property subject to the Declaration, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration: annexation of additional properties; mergers and consolidations; mortgaging of Common Area; dissolution of this Association; and amendment of these Articles of Incorporation.

ARTICLE XIII
INCORPORATOR

The name and address of the incorporator is:

Ralph Colton
8081 Philips Highway, Suite 14
Jacksonville, Florida 32256


IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of Florida, the undersigned, constituting the sole incorporator of this Association, has executed these Articles of Incorporation this 12 day of December, 1997.


Incorporator

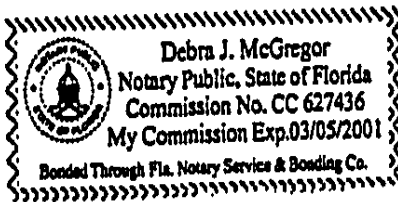
STATE OF FLORIDA
COUNTY OF DUVAL

The foregoing instrument was acknowledged before me this 10th day of December, 1997, by Ralph Colton, who is personally known to me.

NOTARY PUBLIC


Signature

DEBRA J. MCGREGOR




Print name

State of Florida at Large

My Commission Expires:

CONSENT OF REGISTERED AGENT

Having been named as Registered Agent for this corporation at the office designated in the foregoing Articles of Incorporation, I am familiar with the duties and obligations of Registered Agents and I hereby agree to act in this capacity and to comply with all statutes relative to the proper and complete performance of my duties.


Registered Agent

FILED
97 DEC 19 AM 10:36
STATE OF FLORIDA
TALLAHASSEE

**BYLAWS
OF
THE RESERVE AT GRAND HAVEN HOMEOWNERS ASSOCIATION, INC.**

**ARTICLE I
NAME AND LOCATION**

The name of the corporation is The Reserve at Grand Haven Homeowners Association, Inc., hereinafter referred to as the "Association". The principal office of the Association shall be located at 8081 Philips Highway, Suite 14, Jacksonville, Florida 32256, but meetings of Members and Directors may be held at such places within the State of Florida, as may be designated by the Board of Directors.

**ARTICLE II
DEFINITIONS**

Section 1. "Articles" shall mean the Articles of Incorporation of The Reserve at Grand Haven Homeowners Association, Inc.

Section 2. "Association" shall mean and refer to The Reserve at Grand Haven Homeowners Association, Inc., its successors and assigns.

Section 3. "Properties" or "Property" shall mean and refer to that certain real property described in the Declaration of Covenants, Conditions and Restrictions, of The Reserve at Grand Haven and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 4. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the Owners.

Section 5. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map or plat of the Properties with the exception of the Common Area.

Section 6. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot which is a part of the Property, including contract sellers, but excluding those having such interest merely as security for performance of an obligation.

Section 7. "Declarant" shall mean and refer to Pulte Home Corporation, a Michigan corporation, its successors and assigns, if such successors or assigns should acquire more than one undeveloped Lot from the Declarant for the purpose of development.

Section 8. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions of The Reserve at Grand Haven recorded in the Public Records of Flagler County, Florida.

Section 9. "Member" shall mean and refer to those persons entitled to Membership as provided in the Declaration.

Section 10. "Governing Documents" shall mean and collectively refer to the Bylaws and Articles of Incorporation of The Reserve at Grand Haven Homeowners Association, Inc. and the Declaration of Covenants, Conditions and Restrictions of The Reserve at Grand Haven.

Section 11. Non-Defined Terms. All terms not defined in these Bylaws shall have the same meaning as are attributed to them in the Declaration and the Articles.

ARTICLE III MEMBERS

Section 1. Qualifications. The qualification of Members, the manner of their admission to membership, changes in membership and the termination of such membership, shall be as set forth in the Declaration and the Articles.

Section 2. Member Register. The Secretary of the Association shall maintain a register in the office of the Association showing the names and addresses of the Members. Each Member shall at all times advise the Secretary of any change of address of the Member or any change of ownership of the Member's Lot. The Association shall not be responsible for reflecting any changes until notified of such change in writing.

ARTICLE IV MEETING OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the Members shall be held within one year from the date of incorporation of the Association, and each subsequent regular annual meeting of the Members shall be held within thirteen (13) months of the previous annual meeting, at 7:00 p.m., unless a different time is established by the Board of Directors. The Board of Directors shall not hold the annual meeting on a legal holiday.

Section 2. Special Meetings. Special meetings of the Members may be called at any time by the President or by the Board of Directors, or upon written request of one-fourth (1/4) of the Class A Members who are entitled to vote.

Section 3. Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least 15 days before such meeting to each Member entitled to vote thereat, addressed to the Member's

address last appearing on the books of the Association, or supplied by such Member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 4. Attendance at Meetings. Any person entitled to cast the votes of a Member, and in the event any Lot is owned by more than one (1) person, all co-Owners of a Lot may attend any meeting of the Members. Any person not expressly authorized to attend a meeting of the Members, as set forth above, may be excluded from any meeting of the Members by the presiding officer of such meeting.

Section 5. Organization. At each meeting of the Members, the President, or in his absence, the Vice President, shall act as Chairman of the Meeting. The Secretary, or in his absence any person appointed by the Chairman of the Meeting, shall act as Secretary of the meeting.

Section 6. Minutes. The minutes of all meetings of the Members shall be kept in a book available for inspection by the Members or their authorized representatives and the Board of Directors, at any reasonable time.

Section 7. Quorum. At meetings of Members, the presence of Members entitled to cast, or of proxies entitled to cast, one-tenth (1/10) of the votes of each class of Membership shall constitute a quorum for any action except as otherwise provided in the Articles, the Declaration, or these Bylaws. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or be represented.

Section 8. Proxies. At all meetings of Members, each Member may vote in person or by limited proxy duly appointed in writing which bears a date not more than three months prior to such meeting. All proxies shall be in writing and filed with the Secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his Lot. Members may not vote by general proxy.

Section 9. Parliamentary Rules. Roberts' Rules of Order (latest edition) shall govern the conduct of the meetings of Members when not in conflict with the Governing Documents.

ARTICLE V BOARD OF DIRECTORS: SELECTION AND TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a Board of Directors of a minimum of three (3) and a maximum of seven (7) Directors, who need not be Members of the Association. The number of Directors shall always consist of an odd number.

Section 2. Term of Office. At the first annual meeting of the Members the Members shall elect Directors for a term of one year or until the next annual meeting of

the Members whichever is later. The term of each Director's services shall extend until the next annual Members meeting and until his successor is duly elected and qualified, or until he is removed in the manner elsewhere provided.

Section 3. Removal. Any Director may be removed from the Board of Directors, with or without cause, by the vote or agreement in writing of a majority of the Members of the Association. In the event of death, resignation or removal of a Director, his successor shall be selected by the remaining members of the Board of Directors and shall serve for the unexpired term of his predecessor.

Section 4. Compensation. No Director shall receive compensation for any service he may render to the Association. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5. Action Taken without a Meeting. The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

ARTICLE VI NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a nominating committee. Nominations may also be made from the floor at the annual meeting. The nominating committee shall consist of a Chairman, who shall be a Member of the Board of Directors, and two or more Members of the Association. The nominating committee shall be appointed by the Board of Directors prior to each annual meeting of the Members, to serve from the close of such annual meeting until the close of the next annual meeting, and such appointment shall be announced at each annual meeting. The nominating committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Members or non-members of the Association may be nominated.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. At the election the Members may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. Members must vote in person at a meeting or by a ballot the Member personally casts. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VII MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the Directors. Meetings of the Directors shall be open to all Members and notices of

such meetings shall be posted in a conspicuous place on the Association property at least 48 hours in advance of a meeting, except in emergency. Notice of any meeting in which assessments against Lots are to be established shall specifically contain a statement that assessments shall be considered and a statement of the nature of such assessments.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two Directors, after not less than three (3) days notice to each Director.

Section 3. Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a duly held meeting, at which a quorum is present, shall be regarded as the act of the Board of Directors.

Section 4. Minutes of Meetings. The minutes of all meetings of the Board of Directors shall be kept in a book available for inspection by the Members or the Directors, at any reasonable time.

ARTICLE VIII POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have power to:

A. adopt and publish rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the Members and their guests thereon, and to establish penalties for any infraction thereof;

B. suspend the voting rights and right to use of the recreational facilities of a Member during any period in which such Member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed 60 days, for infraction of published rules and regulations;

C. exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of the Governing Documents;

D. declare the office of a Member of the Board of Directors to be vacant in the event a Member shall be absent from three (3) consecutive regular meetings of the Board of Directors;

E. employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties;

F. appoint by resolution, committees as from time to time may be deemed necessary which may exercise such powers, duties and functions as may be

determined by the Board of Directors which may include any powers which may be exercised by the Board of Directors.

Section 2. Duties. It shall be the duty of the Board of Directors to:

A. cause to be kept a complete record of all its actions and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the Class A Members who are entitled to vote; and

B. supervise all Officers, agents and employees of the Association, and to see that their duties are properly performed; and

C. as more fully provided in the Declaration, to:

(1) fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period; and

(2) send written notice of each assessment to every Owner at least thirty (30) days in advance of each annual assessment period; and

(3) foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date or to bring an action at law against the owner personally obligated to pay the same; and

D. issue, or to cause an appropriate Officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board of Directors for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment; and

E. procure and maintain adequate liability and hazard insurance on property owned by the Association; and

F. cause all Officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate; and

G. cause the Common Area to be maintained; and

H. supervise and ensure the making of necessary repairs, additions and improvements to, or alterations of the Property; and

I. maintain bank accounts on behalf of the Association and designate signatories required therefor; and

J. enter into and upon any portion of the Property, including any Lot(s) when necessary to maintain, care and preserve any real or personal property in the event the respective Owner fails to do so; and

K. perform all duties and obligations of the Association as set forth in the Governing Documents and as otherwise provided by statute or law, and all powers incidental thereto or implied therefrom.

ARTICLE IX OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The Officers of this Association shall be a President and Vice-President, who shall at all times be Members of the Board of Directors, a Secretary and a Treasurer, and such other Officers as the Board of Directors may from time to time by resolution create.

Section 2. Election of Officers. The election of Officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members.

Section 3. Term. The Officers of the Association shall be elected annually by the Board of Directors and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments. The Board of Directors may elect such other Officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board of Directors may, from time to time, determine.

Section 5. Resignation and Removal. Any Officer may be removed from office with or without cause by the Board of Directors. Any Officer may resign at any time giving written notice to the Board of Directors, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time as specified, and unless otherwise specified, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board of Directors. The Officer appointed to such vacancy shall serve for the remainder of the term of the Officer he replaces.

Section 7. Multiple Offices. The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special appointments created pursuant to Section 4 of this Article.

Section 8. Duties. The duties of the Officers are as follows:

A. President. The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board of Directors are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes.

B. Vice-President. The Vice-President shall act in the place and stead of the President in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board of Directors.

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

D. Treasurer. The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual review of the Association's books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to each of the Members.

**ARTICLE X
INDEMNIFICATION**

The Directors and Officers of the Association shall be indemnified by the Association to the fullest extent now or hereinafter permitted by law and shall not be personally liable for any act, debt, liability or other obligation of the Association. Similarly, Members are not personally liable for any act, debt, liability or obligation of the Association. A Member may become liable to the Association for dues, assessments or fee as provided by law.

**ARTICLE XI
COMMITTEES**

The Board of Directors shall appoint an Architectural Review Board, as provided in the Declaration, and a Nominating Committee, as provided in these Bylaws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

ARTICLE XII BOOKS AND RECORDS

The books, records and papers of the Association shall at all times be subject to inspection by any Member. The Declaration, the Articles and the Bylaws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost. The Association shall be required to make available to perspective purchasers of any Lot, current copies of the Governing Documents and the most recent annual financial statement of the Association.

ARTICLE XIII ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within fifteen (15) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of six percent (6%) per annum, or as set by the Board of Directors as permitted by law, and the Association may bring an action at law against the Owner personally obligated to pay the assessment or foreclose the lien against the Property, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of the assessment. No Owner may waive or otherwise escape liability for any assessment by non-use of the Common Area or abandonment of his Lot.

ARTICLE XIV CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words: The Reserve at Grand Haven Homeowners Association, Inc., the year "1997" and the words "Corporation Not-For-Profit". The seal may be used by causing it, or a facsimile thereof, to be impressed, affixed or otherwise reproduced upon any instrument or document executed in the name of the Association.

ARTICLE XV AMENDMENTS

These Bylaws may be amended at a regular or special meeting of the Members by a vote of a majority of the Owners, except that the Department of Housing and Urban Development or the Veterans Administration shall have the right to veto amendments while there is a Class B membership in existence. Notwithstanding the foregoing, the Declarant specifically reserves the right to amend these Bylaws in order to comply with the requirements of the Department of Housing and Urban Development, Veteran's Administration, St. Johns River Water Management District, Federal National Mortgage Association, or any other governmental agency.

**ARTICLE XVI
MISCELLANEOUS**

Section 1. Fiscal Year. The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

Section 2. Partial Invalidity. If any of the provisions of these Bylaws shall be or become unenforceable at law or in equity, the remaining provisions shall, nevertheless, be and remain in full force and effect.

Section 3. Conflicts. In the event of any conflict, any applicable Florida statute, the Declaration, Articles, Bylaws and the rules and regulations of the Association shall govern, in that order.

Section 4. Captions. Captions are utilized only as a matter of convenience and for reference, and in no way are intended to or shall define, limit or describe the scope of these Bylaws or the intent of any provision.

CERTIFICATION

I, the undersigned, do hereby certify:

THAT I am the duly elected and acting Secretary of The Reserve at Grand Haven Homeowners Association, Inc., a Florida corporation not for profit; and

THAT the foregoing Bylaws constitute the original Bylaws of the Association, as duly adopted by consent of the Board of Directors.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of the Association this ____ day of _____, 1998.

Secretary

Inst No:00002603 Date:02/04/2000
SYD CROSBY, FLAGLER County
By: W. Stevens D.C. Time:15:35:29
OFF REC 0682 PAGE 1379

Prepared By and Return To:

James Mancuso, Esquire
James Mancuso & Associates, P.A.
555 Winderley Place, Suite 129
Maitland, Florida 32751

**FIRST AMENDMENT TO DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS OF THE RESERVE AT GRAND HAVEN**

THIS FIRST AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF THE RESERVE AT GRAND HAVEN (the "First Amendment") is made this 1st day of February 2000, by Pulte Home Corporation, a Michigan corporation ("Declarant") and Grand Haven/Palm Coast, Inc., a Florida corporation ("GHPC").

WITNESSETH:

WHEREAS, Declarant made and entered into that certain Declaration of Covenants, Conditions and Restrictions of The Reserve at Grand Haven dated July 23, 1998, and recorded July 27, 1998, in Official Records Book 0622, page 1202 et seq., Public Records of Flagler County, Florida (the "Declaration"); and

WHEREAS, Declarant was the former owner of Parcel E, of The Reserve at Grand Haven Phase 1 (Village D1-A), according to the plat thereof as recorded in Map Book 31, pages 31 through 33, of the Public Records of Flagler County, Florida (the "Release Parcel").

WHEREAS, Pursuant to Article IV Section 10 of the Declaration, Declarant has the right to withdraw property owned by Declarant from the terms and conditions of the Declaration; and

WHEREAS, Pursuant to Article I Section 8 of the Declaration, Declarant has the right to assign all or a portion of its rights as Declarant under the Declaration; and

WHEREAS, Declarant desires to assign its right to withdraw property to GHPC, and GHPC desires to obtain such right of Declarant; and

WHEREAS, GHPC is the fee simple owner of the Release Parcel, and both Declarant and GHPC wish to withdraw the Release Parcel from the terms and conditions of the Declaration.

Return to: Greenberg Traurig
(FMS)
111 N. Orange Ave., Ste. 2050
Orlando, FL 32801

NOW, THEREFORE, the Declaration is hereby amended as follows:

1. Declarant hereby assigns to GHPC its right to withdraw property owned by Declarant from the Declaration.
2. The following property is withdrawn from the Declaration:

Parcel E, of The Reserve at Grand Haven Phase 1 (Village D1-A), according to the plat thereof as recorded in Map Book 31, pages 31 through 33, of the Public Records of Flagler County, Florida.

IN WITNESS WHEREOF, Declarant has caused these presents to be executed in its name on the day and year first above written.

"PULTE"

Signed, sealed and delivered
in our presence:

MJ Oliver
Print Name: MICHAEL J. OLIVER
PS
Print Name: PASIA E.T. SALMON

PULTE HOME CORPORATION,
a Michigan corporation

By: [Signature]
Print Name: Charles E. Cook
Its: Attorney-in-Fact
555 Winderley Place, Suite 420
Maitland, Florida 32751

"GHPC"

Signed, sealed and delivered
in our presence:

Print Name: _____

Print Name: _____

GRAND HAVEN/PALM COAST, INC.
a Florida corporation

By: _____
Print Name: _____
Title: _____
One Hargrove Grade
Palm Coast, Florida 32137

OFF
REC 0682 PAGE 1381

NOW, THEREFORE, the Declaration is hereby amended as follows:

1. Declarant hereby assigns to GHPC its right to withdraw property owned by Declarant from the Declaration.

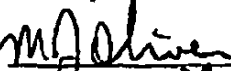
2. The following property is withdrawn from the Declaration:

Parcel E, of The Reserve at Grand Haven Phase I (Village D1-A), according to the plat thereof as recorded in Map Book 31, pages 31 through 33, of the Public Records of Flagler County, Florida.

IN WITNESS WHEREOF, Declarant has caused these presents to be executed in its name on the day and year first above written.

"PULTE"

Signed, sealed and delivered
in our presence:



Print Name: MICHAEL J. OLIVER



Print Name: PATRICIA T. SALZMAN

PULTE HOME CORPORATION
a Michigan corporation

By: 

Print Name: Charles E. Cook

Its: Attorney-in-Fact

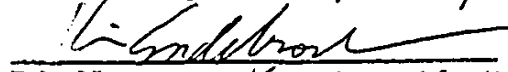
555 Winderley Place, Suite 420
Maitland, Florida 32751

"GHPC"

Signed, sealed and delivered
in our presence:



Print Name: DAVID B. SMALLEY



Print Name: KIM ENDEBROCK

GRAND HAVEN/PALM COAST, INC.
a Florida corporation

By: 

Print Name: Jim Cullis

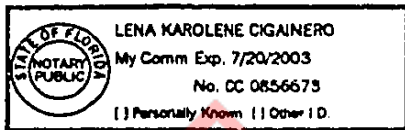
Title: Vice President

One Hargrove Grade
Palm Coast, Florida 32137

STATE OF FLORIDA
COUNTY OF ~~DIXIE~~ Orange

The foregoing instrument was acknowledged before me this 1st day of February 2000, by Charles E. Cook as Attorney-in-Fact of Pulte Home Corporation, a Michigan corporation, on behalf of the corporation. He is personally known to me.

NOTARY PUBLIC:



Print Name: Lena Karolene Cigainero
My Commission Expires: July 20, 2003

STATE OF FLORIDA
COUNTY OF _____

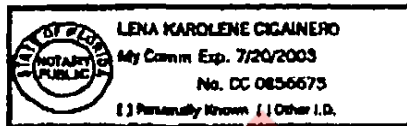
The foregoing instrument was acknowledged before me this _____ day of _____ 2000, by _____ as _____ of Grand Haven/Palm Coast, Inc., a Florida corporation, on behalf of the corporation. He/she is personally known to me or has provided _____ as identification.

NOTARY PUBLIC:

Print Name: _____
My Commission Expires: _____

OFF
REC 0682 PAGE 1383STATE OF FLORIDA
COUNTY OF ~~DUNN~~ Orange

The foregoing instrument was acknowledged before me this 1st day of February 2000, by Charles E. Cook as Attorney-in-Fact of Pulte Home Corporation, a Michigan corporation, on behalf of the corporation. He is personally known to me.



NOTARY PUBLIC:

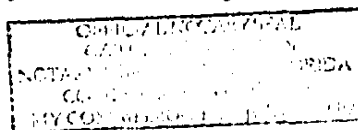
Lena Karolene Cigainero
Print Name: Lena Karolene Cigainero
My Commission Expires: July 20, 2003

STATE OF FLORIDA
COUNTY OF Flagler

The foregoing instrument was acknowledged before me this 1st day of February 2000, by James T. Cullis as Vice President of Grand Haven/Palm Coast, Inc., a Florida corporation, on behalf of the corporation. He/she is personally known to me or has provided _____ as identification.

NOTARY PUBLIC:

Catherine A. Brown
Print Name: Catherine A. Brown
My Commission Expires:



THIS INSTRUMENT PREPARED BY & RETURN TO:
BERT C. SIMON, Esquire
GARTNER, BROCK & SIMON
P. O. BOX 10697
JACKSONVILLE, FL 32247-0697

State of Florida



Department of State

I certify the attached is a true and correct copy of the Articles of Merger, filed on August 30, 2001, for GRAND HAVEN MASTER ASSOCIATION, INC., the surviving Florida entity, as shown by the records of this office.

I further certify the document was electronically received under FAX audit number H01000094813. This certificate is issued in accordance with section 15.16, Florida Statutes, and authenticated by the code noted below.

The document number of this entity is N95000005286.

Given under my hand and the
Great Seal of the State of Florida,
at Tallahassee, the Capital, this the
Thirtieth day of August, 2001

Authentication Code: 701A00049536-083001-N95000005286-1/1

Inst No: 01026629 Date: 09/14/2001

GAIL WADSWORTH, FLAGLER County

By: *[Signature]* D.C. Time: 09:18:29

OFF REC 0768 PAGE 0192



CR2EO22 (1-99)

Katherine Harris

Katherine Harris
Secretary of State

ARTICLES OF MERGEROFF
REC 0768 PAGE 0193**(Grand Haven Master Association, Inc.
and****The Reserve at Grand Haven Homeowners Association, Inc.)**

The following Articles of Merger are submitted in accordance with the Florida Not for Profit Corporation Act pursuant to section 617.1105, Florida Statutes.

First: The name and jurisdiction of the surviving corporation:

NameJurisdiction

Grand Haven Master Association, Inc.

Florida

Second: The name and jurisdiction of each merging corporation:

NameJurisdictionThe Reserve at Grand Haven Homeowners
Association, Inc.

Florida

Third: The Plan of Merger is attached.

Fourth: The merger shall become effective on the date of the Articles of Merger are filed with the Florida Department of State.

**Fifth: ADOPTION OF MERGER BY SURVIVING CORPORATION
(COMPLETE ONLY ONE SECTION)**

SECTION I

The Plan of Merger was adopted by the members of the surviving corporation on _____. The number of votes cast for the merger was sufficient for approval and the vote for the plan was as follows: _____ FOR _____ AGAINST

SECTION II

(CHECK IF APPLICABLE) _____ The Plan of Merger was adopted by written consent of the members and executed in accordance with section 617.0701, Florida Statutes.

SECTION III

There are no members or members entitled to vote on the Plan of Merger.

The Plan of Merger was adopted by the board of directors on December 14, 2000. The number of directors in office was 7. The vote for the plan was as follows: 7 FOR 0 AGAINST

Sixth: ADOPTION OF MERGER BY MERGING CORPORATION(s)
(COMPLETE ONLY ONE SECTION)

SECTION I

OFF REC 0768 PAGE 0194

The Plan of Merger was adopted by the members of the merging corporation(s) on December 14, 2000. The number of votes cast for the merger was sufficient for approval and the vote for the plan was as follows: 32 FOR 8 AGAINST

SECTION II


(CHECK IF APPLICABLE) _____ The Plan of Merger was adopted by written consent of the members and executed in accordance with section 617.0701, Florida Statutes.

SECTION III

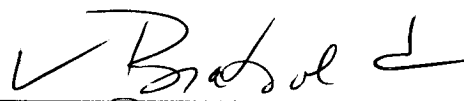
There are no members or members entitled to vote on the Plan of Merger.
The Plan of Merger was adopted by the board of directors on _____. The number of directors in office was _____. The vote for the plan was as follows: _____ FOR _____ AGAINST

Seventh: SIGNATURES FOR EACH CORPORATION

Grand Haven Master Association, Inc.

By: 
James T. Cullis, President

The Reserve at Grand Haven Homeowners Association, Inc.

By: 
Printed: VICKI BRADBURN
Title: DI

Prepared by and return to:
Bert C. Simon, Esquire
Gartner, Brock and Simon
1660 Prudential Drive, Suite 203
Jacksonville, Florida 32207

OFF REC 0768 PAGE 0195

PLAN OF MERGER

Plan of Merger dated as of December 14, 2000, between **Grand Haven Master Association, Inc.**, a Florida not-for-profit corporation, (the "Surviving Corporation") and **The Reserve at Grand Haven Homeowners Association, Inc.**, a Florida not-for-profit corporation (the "Absorbed Corporation").

STIPULATIONS

A. The Surviving Corporation is a not-for-profit corporation organized and existing under the laws of the State of Florida, with its principal office at 3 Waterside Parkway, Palm Coast, Florida 32137.

B. The Surviving Corporation is the association of owners established by that certain Amended and Restated Declaration of Covenants, Conditions and Restrictions for Grand Haven Master Association dated May 31, 1996, and recorded in Official Records Book 557, page 1768 of the Public Records of Flagler County, Florida, as amended (the "Master Declaration") with reference to certain lands located in Flagler County, Florida, and identified in the Master Declaration as the "Property."

C. The Surviving Corporation has no shares of stock issued and outstanding.

D. The Absorbed Corporation is a not-for-profit corporation organized and existing under the laws of the State of Florida with its principal address at 8081 Philips Highway, Suite 14, Jacksonville, Florida 32256.

E. The Absorbed Corporation is the association of owners established by that certain Declaration of Covenants, Conditions and Restrictions for The Reserve at Grand Haven dated July 23, 1998, and recorded in Official Records Book 0622, page 1203 of the Public Records of Flagler County, Florida, as amended (the "Subordinate Declaration") with reference to certain lands located within the Property subject to the Master Declaration.

F. The Absorbed Corporation is a Subordinate Association, as defined in the Master Declaration.

G. The Absorbed Corporation has no shares of stock issued and outstanding.

H. The boards of directors of the constituent corporations deem it desirable and in the best interests of the corporations and their Members that the Absorbed Corporation be merged into the surviving corporation pursuant to the provisions of Sections 617.1101 et seq. of the Florida Not for Profit Corporation Act for the purpose of transferring all rights, privileges, duties and obligations of the Absorbed Corporation to the Surviving Corporation.

In consideration of the mutual covenants, and subject to the terms and conditions set forth below, the constituent corporations agree as follows:

Section One. Merger. The Absorbed Corporation shall merge with and into the Surviving Corporation, which shall be the surviving corporation.

Section Two. Terms and Conditions.

(a) On the effective date of the merger, the separate existence of the Absorbed Corporation shall cease, and the Surviving Corporation shall succeed to all the rights, privileges, immunities, and franchises, and all the property, real, personal, and mixed of the Absorbed Corporation, without the necessity for any separate transfer. The Surviving Corporation shall then be responsible and liable for all liabilities and obligations of the Absorbed Corporation, and neither the rights of creditors nor any liens on the property of the Absorbed Corporation shall be impaired by the merger.

(b) All Members of the Absorbed Corporation are already Members of the Surviving Corporation by virtue of the terms of the Master Declaration. In addition, as a result of the merger of the Absorbed Corporation into the Surviving Corporation, the Surviving Corporation shall identify and treat the former Members of the Absorbed Corporation as a separate Subordinate Association within the Master Association.

(c) The Master Declaration shall be amended: (i) to authorize the Surviving corporation to perform all of the duties and obligations and to have all of the rights, powers and privileges of the Absorbed Corporation under the Subordinate Declaration; (ii) to provide for the architectural review and approval process to be performed by the Surviving Corporation; and (iii) to establish an Advisory Committee to advise and consult with the Board of Directors of the Surviving Corporation on matters affecting the Members. The Board of Directors may delegate to the Advisory Committee such matters as the Board of Directors deems appropriate. The Advisory Committee shall be composed of two (2) residents of each Village elected by the members of the Subordinate Association of Owners within that Village. The Advisory Committee shall annually elect three (3) of its members to be members of the Board of Directors of the Surviving Corporation, provided that there may not be more than one (1) resident of each Village elected to the Board of Directors.

Section Three. Changes in Articles of Incorporation. The articles of incorporation of the Surviving Corporation shall continue to be its articles of incorporation following the effective date of the merger. The Articles of Incorporation of the Surviving Corporation shall be amended

to authorize the Surviving Corporation to perform all the duties and obligations and to have all of the rights, powers and privileges of the Absorbed Corporation under the Subordinate Declaration. The Articles of Incorporation shall also be amended to increase the number of directors to a minimum of seven (7) and to provide for the election of three (3) members of the Board of Directors by the Advisory Committee described above.

Section Four. Changes in Bylaws. The bylaws of the Surviving Corporation shall continue to be its bylaws following the effective date of the merger. The bylaws of the Surviving Corporation shall be amended to authorize the Surviving Corporation to perform all the duties and obligations and to have all of the rights, powers and privileges of the Absorbed Corporation under the Subordinate Declaration. The Surviving Corporation bylaws shall also be amended to provide that an equal amount of any surplus funds acquired from the Absorbed Corporation as a result of this merger shall be allocated to each member of the Absorbed Corporation who has fully paid all assessments to the Absorbed Corporation due and payable as of the effective date of the merger, and the amount allocated shall be credited to each such Member against the next assessments levied by the Surviving Corporation.

Section Five. Directors and Officers. The directors and officers of the Surviving Corporation on the effective date of the merger shall continue as the directors and officers of the Surviving Corporation for the full unexpired terms of their offices or until their successors have been elected or appointed and qualified. Within ninety (90) days of the effective date of this merger a special meeting of the Advisory Committee shall be held to elect the three (3) representatives of the Advisory Committee to the Board of Directors. The remaining four (4) directors shall be appointed by the Developer under the Master Declaration.

Section Six. Implementation. The Absorbed and Surviving Corporations shall take all action necessary or appropriate under the laws of the State of Florida to consummate this merger.

Section Seven. Approval by Members. This plan of merger shall be submitted for the approval of the Members of the Absorbed Corporation and the Board of Directors of the Surviving Corporation in the manner provided by the applicable laws of the State of Florida, at meetings to be held on or before December 14, 2000, or at such other time as to which the boards of directors of the constituent corporations may agree.

Section Eight. Effective Date of Merger. The effective date of this merger shall be the date of filing of the Articles of Merger with the Florida Secretary of State.

Section Nine. Execution of Agreement. This plan of merger may be executed in any number of counterparts, and each counterpart shall constitute an original instrument.

OFF REC 0768 PAGE 0198

Executed on behalf of the constituent corporations by their officers, sealed with their corporate seals, and attested by their respective secretaries pursuant to the authorization of their respective boards of directors and the Members of the Absorbed Corporation as of the date first above written.

GRAND HAVEN MASTER ASSOCIATION, INC.,
a Florida not-for-profit corporation

By: [Signature]
Print Name: JAMES T. CULLIS
Title: PRESIDENT

Attest: [Signature]
By: MAURICE E. BERRY III
Title: CONSTRUCTION MGR

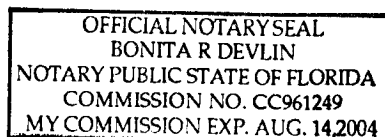
STATE OF FLORIDA
COUNTY OF FLAGLER

The foregoing instrument was acknowledged before me this 18TH day of DECEMBER, 2000 by JAMES T. CULLIS the PRESIDENT of Grand Haven Master Association, Inc., a Florida not-for-profit corporation, on behalf of the corporation. He/she is personally known to me or has produced as identification.

Bonita R. Devlin
Notary Public, State of Florida

BONITA R. DEVLIN
Print Name

My Commission Expires:



OFF REC 0768 PAGE 0199

[counterpart signature page to Plan of Merger]

**THE RESERVE AT GRAND HAVEN
HOMEOWNERS ASSOCIATION, INC.,**
a Florida not-for-profit corporation

By: [Signature]
Print Name: DEBRA MCGREGOR
Title: PRESIDENT

Attest: [Signature]
By: VICKI BRATVOLD
Title: VICE PRESIDENT

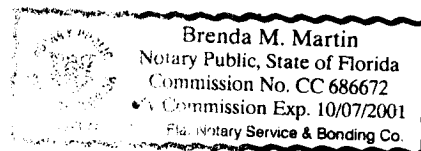
STATE OF FLORIDA
COUNTY OF Duval

The foregoing instrument was acknowledged before me this 22nd day of December, 2000 by Debra McGregor the President of The Reserve at Grand Haven Homeowners Association, Inc., a Florida not-for-profit corporation, on behalf of the corporation. He/she is personally known to me or has produced _____ as identification.

[Signature]
Notary Public, State of Florida

Brenda M. Martin
Print Name

My Commission Expires: 10-7-2001



OFF REC 0781 PAGE 1725

Prepared by and return to:
CHIUMENTO & ASSOCIATES, P.A.
4B Old Kings Road North
Palm Coast, FL 32137

**FIRST AMENDMENT TO
DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS OF
THE RESERVE AT GRAND HAVEN**

THIS FIRST AMENDMENT TO THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS (Amendment) is made this 2 day of November 2001, by the **GRAND HAVEN MASTER ASSOCIATION, INC.**, a not-for-profit Florida corporation (hereinafter referred to as the "Association").

WITNESSETH:

WHEREAS, PULTE HOME CORPORATION, INC. (hereinafter referred to as "Declarant") has previously executed and recorded that certain Declaration of Covenants, Conditions and Restrictions for The Reserve at Grand Haven dated July 23, 1998, and recorded in Official Records Book 662 , Pages 1202, Public Records of Flagler County, Florida, (the "Declaration"); and

WHEREAS, the Declarant created The Reserve at Grand Haven Homeowners Association, Inc., a not-for-profit Florida corporation as the legal entity to implement, maintain and enforce the covenants, conditions and restrictions of The Reserve at Grand Haven. Said Articles of Incorporation were approved by the Department of State, Division of Corporations, on December 19, 1997; and

WHEREAS, The Reserve at Grand Have Homeowners Association, Inc. has now merged into the Grand Haven Masters Association, Inc., the surviving corporation, by Articles of Merger approved by the Department of State, Division of Corporations on September 14, 2001 and recorded in Official Records Book 0768 at Page 0192, Public Records of Flagler County, Florida; and

WHEREAS, the Association desires to modify and amend the Declaration; and

WHEREAS, pursuant to Section 13.3 of the Declaration, this Amendment was approved by the affirmative vote of two-thirds (2/3) of the total votes in the Association; and

WHEREAS, the Amendment is also authorized pursuant to Section 13.2(i) of the Declaration, as it was approved by the Declarant and a majority of the existing owners affected thereby; and

WHEREAS, any term used herein that is not defined herein but is defined in the Declaration shall have the same meaning provided for in said Declaration.

NOW THEREFORE, for and in consideration of the premises, the payment of Ten and No/100 Dollars (\$10.00) and other good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby expressly acknowledged, the Association hereby amends the Declaration as follows:

1. Recitals. The foregoing recitals are true and correct and are incorporated herein by this reference.

2. Amendments. The Declaration is amended and modified as follows:

(a) Article IX, Use Restrictions, of the Declaration is hereby amended as follows. Additions are indicated by underline, deletions are indicated by ~~strikeout~~.

Section 30. Rental of Units; Leases. All rentals of Dwellings by Owners shall be documented by a written lease which shall set forth, among other things the address of the Dwelling, the name(s) of the tenants, the lease commencement date and the term. A copy of the fully executed lease shall be delivered by the Owner to the Secretary of the Association within five (5) days of the full execution of such lease. No Dwelling may be used as a rooming house, hostel or hotel. The occupancy of a Dwelling for less than 30 consecutive days is strictly prohibited. No more than two (2) leases may be executed for a Dwelling during any 12 month period based on the date of commencement of the lease. Rentals of less than ninety (90) consecutive days in duration or the operation of a rooming house, hostel or hotel shall be deemed to be a commercial use for purposes of enforcement of this Declaration, and are prohibited. A Dwelling may be subleased one time during a lease period, for a period of not less than thirty (30) consecutive days. In the event that a tenant desires to extend its lease period, such extension period shall not be less than thirty (30) consecutive days. The tenants which are occupying a Dwelling pursuant to a written lease shall be permitted to use the Recreational Amenities during the lease term, provided that the tenants comply with any and all policies, rules and regulations imposed by the CDD with respect to the Recreational Amenities. Only one family is permitted to lease a Dwelling at any particular time.

All tenants shall be subject to the terms and conditions of this Declaration, the Bylaws, the Articles of Incorporation, and the rules and regulations promulgated thereunder as though such tenant were an Owner. Each Owner agrees to cause his lessee, occupant, or persons living with such Owner or with his lessee to comply with the Declaration, Bylaws, Articles and the rules and regulations promulgated thereunder, and is responsible

and liable for all violations and losses caused by such tenants or occupants, notwithstanding the fact that such occupants of the Dwelling are also fully liable for any violation of the documents and regulations. In the event that a lessee, occupant, or person living with the lessee violates a provision of the Declaration, Bylaws, Articles or rules and regulations, the Board shall have the power to bring an action or suit against the lessee to recover sums due for damages or injunctive relief, or for any other remedy available at law or equity.

3. Certification. Association hereby certifies that the Amendments set forth in paragraph 2 above have been duly authorized and approved by the Association.

4. Ratification. The Declaration, as modified hereby, remains in full force and effect and is hereby ratified and affirmed.

IN WITNESS WHEREOF, the duly authorized officer of the undersigned Association has executed this First Amendment to Declaration of Covenants, Conditions and Restrictions for The Reserve at Grand Haven this 2 day of November 2001.

WITNESSES:

**GRAND HAVEN MASTER
ASSOCIATION, INC.**

[Signature]
Print Name LYNDA NAOMAN

By: [Signature]
James T. Cullis, President

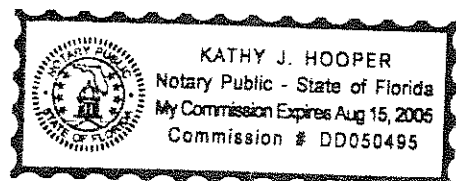
[Signature]
Print Name Cindy Dickerson

(Corporate Seal)

**STATE OF FLORIDA
COUNTY OF FLAGLER**

The foregoing instrument was acknowledged before me this 2 day of NOVEMBER 2001, by James T. Cullis, as President of **GRAND HAVEN MASTER ASSOCIATION, INC.**, a not-for-profit Florida corporation, on behalf of the corporation. He is personally know to me.

[Signature]
Print Name
Notary Public
State of Florida at Large
My Commission Expires:
Commission #



Prepared by and return to:

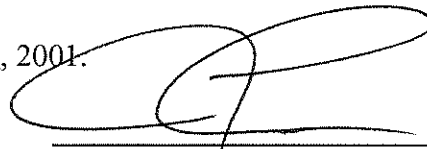
OFF REC 0781 PAGE 1728

CHIUMENTO & ASSOCIATES, P.A.
4B Old Kings Road North
Palm Coast, FL 32137

CERTIFICATE

I HEREBY CERTIFY that the attached is a true and correct copy of the First Amendment to Declaration of Covenants, Conditions and Restrictions for **GRANT HAVEN MASTER ASSOCIATION, INC.**

Dated this 2 day of NOVEMBER, 2001.



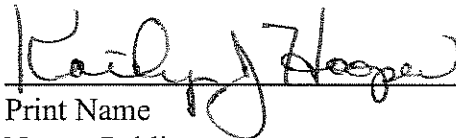
James T. Cullis
Its: President

(Corporate Seal)

**STATE OF FLORIDA
COUNTY OF FLAGLER**

I HEREBY CERTIFY that on this day personally appeared before me, an officer duly authorized to administer oaths and take acknowledgments, James T. Cullis as President of **Grand Haven Master Association, Inc.**, who is personally known to me or who has produced _____ as identification.

WITNESS my hand and official seal in the County and State last aforesaid, this 2 day of NOVEMBER, 2001.



Print Name
Notary Public
State of Florida at Large
My Commission Expires:
Commission #



This instrument prepared by and
should be returned to:

Robyn Severs Braun
TAYLOR & CARLS, P.A.
150 N. Westmonte Drive
Altamonte Springs, Florida 32714
(407) 660-1040

Cross Reference Official Records
Book 622, Page 1202 and Official
Records Book 781, Page 1725
of the Public Records of
Flagler County, Florida

Inst No: 2009007416 03/16/2009
03:24PM Book: 1707 Page: 273 Total Pgs: 2

GAIL WADSWORTH, FLAGLER Co.

**CERTIFICATE OF SECOND AMENDMENT TO THE
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
OF THE RESERVE AT GRAND HAVEN**

THIS IS TO CERTIFY that the following language amending Article V, Section 2, Paragraph B, constitutes the Second Amendment to the Declaration of Covenants, Conditions and Restrictions of The Reserve at Grand Haven, which was originally recorded in Official Records (O.R.) Book 622, Page 1202 and subsequently amended at O.R. Book 781, Page 1725, of the Public Records of Flagler County, Florida (hereinafter referred to as the "Declaration"). This Second Amendment was duly and properly adopted pursuant to Article XIII, Section 1 of the Declaration, and by the affirmative vote of Owners holding not less than two-thirds (2/3) of the total votes of the Association.

Article V, Section 2, Paragraph B is hereby amended as follows:

B. ~~Mowing of the front yard and side yard lawns of each Lot. The side yard shall be mowed to the rear line of the house or to the side yard fence whichever is closer to the front yard.~~ **Mow the entire lawn, edge where appropriate, and clean up after mowing.** Maintenance of trees, shrubs, hedges, bushes, plantings, and irrigation system on each Lot is the respective Lot Owner's responsibility unless otherwise mandated by the Board.

Executed at Palm Coast, Flagler County, Florida, on this the 23 day of February, 2009.

Signed, sealed and delivered in the
presence of:

Terry Rauscher
Printed Name: Terry Rauscher

Mikki J. Brown
Printed Name: Mikki J. Brown

**GRAND HAVE MASTER
ASSOCIATION, INC.**

By: Kendra O'Connor
Printed Name: Kendra O'Connor
Title: President
Address: 17 Deerfield Court
Palm Coast FL 32137
(CORPORATE SEAL)

NOTE: ADDITIONS TO TEXT ARE INDICATED BY **BOLD UNDERLINE**; DELETIONS BY **STRIKEOUT**

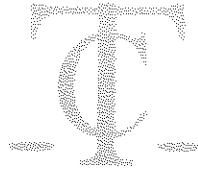
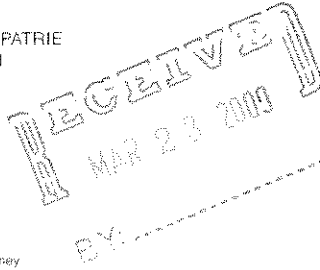
TAYLOR & CARLS, P.A.

ATTORNEYS AND COUNSELORS AT LAW

HARRY W. CARLS
ROBERT L. TAYLOR*
PATRICK C. HOWELL
ELIZABETH A. LANHAM PATRIE
ROBYN SEVERS BRAUN

GENE S. BOGER
RICHARD M. COLN
JENNIFER M. SINCLAIR
ERIK F. WHYNOT
PAUL T. HINCKLEY
SARA K. WILSON

*Board Certified Real Estate Attorney



150 N. WESTMONTE DRIVE
ALTAMONTE SPRINGS, FL 32714
TELEPHONE: (407) 660-1040
TOLL FREE: (800) 395-6235
FAX: (407) 660-9422

19321-C US HIGHWAY 19 NORTH, STE. 411
CLEARWATER, FLORIDA 33764
TELEPHONE: (727) 530-5200
FAX: (727) 538-2100

7 FLORIDA PARK DRIVE NORTH, STE. A
PALM COAST, FLORIDA 32137
TELEPHONE: (386) 446-5970
FAX: (386) 446-5938

March 20, 2009

***Reply to Altamonte Springs**

Board of Directors
Grand Haven Master Homeowners Association, Inc.
Southern States Management Group, Inc.
Attn: Troy Railsback
Post Office Box 354795
Palm Coast, FL 32135

Re: Certificate of Second Amendment to the Declaration of Covenants, Conditions and Restrictions of the Reserve at Grand Haven

Dear Members of the Board:

Enclosed please find the original recorded Certificate of Second Amendment to the Declaration of Covenants, Conditions and Restrictions of the Reserve at Grand Haven. This document was recorded in the Public Records of Flagler County, Florida on March 16, 2009, at Official Records Book 1707, Page 273. Please keep this original with the corporate records of the Association. We have retained a copy for our file.

Should you have any questions, please do not hesitate to contact our office.

Sincerely,

Cassandra Ryals,
Paralegal

/cr

Enclosures

Ghm001 ltr12