

5 MIN. RETURN

5



DECLARATION
of
Charter, Easements, Covenants and Restrictions
For
OAKLEAF VILLAGE CENTER

Prepared by: Doris S. Goldstein, Attorney
P.O. Box 23646
Jacksonville, FL 32241
Telephone: (904) 730-2960
E-mail: dgoldstein@newtownlaw.com

© 2005 by Doris S. Goldstein. This document may be recorded in the public records and may be reproduced and amended as necessary in connection with OakLeaf Village Center but may not be reproduced for any other purpose or used or adapted for any other real estate development without permission.

Table of Contents

Part I: Definitions.....3

Part II: Development Plan.....7

 2.1 Property Subject to the Declaration.....7

 2.2 Neighborhoods.....9

 2.3 Community Development District.....10

 2.4 Easements.....11

Part III: Village Center Association.....14

 3.1 Formation of the Village Center Association.....14

 3.2 Maintenance Responsibilities.....16

 3.3 Insurance and Casualty.....19

Part IV: Budget, Assessments.....21

 4.1 Village Center Association Budget.....21

 4.2 Covenants for Maintenance Assessments.....24

Part V: Design Review.....27

 5.1 Design Code.....27

 5.2 Review Process for Original Construction.....28

 5.3 Review Process for Modifications.....30

 5.4 Enforcement.....33

Part VI: Townhomes.....34

 6.1 Townhome Maintenance.....34

 6.2 Insurance.....37

 6.3 Loss and Reconstruction.....39

Part VII: Residential Uses.....41

 7.1 Covenants and Restrictions.....41

 7.2 Covenants Committee.....44

 7.3 Enforcement.....45

Part VIII: Founder's Reserved Rights.....47

 8.1 Development Period.....47

 8.2 Easements.....48

 8.3 Additional Rights.....49

Part IX: General Provisions.....	51
9.1 <i>Modification of Commons</i>	51
9.2 <i>Amendment, Redevelopment and Termination</i>	52
9.3 <i>General Provisions</i>	55



DECLARATION
of
Charter, Easements, Covenants and Restrictions
For
OAKLEAF VILLAGE CENTER

OAKLEAF PLANTATION, LLC, a Florida limited liability company to be known as the "Founder," makes this Declaration on the 29th day of November, 2005.

STATEMENT OF PURPOSE:

A. OakLeaf Village Center is a compact, pedestrian-friendly community based on principles of traditional neighborhood development. Rather than separate homes from businesses and force dependence on the automobile, the OakLeaf Village Center design is intended to mix commercial and residential uses in a way that enlivens the community. Tree-lined streets, sidewalks, and garage access through the use of rear lanes also make walking more pleasant.

B. Within OakLeaf Village Center are an extraordinary variety of uses. Residential uses include single-family detached, townhome and condominium units. Live/work units are townhome-style buildings that permit commercial or residential uses, or a combination of both. Possible commercial uses include restaurant, bank, retail, office and daycare. The centerpiece of the community is a village green, next to which the county has reserved land for a public library.

C. OakLeaf Village Center is in an area of Clay County known as OakLeaf Village. A community development district (CDD) owns and maintains the recreational facilities adjacent to

© 2005 by Doris S. Goldstein. This document may be recorded in the public records and may be reproduced and amended as necessary in connection with OakLeaf Village Center but may not be reproduced for any other purpose or used or adapted for any other real estate development without permission.

Prepared by: Doris S. Goldstein, Attorney
P.O. Box 23646
Jacksonville, FL 32241
Telephone: (904) 730-2960
E-mail: dgoldstein@newtownlaw.com

OakLeaf Village Center. It is anticipated that the CDD will own and maintain some streets within the village center as well.

D. This Declaration provides for unified implementation of the Design Code to all parts of OakLeaf Village Center, and allows for the development and operation of OakLeaf Village Center.

DECLARATION:

The Founder, who is the owner of all of the property described on Exhibit A (the Initial Property'), hereby submits the Initial Property to this Declaration of Charter, Easements, Covenants and Restrictions. The Founder hereby declares that the Initial Property and any other property made subject to this Declaration by Supplemental Declaration (together, the Property") shall be held, sold and conveyed subject to the covenants, restrictions and easements of this Declaration, which shall run with the land and be binding upon all owners of property within the Property, their heirs, successors and assigns, and upon all other parties, heirs, successors and assigns having any right, title or interest in all or any part of the Property.

Founder also hereby provides notice of certain restrictions, as further described in Paragraph 2.1.4, for the remainder of the property described on Exhibit B (the "Master Plan Area"), but does not submit the entire Master Plan Area to all the terms of this Declaration at this time.

The following are attachments to this Declaration and are hereby fully incorporated by reference:

- Exhibit A, Legal Description, The Initial Property,
- Exhibit B, Legal Description, The Master Plan Area,
- Exhibit C, Initial Neighborhood Designations
- Exhibit D, The Articles of Incorporation for OakLeaf Village Center Association, Inc.,
and
- Exhibit E, The Bylaws for OakLeaf Village Center Association, Inc.

Part I: Definitions



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

1.1 Allocated Interests. As further described in Paragraph 3.1.2, each Parcel shall be assigned an Allocated Interest for assessment and voting purposes.

1.2 Architectural Review Committee (ARC). The "Architectural Review Committee" or "ARC" is the panel established by Part V to administer the Design Code.

1.3 Articles. "Articles" are the Articles of Incorporation of the Village Center Association, which are attached as Exhibit D to this Declaration.

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

(a) General Assessment. The "General Assessment" is the amount distributed among all Owners to meet the Village Center Association's annual budgeted Neighborhood and general expenses, as described in Paragraph 4.2.2.

(b) Individual Parcel Assessment. An "Individual Parcel Assessment" is a charge made to a particular Parcel Owner for Neighborhood charges, as provided in Paragraph 7.1, or for charges relating only to that Parcel, as provided in Paragraph 4.2.5.

(c) Special Assessment. A "Special Assessment" may be charged to each Parcel for Capital Improvements or emergency expenses, in accordance with the provisions of Paragraph 4.2.4.

1.5 Association. The "Association" or "Village Center Association" is the OakLeaf Village Center Association, Inc., a Florida nonprofit corporation, its successors and assigns. The Association, whose members are the Owners, is responsible for maintaining the Property and enforcing the Declaration.

1.6 Board. "Board" is the Board of Directors of the Village Center Association.

1.7 Bylaws. "Bylaws" are the Bylaws of the Village Center Association. The form of the initial Bylaws, as proposed, is attached as Exhibit E to this Declaration.

1.8 Capital Improvement. A Capital Improvement is a material alteration or substantial addition or improvement to the Commons, or the purchase of additional property to be added to

Part I: Definitions

the Commons. Any repair or replacement of existing improvements with materials of similar utility shall not be considered a Capital Improvement.

1.9 Commercial District. The Commercial District is a Neighborhood that comprises the primarily commercial portion of the Master Plan Area. The Commercial District is intended to be subject to a Commercial Declaration and is intended to have a separate association to maintain its common areas and regulate commercial uses.

1.10 Community Development District (CDD). The Double Branch Community Development District, or CDD, is authorized by the Florida Land and Water Adjudicatory Commission by Rule 42FF-1.002, Florida Administrative Code. The CDD is a form of local government established to provide and maintain systems, facilities and services within its boundaries.

1.11 Commons. "Commons" comprises real property or easement rights owned by the Village Center Association for the benefit of its members. "Commons" also include any improvements on that real property and any other property of any type specifically designated as Commons. The Commons are not dedicated for use by the general public.

1.12 Common Roads. The alleys and any streets within the Property that are not dedicated to the public or owned by the CDD are part of the Commons and shall be known as the Common Roads.

1.13 Declaration. "Declaration" is this Declaration of Charter, Easements, Covenants and Restrictions for the Property.

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

1.15 Development Period. The "Development Period" begins with the recording of this Declaration and continues for six months after the Founder no longer owns any Parcel in the Master Plan Area. For the purposes of this definition, the term "Parcel" shall include all planned Parcels, whether or not platted.

1.16 Founder. The Founder is OakLeaf Plantation, LLC, a Florida limited liability company, its successors and assigns, or any successor or assign of all or substantially all of its interests in the development of the Property. The Founder may also be an Owner for so long as the Founder is record owner of any Parcel.

1.17 Live/Work Unit. A Live/Work Unit is a Parcel that may be used as a residence, a business, or a combination of both.

1.18 Master Plan Area. The Master Plan Area is all that property described on Exhibit B.

Part I: Definitions

1.19 Neighborhood. "Neighborhoods" are smaller areas within the Property of distinct building type or character. Owners of property within a Neighborhood may be assessed for maintenance of property primarily serving that Neighborhood or for providing special services to that Neighborhood, as further provided in Paragraph 4.1.1. Special provisions concerning maintenance of Townhome Parcels as a Neighborhood are provided in Part VI.

1.20 Neighborhood Advisory Council. Each Neighborhood shall have a Neighborhood Advisory Council to advise the Board as provided in Paragraph 3.1.7.

1.21 OakLeaf Village Center. OakLeaf Village Center is the name by which the Property shall be known to the public and is intended to include all of the property within the Master Plan Area, whether or not submitted to this Declaration.

1.22 Owner. "Owner" is the record owner, whether one or more persons or entities, of the fee simple title to any Parcel.

1.23 Parcel. A "Parcel" is the smallest piece of real property that may be separately conveyed and that has been made subject to this Declaration. A Parcel may be a platted lot improved with, or intended to be improved with, an attached or detached single-family home, Live/Work Unit, commercial building or multi-family building. A condominium unit shall also be considered a Parcel.

1.24 Property. The Property is that real property made subject to this Declaration. The "Property" comprises the Initial Property, as described on Exhibit A, plus any additional property added by Supplemental Declaration.

1.25 Registered Mortgagee. A "Registered Mortgagee" is any institutional lender that holds a bona fide first mortgage encumbering a Parcel as security for the performance of an obligation and has registered with the Village Center Association and provided current contact information. The term "institutional lender" specifically includes a bank, savings and loan association, a mortgage lending company, an insurance company, and the Federal National Mortgage Association or similar agency.

1.26 Residential Unit. A "Residential Unit" is an individual dwelling unit and shall include a Townhome or other attached dwelling (such as each half of a duplex unit), an apartment or condominium unit, a residential dwelling within a mixed-use building, or an assisted living facility unit (but not a nursing home).

1.27 Supplemental Declaration. "Supplemental Declaration" is any instrument that may be recorded by the Founder or the Village Center Association in accordance with Paragraph 2.1.2 to add property to the Property.

1.28 Townhome. A Townhome is an attached single-family residential building or Live/Work Unit that shares a roof structure with the adjacent Parcel and is not submitted to a condominium

Part I: Definitions

form of ownership. The Townhome also includes any outbuilding such as a garage. Townhomes are regulated, maintained and insured under the special provisions of Part VI.

1.29 Townhome Maintenance Association. A Townhome Maintenance Association is a separate association formed in accordance with Section 6.1.1 to maintain the Parcels within a Townhome Neighborhood in accordance with Part VI of this Declaration.

1.30 Townhome Parcel. A Townhome Parcel is a Parcel upon which is constructed a Townhome.

1.31 Village Center Association. The "Village Center Association" or "Association" is the OakLeaf Village Center Association, Inc., a Florida nonprofit corporation, its successors and assigns. The Village Center Association, whose members are the Owners, is responsible for maintaining the Property and enforcing the Declaration.

Part II: Development Plan



- 2.1 Property Subject to the Declaration
- 2.2 Neighborhoods
- 2.3 The Community Development District
- 2.4 Easements

2.1 Property Subject to the Declaration

The Property is being developed in phases. This article describes the real property of which the Property will initially be comprised, provides the method by which additional property may be added and allows the community's unified development.

2.1.1 **Effect.** The land that shall be subject to this Declaration, known as the "Property," comprises the Initial Property described on the first page of this Declaration, plus any land that is submitted later in accordance with Paragraph 2.1/2. The provisions of this Declaration run with the land, which means that once land has been made subject to this Declaration, the land is still bound by the Declaration even if the land is sold to a new Owner (unless the land is withdrawn as provided in Paragraph 2.1.6). Certain portions of this Declaration apply only to certain types of Parcels as follows:

- (a) Part VI of this Declaration applies only to Townhomes.
- (b) Part VII of this Declaration applies only to Residential Units.

2.1.2 Additional Property.

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

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

Part II: Development Plans

(iv) any other property with a reasonable relationship to the Property.

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

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

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

2.1.3 Additional Commons. The Founder may convey to the Village Center Association additional Commons. The Village Center Association shall accept title to, and maintenance responsibility for, any Commons conveyed to it by the Founder.

2.1.4 Master Plan Area.

(a) Notice of Intent. The Founder intends that any property within the Master Plan Area, whether residential or commercial, that is conveyed to a party other than the Founder (other than dedications to a governmental entity) be made subject to this Declaration unless the instrument of conveyance clearly indicates otherwise. If an instrument submitting the property to the declaration is not recorded prior to, or at the time of, such conveyance to a party other than the Founder, the Founder shall have the right to record a corrective instrument submitting such property to this Declaration.

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

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

2.1.6 OakLeaf Village. OakLeaf Village Center is not intended to be subject to the Declaration of Covenants and Restrictions for OakLeaf Village at OakLeaf Plantation or other declaration for property outside OakLeaf Village Center.

Part II: Development Plans

2.2 Neighborhoods

2.2.1 Generally. The Property is a mixed-use community composed of separate, distinctive Neighborhoods. The Initial Property comprises the Neighborhoods described on Exhibit C to this Declaration. Other Neighborhoods may be added later by supplemental declaration. If Neighborhoods have not been designated in Exhibit C or by supplemental declaration, the Board may in its reasonable discretion designate Neighborhoods. As further described in Paragraph 4.1.1, each Neighborhood has separate maintenance requirements and a separate budget. As further provided in Paragraph 3.1.8, each Neighborhood will have a Neighborhood Advisory Council to advise the Village Center Association Board on matters concerning the Neighborhood.

2.2.2 Townhomes. Each group of Townhomes of similar design, materials and time of construction shall be considered a Townhome Neighborhood. A Townhome Neighborhood may be designated at time of submitting the property to this Declaration or, if not so designated, by the Board in its reasonable discretion. Townhomes are subject to special provisions in Part VI. A Townhome Neighborhood may form a Townhome Maintenance Association in accordance with the provisions of Part VI.

2.2.3 Condominiums. If a condominium is established within the Property, the condominium shall be considered a Neighborhood, and all responsibility for maintenance of the Commons associated with that Neighborhood shall be the responsibility of the condominium association.

2.2.4 Commercial District. It is anticipated that a separate declaration (the "Commercial Declaration") will be recorded, and a separate association (the "Commercial Association") formed, for regulation of commercial properties and maintenance of common areas within the Commercial District. Notwithstanding any other provision of this Declaration, upon recording of the Commercial Declaration, the following shall apply:

- (i) All Commons within the Commercial District shall be regulated and maintained solely by the Commercial Association, and the Commercial Association shall assume and be solely responsible for all other Neighborhood functions for the Commercial District under this Declaration, unless the Commercial Association and the Board of the Village Center Association agree otherwise.
- (ii) The Commercial Association shall assume and be solely responsible for all architectural review functions under this Declaration as they relate to property within the Commercial District, unless the Commercial Association and the Board of the Village Center Association agree otherwise.
- (iii) Commercial uses shall be regulated under the Commercial Declaration, and the Village Center Association shall not have any authority to regulate commercial uses.

Part II: Development Plans

2.2.5 Other Neighborhood Associations.

(a) Intent. The system of Neighborhoods is intended to permit efficient delivery of services based on property type without the formation of multiple incorporated sub-associations, other than the Commercial Association and condominium associations, if any. However, Owners within a Neighborhood may determine in the future that they wish to seek the benefit of a separate incorporated association to provide services to that Neighborhood.

(b) Formation. Any Neighborhood may form an owners' association and adopt articles of incorporation and bylaws, if approved by written consent of sixty percent (60%) of the Allocated Interests within that Neighborhood, the Board of Directors of the Village Center Association and, if during the Development Period, the Founder. The documents so adopted shall be recorded in this public records as an amendment to this Declaration. Any association so created may be terminated, and the responsibilities resumed by the Village Center Association, by consent in writing of a majority of the Allocated Interests within that Neighborhood and approval of the Board of Directors of the Village Center Association.

(c) Operation. Upon creation, the new association shall assume the Neighborhood maintenance responsibilities set out in Part 5 and shall have the same rights to assess, collect and lien for assessments for Neighborhood expenses as provided to the Village Center Association. If the documents so provide, the new association may also assume responsibility for covenant enforcement under Part VII. All Owners within that Neighborhood shall continue to be members of the Village Center Association, to pay Assessments for Village Center Association expenses, and to be subject to the terms of this Declaration.

2.3 Community Development District

The Community Development District is a form of local government established to provide and maintain streets, systems, facilities and services within its boundaries. Statements in this portion of the Declaration are intended for informational purposes and not as a limitation or as a grant of further authority.

2.3.1 Authority. The District derives its authority from Chapter 190 and the Florida Land and Water Adjudicatory Commission, which established the District. The area served by the District includes other property in addition to OakLeaf Village Center.

2.3.2 Revenue Sources.

(a) Sale of Bonds. By statute, the District has the authority to borrow money to finance the construction of improvements by issuing bonds. Under current law, such bonds are tax exempt and may offer an advantageous means of financing improvements. To repay such bonds, the District may, in accordance with the statute, levy "Benefit Special Assessments." Benefit Special Assessments are apportioned between the Parcels according to a formula that has been determined to be in proportion to the benefit received. Benefit Special Assessments are a lien on the Parcel and enforceable in the same manner as county taxes.

Part II: Development Plans

(b) Non ad valorem Assessments. The statute permits the District to levy non ad valorem assessments for operation and maintenance of District property. Such assessments are a lien on the Parcel and enforceable in the same manner as county taxes.

(c) Taxing Authority. If certain requirements are met the statute permits the District to levy and assess an ad valorem tax for construction, operation and maintenance of District property. Such taxes are assessed, levied and collected in the same manner as county taxes.

(d) User Fees. The District may charge user fees for the use of certain District facilities.

2.3.3 Surface Water or Stormwater Management System. The District shall have the power and duty to maintain proper drainage within the Property. In the exercise of this power and duty, the District shall have a blanket easement and right on, over, under and through the ground within the Property to maintain and to correct drainage of surface water. This easement includes the right to cut any trees, bushes or shrubbery, grade soil, or to take any other action reasonably necessary for health or safety or to comply with governmental requirements

2.3.4 Coordination with the Village Center Association. The District and the Village Center Association have complementary roles. To the extent permitted by law, the District may transfer ownership of certain facilities to the Village Center Association. The District may lease certain facilities to the Village Center Association or otherwise provide complete or partial control to the Village Center Association on a long-term or short-term basis. In addition, the Village Center Association may choose to provide additional maintenance to District facilities, to improve the quality of those facilities even though the ownership and primary control of those facilities remain with the District.

2.4 Easements

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

2.4.1 Owners' Easement of Enjoyment.

(a) Commons. Every Owner shall have a right and easement for appropriate use of the Commons, subject to regulation by the Village Center Association. This easement shall be appurtenant to and shall pass with title to every Parcel.

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

Part II: Development Plans

2.4.2 Common Roads. The Common Roads (other than alleys that serve as garage or parking access) are hereby made subject to an easement in favor of all Owners and their invitees for pedestrian and vehicular access to and from other parts of OakLeaf Village Center. Except for occasional closure for street fairs or other events or as reasonably necessary to maintain their private nature, the Common Roads are subject to use by the general public and are not to be gated or access otherwise restricted. The alleys that serve as garage or parking access are hereby made subject to a pedestrian and vehicular access easement for those Parcels that are served by the alley.

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

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

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

(c) Drainage. A blanket easement and right on, over, under and through the ground within the Property for drainage of surface water and other erosion controls.

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

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

2.4.4 Relationship between Parcels.

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

Part II: Development Plans

(b) Parcel Lines. Parcels may not be subdivided or separated into smaller Parcels, or any portion of a Parcel separately conveyed, except by the Founder or with the specific consent of the Architectural Review Committee. However, this shall not prohibit corrective deeds or similar corrective instruments. The Founder may redefine Parcels prior to sale by dividing or combining Parcels or portions of Parcels and adjusting the boundary of a Parcel. The Founder shall also have the right to modify subdivision plats of the Property to make adjustments to Parcel boundary lines with consent only of those Owners whose Parcel boundaries are to be changed. The division or combination of Parcels may be subject to zoning or other governmental regulation.

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

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

Part III: Village Center Association



- 3.1 Formation of the Village Center Association
- 3.2 Maintenance Responsibilities
- 3.3 Insurance and Casualty

3.1 Formation of the Village Center Association

All Owners are members of the Village Center Association.

3.1.1 Establishment; Membership. The Village Center Association shall be established under Florida law as a not-for-profit corporation responsible for the operation of a community that includes both residential and commercial property. Operation of the Village Center Association may be subject to Chapter 720, Florida Statutes, as amended from time to time. Every Owner shall be a mandatory Member of the Village Center Association. Membership shall be appurtenant to and may not be separated from title to any Parcel.

3.1.2 Allocated Interests. Each Parcel shall be assigned an Allocated Interest as follows:

- (a) Residential Units. Each Residential Unit shall be assigned one Allocated Interest.
- (b) Commercial Space. Commercial space shall be assigned one Allocated Interest per two thousand (2000) square feet of net leasable commercial square footage, as defined in paragraph (f). Commercial space may be assigned fractional interests and shall be rounded to the nearest 200 square feet, or one-tenth of an Allocated Interest. *For instance, 850 square feet of commercial space shall be assigned an Allocated Interest of 0.4, and 2,950 square feet shall be assigned an Allocated Interest of 1.5.*
- (c) Unimproved Lots. Lots which have been conveyed to an entity other than the Founder and which do not have a building which is substantially complete shall pay a reasonable amount as determined by the Village Center Association, but not to exceed one Allocated Interest per year.
- (d) Exempt Units. Units that are used by non-profit or governmental entities primarily for the benefit of residents or guests may be exempt from Assessments or pay reduced

Part III: The Village Center Association

Assessments as determined on an annual basis by the Village Center Association. The Commons are not subject to assessment.

(e) Live/Work Units. Parcels that include both residential and commercial uses shall have an Allocated Interest that is equal to the sum of the residential and commercial uses. *For instance, a Live/Work Unit with one Residential Unit and 1,000 square feet of commercial space shall be assigned an Allocated Interest of 1.5.*

(f) Definition of Net Leasable Commercial Square Footage. For purposes of calculating Allocated Interests, net leasable commercial square footage shall include all heated or air-conditioned space that may be used for commerce, office, storage and other support areas for the commercial use, measured to the center of the wall. Commercial square footage shall not include any Residential Unit, or any stairwells or walkways used primarily to access residential space. At the discretion of the Village Center Association, decks and other un-airconditioned space that are used on a regular basis for commerce may also be considered as part of the square footage and assessed at a reduced rate, depending on use. The Village Center Association in its reasonable discretion may determine the amount of assessed square footage for a particular Parcel and may make rules for calculating and rounding square footage. The Village Center Association may adjust or revise Allocated Interests if uses for the Parcel change.

3.1.3 Voting.

(a) Voting Interests. Each Owner shall have a vote in the Village Center Association, with votes to be weighted in accordance with Allocated Interests. Fractional votes are permitted. As further provided in this Declaration and the Bylaws, certain votes will be conducted by Neighborhood, while other votes will involve the entire membership.

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

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

(d) Action without Meeting. If permitted by the Board, the membership may approve any matter (specifically including the election of directors) by a written ballot procedure, which

Part III: The Village Center Association

may be conducted by mail, or by written consent without a meeting, without prior notice and without a vote. Voting or consents shall be in accordance with the Bylaws and statute.

3.1.4 Board of Directors.

(a) Election. The Board of Directors shall consist of at least three people and shall be elected as provided in the Bylaws, subject to the Founder's rights under Part VIII. The Bylaws may provide for election at large, by Neighborhood, or a combination of both methods.

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

3.1.5 Record Keeping. The Board shall keep a record of all Board meetings and other Association meetings. For each action taken, the record should state the vote and a description of the action approved and, where applicable, the reasons why the action was considered necessary and a summary of the information on which the decision was based. Any Member has the right to review the Association's records, at reasonable times, and can make copies or pay to have copies made for a reasonable fee. To the extent permitted by law, certain records may not be made available to Members if genuine privacy considerations exist.

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

3.1.7 Neighborhood Advisory Councils. The Board shall establish an advisory council from each Neighborhood of at least three Owners from that Neighborhood. The advisory council shall review and give suggestions for the annual Neighborhood budget, proposed services and any modifications to the Neighborhood. After the first such council, which shall be appointed by the Board, Owners from each Neighborhood shall elect subsequent councils as part of the regular Board election process. For those portions of the Property that have a condominium association or other incorporated association, that entity shall serve as the advisory council.

3.2 Maintenance Responsibilities

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

3.2.1 Generally. The Village Center Association shall maintain all Commons, including Commons primarily for the use of a particular Neighborhood unless another association has assumed responsibility as provided in Paragraph 2.2.5. In addition, the Village Center Association may be responsible for some Parcel maintenance, particularly in the Townhome

Part III: The Village Center Association

Neighborhood. As further provided in the budget provisions in Paragraph 4.1.1, Neighborhood expenses are assessed to the Parcels in that Neighborhood.

3.2.2 Streets and Alleys.

(a) Generally. The streets within the Property serve as access for the Parcels. However, as further provided in Paragraph 2.4.2, the streets (including those not dedicated to the public) also provide access to other parts of OakLeaf Village Center and are subject to easements to allow such use. Alleys, which provide access to garages, are intended to be used only by Parcel residents.

(b) Common Roads. The alleys and any streets within the Property that are not dedicated to the public or owned by the CDD shall be known as the Common Roads and shall be maintained by the Village Center Association. The Village Center Association may also maintain as Commons the sidewalks and on-street parking, even if located within the public right-of-way or on a Parcel.

(b) Regulation. To the extent permitted by Clay County, the Village Center Association may make rules and regulations concerning driving and parking within the Property, post speed limit or other traffic signs and take any other reasonable measures to discourage excessive speed and encourage safe driving on the Common Roads. Because the Common Roads are subject to access easements, installation of speed bumps, security gates or other significant impediments is not permitted.

3.2.3 Common Landscaping. The Village Center Association shall maintain any landscaping or signage which is part of the Commons, and may maintain as Commons the street trees and any landscaping between the sidewalk and the street, even if located within the public right-of-way or on a Parcel.

3.2.4 Landscape Maintenance, Irrigation for Parcels.

(a) Irrigation Systems. All Parcels are required to have an irrigation system for landscaping. The Village Center Association may, but is not obligated to, provide irrigation water to some or all of the Parcels. If the Village Center Association provides irrigation water, the Parcels shall be required to use the Village Center Association's irrigation water. If the Founder installs such a central irrigation system, the Founder may charge a connection fee to each Parcel Owner. The cost of maintaining and operating shall be divided among the Parcels served by the irrigation system and assessed to that Owner as an Individual Parcel Assessment.

(b) Required Maintenance. Landscaping in Townhome Neighborhoods is to be maintained as provided in Paragraph 6.1.3. As provided in Paragraph 4.1.1, the Village Center Association may require that Owners in any other particular Neighborhood contract for certain routine yard maintenance, or a Neighborhood may choose to contract for yard maintenance for all Owners within that Neighborhood. The cost of such service shall be assessed to the individual Parcel Owner as an Individual Parcel Assessment.

Part III: The Village Center Association

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

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

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

- (a) water, sewer, electrical, telephone, cable television or other utility services; garbage and trash collection and disposal;
- (b) insect and pest control; improvement of vegetation, fishing and wildlife conditions; lake and forestry management, pollution and erosion controls;
- (c) emergency rescue, evacuation or safety equipment; fire protection and prevention; roving patrols within the Property;
- (d) newsletters, electronic communication or other information services;
- (e) in addition to that provided under Paragraph 3.2.6, maintenance of easement areas, public rights-of-way and other public or private properties located within reasonable proximity to the Property if its deterioration would affect the appearance of or access to the Property; and
- (f) any other service allowed by law to be provided by a community association organized as a not-for-profit corporation.

The Board may, by majority vote, initiate any of the above services. If requested by petitions signed by at least 10% of the Owners, a membership meeting may be called and, if a quorum is present, the offering of the additional service under this Paragraph 3.2.6 shall be repealed by majority vote of the Owners. For three years after such a repeal, the Board may not reinstitute the service unless also approved by majority vote of the Owners.

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

Part III: The Village Center Association

3.2.8 Limitation. The Village Center Association shall use reasonable judgment in maintaining and regulating the Commons, but neither the Village Center Association nor the Founder makes any representation or assumes any liability for any loss or injury. The Founder and the Village Center Association make no representations concerning security and shall not be liable in any way for failure to provide services or quality of such services.

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

3.3 Insurance and Casualty

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

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

3.3.2 Insurance for the Commons and the Village Center Association.

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

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

(c) Director Liability Insurance. The Board may obtain liability insurance insuring against personal loss for actions taken by members of the Board and advisory members in the

Part III: The Village Center Association

performance of their duties. The Board in its discretion shall determine the type and amount of such insurance.

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

3.3.2 Townhome Insurance. Townhomes shall be insured as provided in Section 6.2.

3.3.3 Coverage for Other Neighborhoods. Each Owner of a Parcel other than a Townhome Parcel or Condominium Unit shall obtain property insurance for full replacement value of improvements constructed on the Parcel. If requested by the Village Center Association, an Owner shall provide evidence of such insurance.

3.3.4 Repair and Reconstruction after Fire or Other Casualty.

(a) Commons. If fire or other casualty damages or destroys any of the improvements on the Commons, the Board shall arrange for and supervise the prompt repair of the improvements, unless the area is to be redeveloped as provided in Section 9.2 ("Redevelopment"). The Board may restore the Commons to substantially original condition or may improve or modify the design or use. The reconstruction may be considered a substantial Capital Improvement in accordance with Paragraph 4.1.5 only if and to the extent that it modifies the original purpose of the Commons, in which case insurance proceeds shall be considered as if they were assessments. The Board shall obtain funds for reconstruction first from the insurance proceeds, then from reserves for the repair and replacement of such improvements, and then from any Special Assessments that may be necessary after exhausting insurance and reserves.

(b) Townhomes. The provisions concerning Townhomes are found in Section 6.3.

(c) Other Parcels. If fire or other casualty damages or destroys a building or any other improvements on a Parcel, the Owner of that Parcel shall immediately proceed to rebuild and restore the improvements to the condition existing immediately prior to such damage or destruction, unless other plans are approved by the Architectural Review Committee or the area is to be redeveloped as provided in Section 9.2. If the Owner fails to clean and secure a residential Parcel within 30 days after a casualty, the Village Center Association may, in accordance with the provisions of Paragraph 7.3.3, remove debris, raze or remove portions of damaged structures and perform any other clean up the Village Center Association deems necessary to make the Parcel safe and attractive. The cost of such clean up shall be assessed to the Parcel Owner as an Individual Parcel Assessment.

Part IV: Budget, Assessments



- 4.1. Village Center Association Budget
- 4.2. Obligation for Assessments

4.1 Village Center Association Budget

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

4.1.1 Neighborhood Expenses. Except for those Neighborhoods that have created separate associations under Section 2.2, each Neighborhood shall have a separate budget for Neighborhood expenses, which shall be prepared by the Board after consultation with the Neighborhood Advisory Council. The Neighborhood budget will include the following:

- (a) Commons. Alleys and parking lots (but not other Common Roads) shall be a Neighborhood Expense. If more than one Neighborhood shares an alley, the cost shall be apportioned.
- (b) Designated Neighborhood Expenses. Any Parcel maintenance that this Declaration, Supplemental Declaration or Amendment to this Declaration requires to be provided to a particular Neighborhood shall be included in the Neighborhood budget. For the Townhome Neighborhood, all expenses relating to Townhome maintenance and insurance shall be included in the Neighborhood budget.
- (c) Capital Improvements. Any Neighborhood may, by sixty percent (60%) vote of the Owners within that Neighborhood and approval of the Board, vote to assess all Owners within the Neighborhood for capital improvements to Commons within that Neighborhood.
- (d) Additional Services. Any Neighborhood may, by majority vote of the Owners within that Neighborhood and approval of the Board, vote to assess all Owners within the Neighborhood for maintenance or services in addition to those normally provided by the Village Center Association, including yard maintenance or other maintenance to the Parcel or Neighborhood Commons. Any service thus approved shall continue until revoked by majority vote of the Owners within that Neighborhood.

The Neighborhood budget will be assessed to and allocated to Owners within that Neighborhood according to Allocated Interests.

Part IV: Budget and Assessments

4.1.2 Village Center Association Expenses. The Board shall also prepare a budget for management of the Village Center Association, insurance (other than coverage for the Townhome Parcels or other Neighborhood expenses), entry features, Common Roads and landscaping that are not part of a Neighborhood, and other generalized expenses of the Village Center Association. The Village Center Association budget shall be assessed to all Owners, including Owners in those Neighborhoods that have created separate associations under Paragraph 2.2, and shall be divided according to Allocated Interest.

4.1.3 Budget Process.

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

(b) Budget Items. For both the Neighborhood and general budgets, the budget shall estimate total expenses to be incurred by the Village Center Association in carrying out its responsibilities. These expenses shall include, without limitation, the cost of wages, materials, insurance premiums, services, supplies and other expenses for the rendering of all services required by this Declaration or properly approved in accordance with this Declaration. The budget may also include reasonable amounts, as determined by the Board, for working capital for the Village Center Association and, as further provided in Paragraph 4.1.4, for reserves. If the Commons are taxed separately from the Parcels, the Village Center Association shall include such taxes as part of the budget. Fees for professional management of the Village Center Association, accounting services, legal counsel and other professional services may also be included in the budget.

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

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

Part IV: Budget and Assessments

4.1.4 Reserves and Deferred Maintenance.

(a) Generally. Although not required, it is recommended that the Village Center Association establish reserves for deferred maintenance, which are significant expenses that occur infrequently (in most cases, no more frequently than every five years). Without sufficient reserves, the Village Center Association will be required to levy a Special Assessment when these major expenses arise. Costs which reoccur more frequently or which are less expensive can probably be handled as an ordinary expense, although reserves may be established for these costs as well.

(b) Neighborhood Reserves. Reserves shall be kept separate by Neighborhood. In particular, each Neighborhood should reserve for Common Road repair. The Townhome Neighborhood should reserve for roof replacement and building painting as provided in Paragraph 6.1.5.

(c) Using Reserves. When it is time to perform deferred maintenance, the Board can authorize use of the appropriate reserve fund. Reserve funds are an estimate; sometimes one reserve fund will have excess funds, while another will not have enough. If specifically authorized by the Board, reserves set aside for one purpose may be used for another purpose. (For instance, money set aside for repainting may be used for re-roofing a building.) However, the Board shall not use reserve funds from one Neighborhood for another Neighborhood's expenses.

(d) Calculating Reserves. The amount of reserve required is based on the life expectancy of the item, its replacement cost, and the amount of money already in the fund. Once the amount of the reserve is determined, the reserve funds should be included in the budget and funded each year from General Assessments.

(e) Investing Reserves. Although separated for the Village Center Association's internal bookkeeping purposes, the various reserve funds can be deposited in a single bank or investment account, to be invested in a prudent way. Because the reserves are the Village Center Association's savings, reserves must be kept in an account separate from the Village Center Association's operating account and must require more than one signature to be accessed.

(f) Excess Reserves. If there is an excess of reserves at the end of the fiscal year, the Board may decide to reduce the following year's assessments for reserves. If the Board, by two-thirds vote, determines that a reserve is no longer necessary for its original purpose, it may assign all or part of the funds to a reserve for another purpose within that Neighborhood, or allocate the funds to the operating account of that Neighborhood.

4.1.5 Capital Improvements. The Board may authorize Capital Improvements and include the cost in the Neighborhood Budget. Any substantial Capital Improvement to the Commons approved by the Board must be ratified by a majority of the Owners in the affected Neighborhood. If the Owners approve the substantial Capital Improvement, the Board shall determine whether it shall be paid from General Assessments or by Special Assessment. A

Part IV: Budget and Assessments

Capital Improvement shall be considered substantial if the cost to the Village Center Association of the improvement is more than six percent (6%) of the Neighborhood's annual budget, or if, when added to other Capital Improvements for the fiscal year, totals more than ten percent (10%) of the Neighborhood's annual budget. However, any repair or replacement of existing improvements with materials of similar price and utility is not a Capital Improvement. Approval of the Architectural Review Committee is required for all Capital Improvements.

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

4.2 Covenants for Maintenance Assessments

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

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

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

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

4.2.2 General Assessments.

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

Part IV: Budget and Assessments

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

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

(a) Capital Improvements. A Special Assessment may be levied for a Capital Improvement. If the Capital Improvement is considered substantial, it must first be approved by Owners in accordance with Paragraph 4.1.5.

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

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

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

4.2.7 Effect of Nonpayment of Assessment; Remedies

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

(b) Creation of Lien. The Assessment Charge shall also be charged on the land and shall be a continuing lien upon the Parcel against which the Assessment Charge is made, which

Part IV: Budget and Assessments

may be enforced upon recording of a claim of lien. This lien, in favor of the Village Center Association, shall secure the Assessment Charge which is then due and which may accrue subsequent to the recording of the claim of lien and prior to entry of final judgment of foreclosure. Any subsequent owner of the Parcel shall be deemed to have notice of the Assessment Charge on the land, whether or not a lien has been filed.

(c) Suit for Payment; Foreclosure of Lien. The Village Center Association may bring an action at law against the Owner personally obligated to pay the Assessment Charge, or may foreclose the lien in a manner similar to foreclosure of a mortgage lien, or both. The Village Center Association, acting on behalf of the Owners, shall have the power to bid for an interest in any Parcel foreclosed at such foreclosure sale and to acquire, hold, lease, mortgage and convey the Parcel.

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

Notice to Purchasers concerning Unpaid Assessments

If there are any Assessments unpaid on the Parcel, you will automatically become liable for those Assessments when you accept a deed. **You should contact the Village Center Association before purchasing a Parcel to make sure no Assessments are owed.** You should also inquire about Special Assessments which may have been assessed but which are not yet owed.

The treasurer of the Village Center Association, upon request of any Owner or contract purchaser, will furnish a certificate stating whether assessments are paid to date by that Owner and whether any Special Assessments have been levied. Such a certificate, when co-signed by at least two officers of the Village Center Association, may be relied upon by a good faith purchaser or mortgagee. Alternatively, the Board may delegate to the Village Center Association's management company the responsibility for preparing and executing such certificates.

Part V: Design Review



- 5.1 Design Code
- 5.2 Review Process for Original Construction
- 5.3 Review Process for Modifications
- 5.4 Enforcement

5.1 Design Code

5.1.1 Establishment of Design Code. Founder hereby establishes the Design Code for OakLeaf Village Plantation. The Design Code, which is not intended to be recorded, shall set standards for the Commons and for all aspects of the Parcel visible from the outside, including without limitation the size and shape of the building, its roof, windows, doors, porches and other components, placement on the lot, fences, drainage, paving and landscaping, antennas, signage and all finish materials and colors. The Design Code may also regulate the type, placement and number of residential or business units that may be constructed on a Parcel.

5.1.2 Permitted Uses. Permitted uses for Parcels, which may include residential use, civic use, retail, office, restaurant or other commercial use or a mixture of uses, shall be determined based on the Design Code. At the Founder's discretion, the Founder may record the determination of permitted uses at any time up to and including the time of conveyance of the Parcel to someone other than the Founder. Uses may be revised by modification of the Design Code in accordance with Paragraph 5.1.3; however, no such modification shall prohibit a legally existing use without the Owner's consent.

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

5.1.4 Applicable Governmental Codes. It is the intent of the Founder that the Design Code be consistent with all applicable requirements of state and local law. In the event of a conflict, Founder shall be afforded the opportunity to attempt to resolve the issue with the applicable agency and, if necessary, revise the Design Code.

Part V: Design Review

5.1.5 Trees. The cutting, removal or intentional damage of existing trees (including excessive pruning or failure to use due care with equipment or when removing other trees permitted to be removed) is strictly regulated under Design Code.

5.2 Review Process for Original Construction

5.2.1 Construction Subject to Review.

(a) Initial Construction. Prior to any clearing or grading of any Parcel or construction of any improvements, the Founder must review and approve construction plans and specifications.

(b) Modifications. Once a plan is approved, any modification to that plan during construction must also be reviewed and approved by the Founder. After completion of the initial construction, including landscaping, any modifications to the Parcel are to be reviewed as described in Section 2.5. However, the addition of a fence or other improvements within two years of the receipt of a Certificate of Completion and Release as described in Paragraph 5.2.3 (d) shall be considered part of the original construction, unless the Founder declines review, in which case the improvement shall be subject to Section 5.3.

5.2.2 Basis for Decision. Applications shall be approved or denied based upon compliance with the provisions of the Design Code and overall quality of design. If the Founder rejects an application due to overall design quality, despite compliance with the Design Code, the Founder shall make suggestions for improving the design. The Founder may grant variances from the Design Code based on existing topographical or landscape conditions, existing trees, accessibility needs or architectural merit. Any such variance must be in writing. Approval of a variance does not constitute a precedent for other applications, and such requests may be arbitrarily denied.

5.2.3 Review Procedure.

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

(b) Notification. The Founder shall make best efforts to notify the applicant of its decision within the time allowances set out in its design approval process handbook. However, a delay in reviewing an application shall not be deemed consent to construction unless the delay exceeds 45 days and the applicant notifies Founder in writing, receipt acknowledged by Founder, that failure to respond within ten days shall be deemed approval. If approval is given, construction of the improvements may begin.

Part V: Design Review

(c) Construction; Inspection. All construction must comply with the submitted plans. The Founder or its agent may inspect the property during construction but has no obligation to make any such inspection.

(d) Completion. When the primary building and landscaping are completed in substantial compliance with the approved plans and specifications, the Founder shall issue a Certificate of Substantial Conformance. The Certificate shall describe any areas of deficiency that need to be corrected. All fines and other enforcement shall be waived so long as the deficiencies are corrected within sixty (60) days. Upon correction of all deficiencies, the Founder shall issue a Certificate of Completion and Release in recordable form.

(e) Governmental Compliance. Owners are responsible for making sure that construction conforms to governmental regulations and all local building codes, along with applicable drainage, water conservation, erosion control and stormwater detention requirements. If the Founder notes noncompliance, the Owner will be required to make the necessary changes. However, the Founder is not responsible for the construction's compliance with governmental requirements.

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

5.2.4 Approval of Architects, Builders.

(a) Generally. The creation of the streetscape depends on the quality of design and construction, and adherence to the Design Code. Approval of architects and builders is necessary to assure quality construction and a reasonable spirit of cooperation. Once granted, approval status may be reviewed and revoked or extended from time to time based on actual performance.

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

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

5.2.5 Liability. The Founder and its inspectors are concerned primarily with aesthetic considerations, and are not responsible for compliance with governmental requirements or design or construction defects or use of materials affecting the safety or structural integrity of the building. Approval by the Founder of an application shall not constitute a basis for any liability

Part V: Design Review

of the Founder for failure of the plans to conform to any applicable building codes or inadequacy or deficiency in the plans resulting in defects in the improvements, or for the performance or quality of work of any builder or architect approved by it, or for non-compatible or unstable soil conditions or soil erosion, or any other condition of the property.

5.3 Review Process for Modifications

OakLeaf Village Center will not be frozen in time. Homes are enlarged to suit a growing family. A tree falls and must be replaced. Children clamor for swing sets. A puppy requires a fenced yard.

The questions surrounding modification review concern not just design but compatibility with the adjacent properties. The review process ensures that as OakLeaf Village Center matures, it continues to follow the vision set out in Design Code.

The provisions of this Article apply to additions and modifications other than for the Commercial District, which shall be regulated under the Commercial District Declaration.

5.3.1 Architectural Review Committee.

(a) **Establishment.** The Board shall establish an Architectural Review Committee to review modifications under this Article. Members of the Board may sit on the ARC. To the extent reasonably possible, the Architectural Review Committee shall include one or more architects, designers, builders or other professionals with an interest in home design. The Architectural Review Committee may employ personnel or contract with individuals or companies as necessary to assist in the review process.

(b) **Procedures.** Plans and specifications for review shall be submitted in the form and number required by ARC. ARC may provide lists of approved materials and may allow for staff review and approval of routine or minor matters.

(c) **Neighborhood Input.** The applicable Neighborhood Advisory Council or Neighborhood Association shall be notified of any application concerning that Neighborhood. A representative designated by the council or association shall be entitled to be review the application, to comment upon the application and to be present at any meeting regarding the application.

(d) **Fees.** The Board shall set the Architectural Review Committee's review fees to cover all or part of the expected cost of its operation and shall fund any deficit. Fees shall not be intended to create a surplus, other than an ordinary operating capital fund for the Architectural Review Committee to which any excess fees shall be contributed.

(e) **Inspection.** ARC or its agent may inspect the property during construction but has no obligation to make any such inspection.

Part V: Design Review

5.3.2 When Approval Required. Other than for Townhomes, as provided in Paragraph 5.3.4, review is not required to repaint with originally approved paint and colors, or to replace the roof or other components with duplicates of those originally approved. Any other modification of the main building, outbuilding, landscaping and all other parts of the Parcel visible from outside the Parcel must be approved in advance of performance of any work. Once construction begins, all construction must comply with the approved plans and specifications, and any changes to the plans must be reviewed and approved.

Modifications Requiring Approval

Modifications requiring approval include but are not limited to the following:

- Materials and color selection for the main building and any outbuilding (including roof, doors, windows and trim);
- Landscaping, grading and any removal or substantial pruning of trees or plants;
- Privacy walls or other fences and gates, driveways, walks, patios and other ground surface materials;
- Antennas, satellite dishes or receivers, solar panels or other devices which are visible from outside the Parcel;
- Fountains, swimming pools, whirlpools or other pools, awnings, flower boxes, shelves, statues or other outdoor ornamentation and window coverings visible through the window;
- Signage of any type; and
- Play equipment, whether or not secured, such as tree houses, pools, skateboard ramps, basketball hoops and swing sets.

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

5.3.3 Standard for Review.

(a) Generally. Applications are approved based upon compliance with the Design Code in effect at the time of the submittal, compatibility with surrounding Parcels and Commons and overall quality of design. ARC may also consider other factors, including purely aesthetic considerations, so that it may require changes to a plan to improve its appearance even if the design meets the technical requirements of Design Code. If ARC rejects an application due to overall design quality, despite compliance with Design Code, ARC may make suggestions for improving the design.

(b) Variations. ARC may occasionally grant a variance from Design Code based on existing topographical or landscape conditions, accessibility needs or architectural merit, but the granting of such a variance shall not be deemed a precedent for other variances.

Part V: Design Review

(c) Tree Protection. The cutting, removal or intentional damage of existing trees (including excessive pruning or failure to use due care with equipment or when removing other trees permitted to be removed) is strictly regulated under Design Code.

(d) Governmental Compliance. Owners are responsible for making sure that construction conforms to governmental regulations and all local building codes. All plans must comply with applicable drainage, water conservation, erosion control and stormwater detention requirements. If ARC notes noncompliance, the Owner will be required to make the necessary changes. However, ARC is not responsible for compliance with governmental requirements.

(e) Development Period. During the Development Period, all applications also require approval by the Founder.

5.3.4 Townhomes.

(a) Modification by Owner. Because the Townhomes are intended to have a uniform appearance and are to be maintained by the Village Center Association, the ARC must review any maintenance, repair or replacement of any part of the exterior of a Townhome Parcel by an Owner, even with materials and colors identical to those originally approved. Owners may not be permitted to enlarge or enclose space or to make any other changes in the exterior appearance of the building or yard. In addition to review by the Architectural Review Committee, the Board must approve any private antenna, satellite dish or other structure to be placed on the roof to assure that the roof will not be damaged.

(b) Modification by Village Center Association. If the Village Center Association wishes to make any maintenance, repair or replacement of any part of the exterior of a Townhome Parcel or Parcels other than with materials and colors originally approved, then the ARC must review and approve such change. In such an instance, the ARC shall notify the Townhome Neighborhood Advisory Council and obtain its advice concerning the modification.

5.3.5 Builders. ARC may establish review and approval process for builders and other contractors. Approval shall be based on willingness to build in accordance with approved plans and specifications, quality of past work, client satisfaction and financial history. Builders must agree to comply with construction regulations, to properly contain and dispose of construction debris, and to build in accordance with the approved plans and specifications.

5.3.6 Limitation. ARC and its inspectors are concerned primarily with aesthetic considerations, and are not responsible for compliance with governmental requirements or design or construction defects or use of materials affecting the safety or structural integrity of the building. Approval by ARC of an application shall not constitute a basis for any liability of the Founder, or members of the ARC, Board of Directors or Village Center Association for failure of the plans to conform to any applicable building codes or inadequacy or deficiency in the plans resulting in defects in the improvements, or for the performance or quality of work of any contractor or architect approved

Part V: Design Review

by it, or for non-compatible or unstable soil conditions or soil erosion, or any other condition of the property.

5.4 Enforcement.

5.4.1 Generally. If any construction or installation is begun which has not been approved or which deviates from approved plans and specifications, the Founder (for original construction) or Village Center Association (for modifications) may approve any of the following actions:

- (a) Require the Owner to resolve the dispute through binding arbitration,
- (b) Seek an injunction requiring the Owner to immediately stop construction and remove or correct any improvements that are not in compliance with approved plans.
- (c) Bring suit seeking other remedies, including any combination of damages, specific performance, declaratory decree and/or permanent injunction or other remedy at law or in equity.

If the Founder or Village Center Association brings suit and the court finds that the construction was not approved or that the construction deviated from the approved plans or specifications, then the Founder or Village Center Association as applicable shall also be awarded reasonable attorney's fees and costs, even if the relief requested is not granted.

5.4.2 Deposit, Fines. The Founder (for new construction) or Village Center Association (for modifications) may require the builder or Owner to post a deposit from which the Founder or Association as applicable may deduct fines for failure to comply with the approved plans and specifications, tree regulations and rules for builder conduct. The collection of a fine shall not in any way diminish the available remedies at law or equity.

5.4.3 Tree Protection. Improper cutting, removal or intentional damage to existing trees is subject to fines as set by the Founder or Village Center Association as applicable, plus a requirement that the tree be replaced with one or more of approved species and size.

5.4.4 No Waiver. Failure to enforce any provision of this Declaration, the Design Code or construction rules shall not be deemed a waiver of the right to do so at any time thereafter.

Part VI: Townhomes



- 6.1 Townhome Maintenance
- 6.2 Townhome Insurance and Casualty

This Part VI shall apply only to Townhomes.

6.1 Townhome Maintenance

Townhome Parcels are individually owned but, because of their structure, need to be maintained in a uniform fashion and require special maintenance provisions.

6.1.1 Townhome Maintenance Association.

(a) Creation. Prior to the conveyance of any Townhome Parcel to an individual purchaser (or with the consent of any such Owners), the developer of any Townhome Neighborhood may, establish a Townhome Maintenance Association by the recording of a Supplemental Declaration with Articles of Incorporation and Bylaws for the Townhome Maintenance Association. The Supplemental Declaration shall require the consent of the Founder but shall not require the consent of the Village Center Association. If a Townhome Maintenance Association is not so created, such an association may be created later in accordance with Section 2.2.5.

(b) Responsibilities. A Townhome Maintenance Association, if created, shall assume all of the responsibilities provided under this Part VI as to that Townhome Neighborhood. The Townhome Maintenance Association will be limited to maintenance as described in this Part VI and shall not manage or maintain any Village Center Commons.

(c) Powers. Whether or not so stated in the Supplemental Declaration, a Townhome Maintenance Association shall have the same powers as the Village Center Association to levy and collect assessments, including a lien on the Parcel. Such assessments may include all costs associated with carrying out its responsibilities under this Part VI plus general management and operation of the Townhome Maintenance Association.

(d) Assumption. For any Townhome Neighborhood for which a Townhome Maintenance Association is not created, the Village Center Association shall assume the responsibilities of this Part VI.

6.1.2 Roof. The Townhome Maintenance Association shall be responsible for maintenance of the roof deck, surface, flashing and gutters, if any, on all Parcels in the Townhome Neighborhood. The Townhome Maintenance Association shall not be responsible for maintenance of the framing. Owners shall promptly report to the Townhome Maintenance Association any water leakage in any Townhome or any other damage to the roof. The

Part VI: Townhomes

Townhome Maintenance Association shall replace a roof when either of the following shall occur:

- (a) A roof which is approaching its normal life expectancy (or which the Townhome Maintenance Association deems to be defective) requires repair and the Townhome Maintenance Association determines that it would be more efficient to replace the roof, or
- (b) A portion of the roof has been damaged by casualty, and the Townhome Maintenance Association chooses to replace the roof.

If the roof does not need to be replaced but is causing water leakage into any townhome or the Townhome Maintenance Association otherwise determines that a roof requires repair, then the Townhome Maintenance Association shall make all necessary repairs. If the Townhome Maintenance Association determines that a roof does not need to be repaired, the Owner of the Townhome Parcel directly underneath the damaged portion shall have the right to repair the roof with matching materials.

6.1.3 Exterior Maintenance.

- (a) Association Responsibility. The Townhome Maintenance Association shall maintain exterior wall surfaces and exterior trim of Townhomes. Such maintenance shall include repair and replacement as necessary, and painting, pressure washing or other cleaning as determined by the Board.
- (b) Owners' Responsibility. Each Owner shall care for and maintain at the Owner's expense the interior of the Townhome, structural beams and any other structural element of the Townhome, doors, garage doors and windows and all other portions except those specifically required to be maintained by the Townhome Maintenance Association.
- (c) Porches. The Townhome Maintenance Association shall maintain any porch railings. However, the Owner shall be responsible for maintaining the horizontal porch surface and keeping the porch clean.
- (d) Party Walls. A party wall is a structural, fire-rated wall between two adjacent Townhomes that provides structural support for each of the Townhomes. Damage to the party wall could impair the structural integrity of more than one Townhome. Maintenance of the surface of the party wall shall be the sole responsibility of the Owner whose Townhome faces such wall. Each Owner shall be liable and responsible if, in connection with that Owner's use and maintenance of the party wall, the Owner damages the adjacent Owner's Parcel or the wall itself. The adjacent Owners shall share the cost of any other repairs to the party wall equally. Each Owner grants to the Owner of each adjacent Parcel an easement to use and maintain the party wall between them.

Part VI: Townhomes

(e) Outbuildings. The Townhome Maintenance Association shall maintain, repair and insure outbuildings, such as garages, in the same manner as the primary structure.

(f) Interpretation. The Board may make and consistently apply reasonable rules interpreting these provisions to determine which portions of the Townhome Parcel shall be maintained by the Townhome Maintenance Association and which portions shall be maintained by the Owner.

6.1.4 Landscape Maintenance.

(a) Townhome Maintenance Association Responsibility. The Townhome Maintenance Association shall maintain the front yards of each Townhome Parcel, plus any side yard along a street that is not enclosed by a fence. Street trees, grass and landscaping adjacent to the sidewalk, whether part of the Parcel, Commons or right-of-way, may also be included within the commonly maintained landscape service.

(b) Owner Rights and Responsibility. Subject to rules and regulations by the Townhome Maintenance Association, an Owner may plant additional plantings on Owner's Parcel. If an Owner plants any flowers or other plantings, the Owner shall properly maintain them. The Townhome Maintenance Association may remove any plantings visible from outside the Parcel that are not well maintained and may, after notice and hearing, remove any plantings that are invasive species or not in keeping with other landscaping. Rear yard maintenance may be provided on a contract basis.

(c) Irrigation. Parcels are intended to have a shared irrigation system. The Townhome Maintenance Association shall maintain the irrigation system, the cost of which shall be included in the common expenses of the Townhome Maintenance Association. Owners shall not damage or interfere with the operation of the irrigation system and shall promptly report any damaged or inoperable equipment.

6.1.5 Pest Control. The Townhome Maintenance Association may provide basic pest control service, including termite prevention measures. The Board shall determine the type of service. The Owner shall cooperate in granting access for pest control service if provided. The Owner is responsible for, and shall promptly repair, any termite damage or any other infestation that is not covered by the Association coverage, if any.

6.1.6 Owner's Additional Responsibilities: Townhome Maintenance Association Action.

(a) Owner's Failure to Maintain. If Owner's failure to properly maintain and repair those portions of the Townhome Parcel not maintained by the Townhome Maintenance Association is endangering the structural integrity of other Townhome Parcels or causing water leakage into other Townhomes, the Townhome Maintenance Association shall have the right to enter and repair the defect and charge the cost, plus a management fee of 15%, to the Owner as an Individual Parcel Assessment. The Townhome Maintenance Association shall give at least 10 calendar days notice or, in an emergency, whatever notice is reasonable under the circumstances.

Part VI: Townhomes

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

6.1.7 Assessment of Costs.

(a) Generally. The cost of all maintenance and services to be provided to the Townhome Neighborhood, along with the cost of the Townhome Maintenance Association's additional professional management attributed to the Townhome Neighborhood and the reserves described below, shall be divided equally among all Townhome Parcels in a Townhome Neighborhood as a Neighborhood Assessment.

(b) Reserves. The Townhome Maintenance Association shall establish and maintain a reserve account for each Townhome Neighborhood for repair and replacement of roofs based on the expected life and replacement cost. The Townhome Maintenance Association may also establish a similar reserve for repainting of Townhomes if appropriate to the type of construction.

(c) Roof Repair. The cost of roof replacement or repair shall be paid first from any insurance proceeds and then from the reserve fund. If the reserve fund is not sufficient to pay for the repair or replacement, or if the Townhome Maintenance Association faces any other unanticipated expense for the Townhome Parcels, then the Townhome Maintenance Association shall levy a special Individual Parcel Assessment on each Townhome Parcel in that Townhome Neighborhood to cover the cost.

6.2 Insurance

6.2.1 Purchase by Association. Unless such coverage is not available or is available only at a cost significantly greater than that available if purchased by the individual unit owners, the Association shall contract for property insurance for the buildings on the Townhome Parcels.

6.2.2 Type of Coverage. Although the Townhomes are not a condominium, the Association shall purchase the type of coverage required for a condominium under Chapter 718, Florida Statutes. This coverage insures the structural components of the building and the exterior surfaces but excludes certain parts of the Parcel. At the time that this declaration was recorded, coverage under the Association's policy would exclude all floor, wall, and ceiling coverings, electrical fixtures, appliances, air conditioner or heating equipment, water heaters, water filters,

Part VI: Townhomes

built-in cabinets and countertops, and window treatments. Any changes to Chapter 718, Florida Statutes, concerning insurance coverage shall be automatically incorporated into this Declaration.

6.2.3 Deductible. The Association in its discretion shall determine the amount of the deductible for the Association policy. If the Association purchases the policy, the deductible amount for any damage that would be covered under the Association policy shall be a Neighborhood expense.

6.2.4 Assessments. If the Association purchases Association coverage for individual Townhomes, the Association shall include the cost of such insurance in the General Assessments or Special Assessments as necessary.

6.2.5 Notification of Change or Termination. If the Association decides to eliminate or reduce existing coverage, the Association shall notify all Owners at least 60 days prior to the effective date of the change so that each Owner can obtain coverage.

6.2.6 Liability. The insurance purchased by the Association may not include liability coverage for the individual Parcels. Parcel Owners are strongly encouraged to obtain liability coverage.

6.2.7 Parcel Owner's Coverage. The Parcel Owner is strongly encouraged to purchase coverage known as a condominium unit owner's policy that insures those items that are not covered by the Association policy.

6.2.8 Individual Coverage. If the Association does not insure the Parcels, then the individual Owners are required to obtain homeowners' property insurance with an amount of coverage equal to replacement value of the structure and provide evidence of such coverage to the Association, according to rules and procedures established by the Board for providing such evidence. If any Owner fails to provide evidence of coverage to the Association on a timely basis, then, upon ten days notice to the Owner, the Association shall obtain the coverage for the Owner, the cost of which, plus a 15% service charge for the Association, shall be assessed to the Townhome Parcel as an Individual Parcel Assessment. The Association may establish rules concerning such policies, including without limitation (a) requiring the Association to be named as a loss payee on any such policy, (b) requiring the Association to be notified prior to any cancellation of the policy and (c) requiring coverage to be with a company rated "A" or better. The Association may negotiate group-rate insurance from a provider or providers for voluntary participation.

*Part VI: Townhomes**Notice concerning Purchase of Insurance on Townhome Parcels*

The Association will purchase a policy of property insurance for all Townhome structures so long as such coverage is reasonably available to the Association.

• **The Association policy will not cover the interior of the Townhome. Parcel Owners should purchase a unit owner's insurance policy as well as liability coverage.**

* **If the Association does not obtain property insurance for the Townhome structures, each Owner will be required to obtain insurance for that Owner's Parcel with an amount of coverage equal to replacement value of the structure.**

6.3 Loss and Reconstruction

The Townhome Maintenance Association's responsibility for repair after a fire, storm or other casualty loss is different from the association's maintenance responsibility. This Section is intended to allow for efficient repair after a loss.

6.3.1 Generally. After a casualty loss, the Townhome Maintenance Association shall be responsible for any repair to those portions of the Parcel covered by a condominium association insurance policy, unless

(a) the damage is confined to one Parcel and the Townhome Maintenance Association decides that the individual Owner shall be responsible for repair or

(b) the Owners rather than the association were responsible for purchasing the insurance and the Townhome Maintenance Association decides that the individual Owner or Owners shall be responsible for repair.

Any repair or reconstruction shall be according to the plans and specifications as they existed before the damage unless modifications are approved in accordance with Part V.

6.3.2 Association Repair. If the Association is responsible for the repair, the following shall apply:

(a) Association Insurance Policy. If the Association has purchased the insurance or is a loss payee on Owners' policies, the Association shall be responsible for all repairs to those portions of the Parcel covered by a condominium association insurance policy. Any amount not

Part VI: Townhomes

covered by insurance shall be a Neighborhood expense. The deductible and any other amount not covered by insurance shall be a Neighborhood expense.

(b) Individual Insurance Policies. If the individual Owner was responsible for purchasing property insurance and the Association has waived the requirement to be named a loss payee, then the Owner shall assign the insurance proceeds to the Association plus pay any deductible amount. Any additional amount not covered by insurance shall be a Neighborhood expense.

The Townhome Maintenance Association shall not be responsible for that portion of the Parcel not covered by a condominium association insurance policy (generally, the interior of the unit.)

6.3.3 Individual Repair. If the Townhome Maintenance Association has determined that the affected Owner or Owners shall make the repair, the following shall apply:

(a) Association Insurance Policy. The Townhome Maintenance Association may release funds for the repair and shall pay the deductible but the Owner shall be responsible for any remaining cost.

(b) Individual Insurance Policies. In the event of damage to more than one Townhome Parcel, the Association may coordinate the work and each Parcel Owner shall be required to cooperate with the coordinated effort. Each Owner shall pay the deductible and shall be responsible for any remaining cost.

The Townhome Maintenance Association shall institute reasonable procedures to assure proper use of insurance proceeds. The Association, ARC or both may supervise all work.

6.3.4 Cooperation. Owners shall cooperate with repair effort, whether the repair is to that Owner's Townhome Parcel or to another within the Townhome row, including granting access as necessary.

Part VII: Residential Uses



- 7.1 Covenants and Restrictions
- 7.2 Covenants Committee
- 7.3 Enforcement

This Part VII shall apply only to residential Neighborhoods and the residential portions of Live/Work Buildings. Commercial uses shall be regulated under the Village Center Commercial Declaration, and the Village Center Association established by this Declaration shall not have any authority to regulate commercial uses.

7.1 Covenants and Restrictions

This Declaration doesn't have long lists of rules. Instead, the concept is simple: neighbors shouldn't create unreasonable disturbances or unsafe conditions—and neighbors should tolerate a certain amount of activity, noise, pets and exuberant children as part of a vibrant community.

7.1.1 Uses.

- (a) **Home Industry.** To the extent permitted by law and subject to reasonable regulation by the Village Center Association, home industry that does not generate significant traffic, noise or odor or change the exterior appearance of a building shall be permitted on any Parcel. Signage for home-based business, if any, shall be regulated under the Design Code.
- (b) **Insurance.** Nothing shall be done or kept on any Parcel or the Commons that will increase the rate of, or result in cancellation of, insurance for the Property or any other Parcel or its content, without the prior written consent of the Village Center Association.
- (c) **Soliciting.** The Village Center Association may regulate or prohibit soliciting within the Property.
- (d) **Time Sharing.** No time-share ownership of Parcels is permitted without the Village Center Association's approval. Leasing a building or ownership of a Parcel by a corporation, partnership or other entity or by not more than four individuals or married couples will not by itself constitute time-share ownership.
- (e) **Garage Sales.** Garage sales, estate or yard sales, sample sales and similar kinds of sales activity from Parcels is permitted on an occasional basis. However, the holding of frequent

Part VII: Residential Uses

sales from a particular Parcel will be considered a business and may be regulated, limited or prohibited by the Village Center Association.

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

7.1.2 Renting. Residential dwelling units may be rented, subject to reasonable rules and regulations as promulgated by the Board, which may be modified from time to time. The Board may set a minimum term for leases of up to seven months and may prohibit the leasing of a Parcel while the Owner is in default in the payment of Assessments.

7.1.3 Attractiveness and Safety of Parcels.

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

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

(c) Satellite Dishes and Antennas. The Design Code regulates the placement, size and appearance of satellite dishes, antennas or other types of communication or electronic devices to the extent permitted by federal law.

(d) Lights, Holiday Displays. The Design Code may regulate the type and placement of exterior lighting, both as part of the original approval process and any later installations. The Design Code or the Village Center Association may regulate holiday lighting and other holiday displays (including without limitation color and amount), may restrict the days in which the lights and decorations may be displayed and may require their removal during other times of the year.

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

(a) Types of Pets Permitted. Pets are limited to cats, dogs and birds, along with animals weighing less than five pounds that are not specifically prohibited by rule, that are contained inside the home in an aquarium, terrarium or cage and that are not poisonous or otherwise hazardous if they were to escape. The Village Center Association may further regulate

Part VII: Residential Uses

the number and size of pets and may prohibit the keeping of particular breeds of dogs or other animals that it deems to create unreasonable danger or nuisance. If the Village Center Association or any governmental unit finds cats to be a threat to wildlife, the Village Center Association may by rule prohibit or restrict cats.

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

7.1.5 Signs. No sign, advertisement or notice of any type or nature whatsoever (including "For Sale" or "For Rent" signs) shall be erected or displayed upon any Parcel (including placement on the building, Yard or in any window) or upon the Commons unless specifically permitted by the Design Code. The Design Code may prohibit all types of signs within residential areas. However, the Founder shall be permitted to post and display advertising signs within the Property so long as the Founder has any property for sale in the normal course of business, and hereby reserves an easement for reasonable use of the Commons for such purposes.

7.1.6 Automobiles.

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

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

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

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

7.1.7 Temporary Structures. The Design Code or Village Center Association may prohibit or regulate structures of a temporary character, trailers, tents, shacks, barns, sheds or other outbuildings. However, reasonable, occasional use of tents for festive occasions or children's backyard camping is part of life and should be enjoyed. During parties and other special events,

Part VII: Residential Uses

the Board may approve the use of tents, trailers and other temporary buildings on the Commons or elsewhere within the Property. The Founder may permit construction trailers and other temporary structures during construction.

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

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

7.2 Covenants Committee

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

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

7.2.3 Complaints. The Board, the Neighborhood Advisory Council or any resident or Owner may file a request with the Covenants Committee to hear an issue concerning possible violation of this Declaration or the Rules and Regulations. The Covenants Committee will notify the resident who is believed to be in violation, as well as the Owner of the Parcel, if different, and set a convenient date for a hearing. The Covenants Committee will also notify the Neighborhood Advisory Council, which shall be permitted to comment on the matter, and may participate to the extent deemed advisable by the Covenants Committee.

Part VII: Residential Uses

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

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

7.3 Enforcement

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

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

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

7.3.3 Corrective Action for Parcel Maintenance. If the Board determines that any Owner has failed to maintain any part of a Parcel (including the yard and any wall, fence, or building for

Part VII: Residential Uses

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

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

7.3.5 Additional Remedies. All remedies listed in this Paragraph are non-exclusive and may be applied cumulatively. The Village Center Association shall also have the right to bring suit to enforce the covenants contained in this Declaration, including the right to an injunction.

Part VIII: Founder's Reserved Rights



- 8.1 Development Period
- 8.2 Easements
- 8.3 Additional Rights

8.1 Development Period

The rights contained in this Section apply only to the Development Period or other stated period of time, and expire automatically after that time.

8.1.1 Selection of Board. The Founder shall appoint and remove the initial officers and members of the Board. No later than sixty days after completion of construction on at least 30 Parcels within the Property and sale to Owners other than the Founder or builder, Parcel owners other than the Founder shall have the right to elect at least one member of the Board. Elections shall be conducted in accordance with the Bylaws. The Founder reserves the right to elect a majority of the Board until 90 percent of the Parcels in the Master Plan Area have been conveyed to Members other than the Founder or builders. For the purposes of this provision, the term "Parcel" shall include those pieces of real property that have not yet been submitted to this Declaration but that have not been developed in an inconsistent manner and may reasonably be anticipated to be submitted in the future. The Founder may voluntarily surrender the right to appoint and remove officers and members of the Board before termination of the control period, in which case the Founder reserves the right to record an instrument specifying that certain actions of the Village Center Association or Board must be approved by the Founder before they become effective.

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

Part VIII: Founder's Reserved Rights

Association at least 30 days before the end of the then-current Guarantee Period. During the Guarantee Period, the General Assessments may be increased by up to 15% per year.

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

8.2 Easements

8.2.1 Easements in Favor of the Founder. The easements provided by this Paragraph are intended to permit the Founder to continue and complete construction of OakLeaf Village Center and neighboring properties. Accordingly, the Founder hereby reserves for itself, its successors and assigns the following nonexclusive easements, to benefit properties adjacent to, or reasonably near, the Property (including property separated from the Property by a street), whether or not such properties are developed as part of the Property:

(a) Private Roads and Paths. A nonexclusive easement for use of any roads or streets which are not accepted for dedication to the public and which are intended for automobile traffic (other than rear lanes or other similar access roads which are intended for use only by residents on that road), along with a nonexclusive easement for appropriate use of any pedestrian or bicycle paths.

(b) Utility Easements. A blanket easement upon, across, over, through, and under the Property for ingress, egress, installation, replacement, repair and maintenance of all public and private utility and service systems. These systems and services include, but are not limited to, water, sewer, irrigation systems, drainage, telephone, electricity, natural gas, television, security, collection of garbage and recyclable materials, cable or communication lines and other equipment. By virtue of this easement the Founder, and its successors or assigns, may install and maintain facilities and equipment, excavate for such purposes and affix and maintain wires, circuits and conduits. However, the exercise of this easement must not unreasonably disturb each Owner's right of quiet enjoyment of the Parcel.

(c) Police Powers. A blanket easement throughout the Property for private patrol services, and for police powers and services supplied by the local, state and federal governments. The reservation of such easement does not imply that any such service shall be provided.

(d) Drainage, Erosion Controls. A blanket easement and right on, over, under and through the ground within the Property to maintain and to correct drainage of surface water and other erosion controls. This easement includes the right to cut any trees, bushes or shrubbery, grade soil, or to take any other action reasonably necessary for health or safety or to comply with governmental requirements. The Founder shall notify affected Owners (except in an emergency) and shall restore the affected property to its original condition as nearly as practicable. This easement may be exercised at the option of the Founder and shall not be construed to obligate Founder to take any affirmative action to correct conditions.

Part VIII: Founder's Reserved Rights

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

(f) Maintenance of Commons. An easement for maintenance of the Commons to provide, at Founder's discretion, services in addition to those provided by the applicable association under Section 2.3, and, to the extent reasonably necessary, an easement over any Parcel for maintenance of the Commons.

(i) Construction Equipment: To the extent reasonably necessary, an easement over, under and through any roads, whether public or private, and any Commons for construction equipment and any other purpose reasonably related to continued construction of any property within the Property.

8.2.2 Cable Television and High Speed Internet Services

(a) Exclusive Agreements. For the term of this Declaration, neither the Association nor any other owners' association formed to administer covenants within the Property or any portion of the Property shall grant any exclusive rights to service any portion of the Property for cable television or high speed internet services (the "Services") or enter into any agreement to supply the Services to the Property on a bulk-billing or bulk-service basis to any party other than MediaOne of Greater Florida, Inc., its successor or assigns (the "Provider").

(b) Marketing For the term of this Declaration, the Provider shall be entitled to display marketing materials for the Services located upon the Property in any sales office located upon the Property (with locations and format to be determined by the owner or operator of such residential sales office).

(c) Termination. Notwithstanding the foregoing, the restrictions contained in this Paragraph 8.2.2 shall terminate upon the termination of any agreement between the Provider and the Founder providing for preferred provider rights as to the supply of the Services to the Provider within the Property.

8.3 Additional Rights

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

Part VIII: Founder's Reserved Rights

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

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

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

The exercise of these rights shall not interfere with normal and customary rights of architects as to structures designed by them. The Founder may collect a fee for its consent to the use of common area images, or for the providing of support services to photographers or others.

8.3.3 Name.

(a) Trademark. The Founder reserves the right to trademark the name "OakLeaf Village Center" or other name of the community as a trade name owned by the Founder. An Owner may use the trademarked name to describe the location of the business, and may advertise a business as being located "in OakLeaf Village Center" or other trademarked name. If requested by the Founder, Owner shall accompany such use with a symbol or explanation concerning trademark or service mark registration of the name. Owner may not use the trademarked name in any other manner without the express permission of the Founder, which may be arbitrarily denied.

(b) Change of Name. The Founder shall have the right to change the name, OakLeaf Village Center, for all or any part of the property subject to this Declaration. Founder may, but is not required to, amend this Declaration to reflect the name change.

Part IX: General Provisions



- 9.1 Modification of Commons
- 9.2 Amendment, Redevelopment and Termination
- 9.3 General Provisions

9.1 Modification of Commons

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

9.1.1 Capital Improvements. The Village Center Association may make Capital Improvements to the Commons and may modify the uses of the Commons. Expenses for substantial Capital Improvements must be approved in accordance with Paragraph 4.1.5.

9.1.2 Purchase of Additional Commons. The Village Center Association may acquire additional real property to be owned as Commons. The decision to acquire additional Commons (other than that added by the Founder), whether by purchase or lease or other means, shall be authorized by a two-thirds vote of the Board of Directors. If the purchase or lease is costly enough to be considered a substantial Capital Expense, it must be approved as described in Paragraph 4.1.5.

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

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

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

Any decision to donate, sell, exchange or lease any portion of the Commons must be approved by two-thirds of the Board. A transaction for sale, exchange or lease for a term of more than one

Part IX: General Provisions

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

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

9.1.5 Dedication.

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

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

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

9.1.7 Mortgage. The Village Center Association may mortgage the Commons provided that the funds secured are used for the benefit of the Village Center Association, including the payment of debt owed by the Village Center Association.

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

9.2 Amendment, Redevelopment and Termination

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

Part IX: General Provisions

9.2.1 Amendment.

(a) Generally. Except as provided otherwise, this Declaration, including vested rights, may be amended at any time by an instrument signed by the president or vice president and secretary of the Village Center Association, certifying approval in writing by Owners representing two-thirds (2/3) of the Allocated Interests. A meeting shall not be required to obtain such consents and the individual consents do not need to be recorded.

(b) Founder. Any amendment during the Development Period shall require Founder's consent. Rights reserved to the Founder may not be amended at any time without the specific consent of the Founder. The Founder specifically reserves the absolute and unconditional right, at any time during the Development Period, to amend this Declaration without the consent or joinder of any party (i) to conform to the requirements of the Federal Home Loan Mortgage Corporation, Veterans Administration, Federal National Mortgage Association or any other generally recognized institution involved in the guarantee or purchase and sale of home loan mortgages, (ii) to conform to the requirements of institutional mortgage lenders or title insurance companies, or (iii) to clarify the Declaration's provisions or correct errors.

(c) Neighborhood Provisions. An amendment establishing a Neighborhood association shall require only those consents as provided in Paragraph 2.2.5 and may be amended in the same way. The provisions of Part VI may be amended by approval of the Board and consent in writing of Townhome Owners representing sixty percent (60%) of the Allocated Interests of Townhome Owners, and consent of other Owners shall not be required. Any Amendment concerning or regulating commercial uses requires the approval in writing of Owners representing two-thirds (2/3) of the commercial Parcels' Allocated Interests and the consent of the Board.

(d) Limitation. Whenever any action described in this Declaration requires approval of greater than two-thirds (2/3) of the Owners, amendment of that provision shall require the same percentage vote as would be required to accomplish that action directly.

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

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

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

Part IX: General Provisions

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

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

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

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

(ii) Upon a casualty loss destroying at least 75%, by value, of the insurable improvements, either within the entire Property, or within a Redevelopment Area. The option period for a casualty loss ends six months after the casualty, and if the option is not exercised within that time, the damage must be repaired in accordance with the loss and reconstruction provisions of Section 6.3.

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

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

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

Part IX: General Provisions

distributed on account of the casualty loss. The purchaser shall pay the expense of the appraisals and all closing costs.

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

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

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

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

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

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

(c) Redevelopment. The Declaration may be terminated for all or a part of the Property in accordance with the redevelopment provisions of Paragraph 9.2.2.

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

9.3 General Provisions

9.3.1 Assignment. Founder may assign all or any portion of its rights at any time for all or part of the Property to any successor or assigns, or to the Village Center Association.

Part IX: General Provisions

9.3.2 Interpretation. The provisions of this Declaration shall be liberally construed to effectuate their purpose of creating a uniform and consistent plan for the development and operation of the Property as a high quality community. Boxed text is part of the operative provisions of this Declaration. Italicized portions may be used as an aid to interpretation. However, if the italicized portion conflicts with the operative provision, the operative provision shall govern. Cross references are intended for convenience and should not be used as a limitation on interpretation if incorrect.

9.3.3 Standard of Care. In addition to any specific provisions in this Declaration concerning maintenance of any Commons or Parcel, each Owner, the Village Center Association and any other association established in accordance with Section 2.2 shall properly maintain the property for which it is responsible. The ARC may establish a standard of care or, if not so established, the standard of care shall be deemed to be the average level of care evident within the Property. After notice and opportunity to cure, any Owner, the Village Center Association or any of the associations established in accordance with Section 2.2 shall have the right to bring an action against the responsible person or entity to enforce this standard of care.

9.3.4 Enforcement of Declaration.

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

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

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

9.3.5 Notices. Any notice required to be sent to the Owner shall be deemed to have been properly sent when delivered in accordance with the Bylaws and applicable statute.

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

Part IX: General Provisions

9.3.6 Consent of Mortgagees.

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

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

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

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

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

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

WITNESSES:

OAKLEAF PLANTATION, LLC,
a Florida limited liability company

Deborah H. Dunbar By: [Signature]
print: Deborah H. Dunbar print: [Signature]
its vice president

Lori Sheridan
print: Lori Sheridan

Part IX: General Provisions

STATE OF FLORIDA
COUNTY OF Duval

The foregoing instrument was acknowledged before me this 29th day of November, 2005, by Erik Wilson, Vice president THE OAKLEAF PLANTATION, LLC, a Florida limited liability company, on behalf of the corporation. He is personally known to me or has produced a Florida driver's license as identification and did take an oath.

Deborah H. Dunbar

Notary Public, State of Florida at Large
Serial Number:

DEBORAH H. DUNBAR
Notary Public, State of Florida
My comm. exp. June 10, 2009
Comm. No. DD 398548

Part IX: General Provisions

Schedule of Exhibits:

- Exhibit A, Legal Description, The Initial Property,
- Exhibit B, Legal Description, The Master Plan Area,
- Exhibit C, Initial Neighborhood Designations
- Exhibit D, The Articles of Incorporation for OakLeaf Village Center Association, Inc.,
and
- Exhibit E, The Bylaws for OakLeaf Village Center Association, Inc.

EXHIBIT "A"
(The Initial Property)

Lots 1 through 35, inclusive, OAKLEAF VILLAGE CENTER – UNIT ONE, according to plat thereof recorded in Plat Book 49, pages 14, 15, and 16, public records of Clay County, Florida.

EXHIBIT "B"**OAKLEAF VILLAGE CENTER****OVERALL BOUNDARY**

A PARCEL OF LAND LYING IN AND BEING PART OF SECTION 5, TOWNSHIP 4 SOUTH, RANGE 25, EAST, CLAY COUNTY, FLORIDA, AND PART OF TRACT "D", HIGHLAND MILL AT OAKLEAF PLANTATION, AS RECORDED IN PLAT BOOK 39, PAGES 61, 62, 63, 64, 65, 66, 67 AND 68, OF THE PUBLIC RECORDS OF SAID COUNTY AND PART OF BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE SOUTHEASTERLY RIGHT-OF-WAY LINE OF PARKVIEW DRIVE, A RIGHT-OF-WAY OF VARIED WIDTH AS NOW ESTABLISHED, WITH THE NORTHWESTERLY PROLONGATION OF THE NORTHEASTERLY LINE OF SAID TRACT "D", HIGHLAND MILL AT OAKLEAF PLANTATION; THENCE, ON SAID NORTHEASTERLY LINE AND THE SOUTHEASTERLY PROLONGATION THEREOF, SOUTH 39 DEGREES 15 MINUTES 38 SECONDS EAST, 1545.18 FEET TO THE NORTHWESTERLY LINE OF TRACT "A", LITCHFIELD AT OAKLEAF PLANTATION, AS RECORDED IN PLAT BOOK 40, PAGES 51, 52, 53, 54, 55, 56, 57 AND 58, OF SAID PUBLIC RECORDS; THENCE, ON SAID NORTHWESTERLY LINE, SOUTH 50 DEGREES 44 MINUTES 22 SECONDS WEST, 50.00 FEET TO THE SOUTHWESTERLY LINE OF SAID TRACT "A"; THENCE, ON SAID SOUTHWESTERLY LINE, SOUTH 39 DEGREES 15 MINUTES 38 SECONDS EAST, 165.38 FEET TO A POINT ON THE NORTHWESTERLY RIGHT-OF-WAY LINE OF OAKSIDE DRIVE, A RIGHT-OF-WAY OF VARIED WIDTH AS NOW ESTABLISHED, AND A POINT ON A CURVE, SAID POINT HAVING A RADIAL BEARING OF SOUTH 16 DEGREES 54 MINUTES 19 SECONDS EAST; THENCE, ON LAST SAID RIGHT-OF-WAY LINE, SOUTHWESTERLY AROUND AND ALONG A CURVE TO THE LEFT HAVING A RADIUS OF 540.00 FEET AND A CENTRAL ANGLE OF 24 DEGREES 46 MINUTES 23 SECONDS, AN ARC DISTANCE OF 233.48 FEET (SOUTH 60 DEGREES 42 MINUTES 30 SECONDS WEST, 231.67 FEET, CHORD BEARING AND DISTANCE) TO A POINT OF TANGENCY; THENCE, CONTINUING ON LAST SAID RIGHT-OF-WAY LINE, SOUTH 48 DEGREES 19 MINUTES 18 SECONDS WEST, 320.68 FEET TO AN ANGLE POINT IN SAID RIGHT-OF-WAY LINE; THENCE, CONTINUING ON SAID RIGHT-OF-WAY LINE, NORTH 41 DEGREES 40 MINUTES 42 SECONDS WEST, 20.00 FEET TO AN ANGLE POINT IN SAID RIGHT-OF-WAY LINE; THENCE, CONTINUING ON SAID RIGHT-OF-WAY LINE, SOUTH 48 DEGREES 19 MINUTES 18 SECONDS WEST, 50.00 FEET TO AN ANGLE POINT IN SAID RIGHT-OF-WAY LINE; THENCE, CONTINUING ON SAID RIGHT-OF-WAY LINE, SOUTH 41 DEGREES 40 MINUTES 42 SECONDS EAST, 20.00 FEET TO AN ANGLE POINT IN SAID RIGHT-OF-WAY LINE; THENCE, CONTINUING ON SAID RIGHT-OF-WAY LINE, SOUTH 48 DEGREES 19 MINUTES 18 SECONDS WEST, 19.08 FEET TO A POINT OF CURVATURE; THENCE, CONTINUING ON SAID RIGHT-OF-WAY LINE, AROUND AND ALONG A CURVE TO THE RIGHT HAVING A RADIUS OF 30.00 FEET AND A CENTRAL ANGLE OF 88 DEGREES 13 MINUTES 21 SECONDS, AN ARC DISTANCE OF 46.19 FEET (NORTH 87 DEGREES 34 MINUTES 02 SECONDS WEST, 41.76 FEET, CHORD BEARING AND DISTANCE) TO THE A POINT OF TANGENCY AND THE NORTHEASTERLY RIGHT-OF-WAY LINE OF OAKLEAF VILLAGE PARKWAY, A RIGHT-OF-WAY OF VARIED WIDTH AS NOW ESTABLISHED; THENCE, CONTINUING ON LAST SAID RIGHT-OF-WAY LINE, NORTH 43 DEGREES 27 MINUTES 21 SECONDS WEST, 5.00 FEET TO A POINT OF CURVATURE; THENCE, CONTINING ON LAST SAID RIGHT-OF-WAY LINE, AROUND AND ALONG A CURVE TO THE RIGHT HAVING A RADIUS OF 1435.00 FEET AND A CENTRAL ANGLE OF 07 DEGREES 23 MINUTES 18 SECONDS, AN ARC DISTANCE OF 185.04 FEET (NORTH 39 DEGREES 45 MINUTES 42 SECONDS WEST, 184.92 FEET, CHORD BEARING AND DISTANCE) TO A POINT OF TANGENCY; THENCE, CONTINUING ON SAID RIGHT-OF-WAY LINE, NORTH 36 DEGREES 04 MINUTES 03 SECONDS WEST, 240.72 FEET; THENCE, CONTINUING ON SAID RIGHT-OF-WAY LINE, NORTH 34 DEGREES 24 MINUTES 21 SECONDS WEST, 206.92 FEET; THENCE, CONTINUING ON SAID RIGHT-OF-WAY LINE, NORTH 36 DEGREES 04 MINUTES 03 SECONDS WEST, 566.38 FEET TO A PONT OF CURVATURE; THENCE, CONTINUING ON SAID RIGHT-OF-WAY LINE, AROUND AND ALONG A CURVE TO THE LEFT HAVING A RADIUS OF 3016.50 FEET AND A CENTRAL ANGLE

{00126496.DOC }

OF 06 DEGREES 59 MINUTES 55 SECONDS, AN ARC DISTANCE OF 368.46 FEET (NORTH 39 DEGREES 34 MINUTES 01 SECONDS WEST, 368.23 FEET, CHORD BEARING AND DISTANCE) TO A POINT OF REVERSE CURVE; THENCE, CONTINUING ON SAID RIGHT-OF-WAY LINE, AROUND AND ALONG A CURVE TO THE RIGHT HAVING A RADIUS OF 30.00 FEET AND A CENTRAL ANGLE OF 89 DEGREES 52 MINUTES 56 SECONDS, AN ARC DISTANCE OF 47.06 FEET (NORTH 01 DEGREES 52 MINUTES 30 SECONDS EAST, 42.38 FEET, CHORD BEARING AND DISTANCE) TO A POINT OF TANGENCY AND THE SOUTHEASTERLY RIGHT-OF-WAY LINE OF PARKVIEW DRIVE, A RIGHT-OF-WAY OF VARIED WIDTH AS NOW ESTABLISHED; THENCE, ON LAST SAID RIGHT-OF-WAY LINE, NORTH 46 DEGREES 48 MINUTES 58 SECONDS EAST, 184.21 FEET TO AN ANGLE POINT IN SAID RIGHT-OF-WAY LINE; THENCE, CONTINUING ON SAID RIGHT-OF-WAY LINE, NORTH 43 DEGREES 11 MINUTES 02 SECONDS WEST, 15.00 FEET TO AN ANGLE POINT IN SAID RIGHT-OF-WAY LINE; THENCE, CONTINUING ON SAID RIGHT-OF-WAY LINE, NORTH 46 DEGREES 48 MINUTES 58 SECONDS EAST, 430.63 FEET TO THE POINT OF BEGINNING.

CONTAINING 25.02 ACRES, MORE OR LESS.

EXHIBIT "C"
(Initial Neighborhood Designations)

Lots 1 through 35, inclusive, OAKLEAF VILLAGE CENTER – UNIT ONE, according to plat thereof recorded in Plat Book 49, pages 14, 15, and 16, public records of Clay County, Florida.

EXHIBIT "D"

No 5890011544

(Requestor's Name)

(Address)

(Address)

(City/State/Zip/Phone #)

PICK-UP WAIT MAIL

(Business Entity Name)

(Document Number)

Certified Copies _____ Certificates of Status _____

Special Instructions to Filing Officer:

Office Use Only



500061346755

11/14/05--01046--0006 **28.75

SECRETARY OF STATE
FILING SERVICES DIVISION

2005 NOV 14 P 3:21

FILED

11-15-05
WC

FILED
2005 NOV 14 P 3:21
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

ARTICLES OF INCORPORATION
FOR
OakLeaf Village Center Association, Inc.
A FLORIDA NOT-FOR-PROFIT CORPORATION

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

I. Name

The name of the corporation is the OakLeaf Village Center Association, Inc., hereinafter referred to as the "Association." The street address of the Association is c/o Property Management Systems, Inc., 463499 State Road 200, Yulee, FL 32097, attention: Terrell Powell.

II. Registered Agent

The initial Registered Agent of the Association is Scott Steffan. The street address of the Registered Agent is Property Management Systems, Inc., 463499 State Road 200, Yulee, FL 32097.

III. Purposes

The Association is established to perform those duties and exercise the powers described in the Declaration of Charter, Easements, Covenants, and Restrictions for OakLeaf Village Center, recorded or to be recorded in the public records of Clay County, Florida (together with all attachments and as it may be amended from time to time, the "Declaration"). OakLeaf Village Center is a mixed-use development including both residential and commercial property.

The Association does not contemplate pecuniary gain or profit to its members.

To promote matters of common interest of the owners of separately conveyable parcels of real property ("Parcels") within the Property, as defined in the Declaration, the Association shall exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in the Declaration, which is hereby incorporated by reference. In addition, the Association shall have all other powers and privileges of a not-for-profit corporation organized under Chapter 720, Florida Statutes, for Homeowners' Associations, and, to the extent not in direct conflict with the Declaration, of Chapter 617, Florida Statutes, for Not-for-Profit Corporations, as both may be amended from time to time.

Without limiting the generality of the foregoing, the Association shall have the right to own, mortgage and convey property; to operate and maintain the surface water management system facilities, including all inlets, ditches, swales, culverts, water control structures, retention and detention areas, ponds, lakes, floodplain compensation areas, wetlands and any associated buffer areas, and wetland mitigation areas; establish rules and regulations, assess members and enforce assessments; sue and be sued; contract for services to provide for operation and maintenance of
11/9/2005

the surface water management system facilities; and take any other action necessary for the purposes for which the Association is organized.

IV. Membership

As further described in the Declaration, every person or entity who is a record owner of a Parcel within the Property shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Parcel. As further described in the Declaration, each Parcel shall be assigned a "Membership Interest," based upon lot type.

V. Voting Rights

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

VI. Board of Directors

A Board of Directors shall manage the affairs of the Association. The Board of Directors shall be selected as provided in the Declaration and Bylaws. The members of which do not need to be members of the Association.

VII. Term of Existence

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

VIII. Dissolution

The Association may be dissolved by consent in writing by Members representing 90% of the Membership Interests. The required percentage shall be reduced to 67 percent of the Membership Interests, if the Association Property has been accepted for dedication or taken by eminent domain by the appropriate unit of local government (except that alleys or footpaths between two Parcels may be divided evenly between the adjacent Parcel Owners).

Upon dissolution, the control or right of access to the property containing the surface water management system facilities shall be conveyed or dedicated to an appropriate governmental unit or public utility and if not accepted, then the surface water management system facilities shall be conveyed to a non-profit corporation similar to the Association.

IX. Officers

Subject to the direction of the Board, the officers shall administer the affairs of this Association. Officers shall be designated and elected in accordance with the Declaration.

X. Bylaws

The Bylaws of this Association, which are an exhibit to and part of the Declaration, shall be adopted by the first Board and recorded among the public records of Clay County, Florida. The Bylaws may be altered, amended, modified or repealed by (a) unanimous approval of the Directors, after notice to Members and opportunity for discussion, or (b) approval of a majority of the Members at a meeting at which a quorum was present, or (c) assent in writing of Members representing a majority of the voting interests. The President or Vice-President and secretary shall execute a certificate indicating compliance with the approval process. Any such modification shall be effective upon recording in the public records of Clay County.

XI. Amendments

This Association reserves the right to amend or repeal any of the provisions contained in these Articles by an instrument executed by the president or vice-president of the Association, certifying approval in writing of members representing 67% of the Membership Interests of the Association.

XII. Supremacy

These Articles and the Bylaws are subject to the terms of the main body of the Declaration and the Book of Operating Principles, which is an exhibit to the Declaration. In the event of a conflict, the Declaration and the Book of Operating Principles shall govern. In the event of a conflict between the Articles and Bylaws, the Articles shall govern.

XIII. Indemnification

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

XIV. Incorporator

The incorporator of the corporation is OakLeaf Plantation, LLC, a Florida limited liability company whose address is 3020 Hartley Road, Suite 100, Jacksonville, FL 32257.

IN WITNESS WHEREOF, the incorporator has caused these Articles of Incorporation to be executed this 9 day of November, 2005.

WITNESSES:

Deborah H. Dunbar
print: Deborah H. Dunbar

Ornette T. Wilson
print: Ornette T. Wilson

OAKLEAF PLANTATION, LLC,
a Florida limited liability company

By: [Signature]
print: Robert Cromartie
its V. Pres.

STATE OF FLORIDA
COUNTY OF Duval

The foregoing instrument was acknowledged before me this 9 day of November 2005, by Robert Cromartie VP of THE OAKLEAF PLANTATION, LLC, a Florida limited liability company, on behalf of the corporation. He is personally known to me or has produced a Florida driver's license as identification, and did take an oath.

Deborah H. Dunbar
Notary Public, State of Florida at Large
Serial Number:

DEBORAH H. DUNBAR
Notary Public, State of Florida
My comm. exp. June 10, 2009
Comm. No. DD 398548

Registered Agent Certificate

Having been named to accept service of process for the above stated corporation, at the place designated in this certificate, I hereby agree to act in this capacity, and I further agree to comply with the provisions of all statutes relative to the proper and complete performance of my duties.



Scott Steffan

Date: 11/10/05

FILED
2005 NOV 14 P 3:21
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

Exhibit "E" to Declaration

BYLAWS
FOR
OAKLEAF VILLAGE CENTER ASSOCIATION, INC.,
A FLORIDA NOT-FOR-PROFIT CORPORATION

Introduction

The OakLeaf Village Center Association, Inc. (the "Association") is organized as a not-for-profit corporation under Chapter 617, Florida Statutes. As a mixed-use association including both residential and commercial property, it is also subject in part to the special provisions of Chapter 720, Florida Statutes, for homeowners' associations. These Bylaws were written to comply with those chapters at the time the Association was formed. However, those laws may change, and the Association is required to comply with changes to the law.

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

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

Bylaws are intended to be easier to amend than either the Declaration or the Articles of Incorporation so that the Association can adjust the Bylaws to its needs. Any amendment to the Bylaws must be recorded in the public records of Clay County as an amendment to the Declaration. However, any amendments to Chapter 720 shall be automatically incorporated into these Bylaws and do not need to be approved or recorded, although such changes should be noted the next time the Bylaws are amended for any other purpose.

I. Members

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

11/28/05

1.2 Shares; Votes. Each Member shall have an interest in the funds and assets of the Association and shall be assigned a vote according to Allocated Interests, as further described in Paragraph 3.1.2 of the Declaration.

II. Membership Meetings

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

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

(1) QUORUM; AMENDMENTS. --

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

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

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

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

(5) **NOTICE OF MEETINGS.** --*The bylaws shall provide for giving notice to members of all member meetings, and if they do not do so shall be deemed to provide the following: The association shall give all parcel owners and members actual notice of all membership meetings, which shall be mailed, delivered, or electronically transmitted to the members not less than 14 days prior to the meeting. Evidence of compliance with this 14-day notice shall be made by an affidavit executed by the person providing the notice and filed upon execution among the official records of the association. In addition to mailing, delivering, or electronically transmitting the notice of any meeting, the association may, by reasonable rule, adopt a procedure for conspicuously posting and repeatedly broadcasting the notice and the agenda on a closed-circuit*

cable television system serving the association. When broadcast notice is provided, the notice and agenda must be broadcast in a manner and for a sufficient continuous length of time so as to allow an average reader to observe the notice and read and comprehend the entire content of the notice and the agenda.

(6) **RIGHT TO SPEAK.** --Members and parcel owners have the right to attend all membership meetings and to speak at any meeting with reference to all items opened for discussion or included on the agenda. Notwithstanding any provision to the contrary in the governing documents or any rules adopted by the board or by the membership, a member and a parcel owner have the right to speak for at least 3 minutes on any item, provided that the member or parcel owner submits a written request to speak prior to the meeting. The association may adopt written reasonable rules governing the frequency, duration, and other manner of member and parcel owner statements, which rules must be consistent with this paragraph.

(7) **ADJOURNMENT.** --Unless the Bylaws require otherwise, adjournment of an annual or special meeting to a different date, time, or place must be announced at that meeting before an adjournment is taken, or notice must be given of the new date, time, or place pursuant to s. 720.303(2). Any business that might have been transacted on the original date of the meeting may be transacted at the adjourned meeting. If a new record date for the adjourned meeting is or must be fixed under s. 617.0707, notice of the adjourned meeting must be given to persons who are entitled to vote and are members as of the new record date but were not members as of the previous record date.

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

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

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

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

- 2.4 Notice. Notice of meetings shall be provided in accordance with the statute.
- 2.5 Waiver. Any Owner may waive notice of a meeting or consent to the holding of a meeting without notice or consent to action taken without a meeting, by execution of a waiver or consent in writing. Such waiver or consent may be executed prior to, at, or subsequent to the meeting or Association action to which the waiver or consent relates.
- 2.6 Quorum. Voting at an Association meeting requires presence of Members in person or proxy representing the percentage of votes established by the Board as necessary to transact business. The Board may revise this percentage from time to time, but in no event shall the required percentage be less than 10% or more than 50% of the membership. If Florida law is ever modified to permit other forms of representation, such as teleconferencing, to be counted toward a quorum, the Board may by rule adopt such change without amendment of these Bylaws.
- 2.7 Meeting Location. The Board shall determine the place for all regular and special meetings, which shall be in Clay County except in an emergency or after significant casualty.
- 2.8 Proxies. Proxies are permitted for any meeting of the membership.
- 2.9 Action without Meeting. If permitted by the Board, the membership may approve any matter (specifically including the election of Directors) by written ballot. Ballots shall be mailed or hand delivered to all Members. The Board shall establish for each vote the amount of time to be permitted for voting, which shall be no less than 10 days nor more than 60 days, and all ballots returned within the permitted time shall be counted. The Board may also establish a minimum number of ballots that must be returned in order for the vote to be valid, within the limits required for a quorum. The Board may also adopt rules permitting voting by internet or other procedures that may become available from time to time.

III. Board of Directors

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

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

(2) BOARD MEETINGS.

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

(b) *Members have the right to attend all meetings of the board and to speak on any matter placed on the agenda by petition of the voting interests for at least 3 minutes. The association may adopt written reasonable rules expanding the right of members to speak and governing the frequency, duration, and other manner of member statements, which rules must be consistent with this paragraph and may include a sign-up sheet for*

members wishing to speak. Notwithstanding any other law, the requirement that board meetings and committee meetings be open to the members is inapplicable to meetings between the board or a committee and the association's attorney, with respect to meetings of the board held for the purpose of discussing personnel matters.

(c) The bylaws shall provide for giving notice to parcel owners and members of all board meetings and, if they do not do so, shall be deemed to provide the following:

1. Notices of all board meetings must be posted in a conspicuous place in the community at least 48 hours in advance of a meeting, except in an emergency. In the alternative, if notice is not posted in a conspicuous place in the community, notice of each board meeting must be mailed or delivered to each member at least 7 days before the meeting, except in an emergency. Notwithstanding this general notice requirement, for communities with more than 100 members, the Bylaws may provide for a reasonable alternative to posting or mailing of notice for each board meeting, including publication of notice or provision of a schedule of board meetings.

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

(9) ELECTIONS. --Elections of directors must be conducted in accordance with the procedures set forth in the governing documents of the association. All members of the association shall be eligible to serve on the board of directors, and a member may nominate himself or herself as a candidate for the board at a meeting where the election is to be held. Except as otherwise provided in the governing documents, boards of directors must be elected by a plurality of the votes cast by eligible voters. Any election dispute between a member and an association must be submitted to mandatory binding arbitration with the division. Such proceedings shall be conducted in the manner provided by s. 718.1255 and the procedural rules adopted by the division.

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

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

- (a) To elect the officers of the Association as hereinafter provided;
- (b) To administer the affairs of the Association and the Property and formulate policies for such purposes;
- (c) To adopt administrative rules and regulations governing the administration, management, operation and use of the Property and to amend such rules and regulations from time to time;
- (d) To provide for the maintenance, repair and replacement of those parts of the Property stated in the Declaration to be maintained by the Association;

(e) To provide for the designation, hiring and removal of employees and other personnel or service companies, including a property manager, to engage or contract for the services of others, to make purchases for the maintenance, repair, replacement, administration, management and operation of the Property and to delegate any such powers to the employees or agents of the Association;

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

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

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

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

3.2 Term: Qualifications. Directors shall hold office for a term of two years. A director may be elected to a one-year term to permit staggered terms. Directors may be elected for successive terms. Directors are not required to be Members.

3.3 Neighborhoods.

(a) Neighborhood Advisory Councils. As provided in Section 3.1.7 of the Declaration, each Neighborhood shall have a Neighborhood Advisory Council, which shall review and give suggestions for the annual Neighborhood budget, proposed services and any modifications to the Neighborhood. After the first such council, which shall be appointed by the Board, Owners from each Neighborhood shall elect subsequent councils as part of the regular Board election process. For those portions of the Property that have a condominium association or other incorporated association, that entity shall serve as the advisory council.

(b) Commercial District. It is anticipated that when the Property is complete, the Allocated Interests attributable to residential uses will exceed the Allocated Interests attributable to commercial uses. To allow better representation and communication, if at any time a Board is elected that does not include any Director who primarily represents the interests of the Commercial District, then the Neighborhood Advisory Council for the Commercial District shall be entitled to appoint one member of the Board of Directors, and the number of Directors shall be automatically increased accordingly.

3.4 Voting Procedure. In voting for the Board of Directors, a Member may cast his or her votes for as many candidates as there are Directors to be elected. A Member is not required to use all of that Member's votes; however, no cumulative voting shall be permitted. For example,

if there are three seats to be filled and the Member has one vote, the Member may cast one vote each for one, two or three candidates, but shall not cast more than one vote for any particular candidate. If the Member is eligible to cast two votes, the Member may cast two votes apiece for up to three candidates. The candidates receiving the highest number of votes shall be declared elected. Directors may be elected by a plurality; a majority is not required. However, if there are a large number of candidates, the Board may in advance of the voting determine that a certain minimum percentage of the votes may be required for election, and provide for run-off elections if such percentage is not achieved.

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

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

3.7 Meetings; Notice. An annual meeting of the Board shall be held immediately following the annual meeting of the membership and at the same place. Special meetings of the Board shall be held upon call by the President or a majority of the Board on not less than forty-eight (48) hours notice in writing to each director, unless the Board determines an emergency to exist, in which event the Board shall give such notice as is reasonable under the circumstances. All meetings of the Board at which official action may take place shall be open to all Members and, except in an emergency as provided above, notices of all such meetings shall be posted in a conspicuous place on the Property at least 48 hours prior to the meeting. The Board may provide for alternative posting on an Association website or similar means easily accessible by all Members. Members other than Directors shall not be entitled to vote or participate in any other way at the Board meeting unless the Board so permits. Except under emergency conditions, all meetings shall be held in Clay County.

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

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

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

IV. Officers

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

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

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

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

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

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

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

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

4.5 Vacancy. The Board may fill any vacancies in any office. Any officer may be removed at any time, with or without cause, by the affirmative vote of a majority of the whole Board.

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

V. Records

Editor's Note: Section 3.1.5 of the Declaration provides as follows:

The Board shall keep a record of all Board meetings and other Association meetings. For each action taken, the record should state the vote and a description of the action approved and, where applicable, the reasons why the action was considered necessary and a summary of the information on which the decision was based. Any Member has the right to review the Association's records, at reasonable times, and can make copies or pay to have copies made for a

reasonable fee. To the extent permitted by law, certain records may not be made available to Members if genuine privacy considerations exist.

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

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

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

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

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

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

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

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

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

(g) A current roster of all members and their mailing addresses and parcel identifications.

(h) All of the association's insurance policies or a copy thereof, which policies must be retained for at least 7 years.

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

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

1. Accurate, itemized, and detailed records of all receipts and expenditures.

2. A current account and a periodic statement of the account for each member, designating the name and current address of each member who is obligated to pay assessments, the due date and amount of each assessment or other charge against the member, the date and amount of each payment on the account, and the balance due.

3. All tax returns, financial statements, and financial reports of the association.

4. Any other records that identify, measure, record, or communicate financial information.

(k) A copy of the disclosure summary described in s. 720.401(1).

(l) All other written records of the association not specifically included in the foregoing which are related to the operation of the association.

(5) **INSPECTION AND COPYING OF RECORDS.** --The official records shall be maintained within the state and must be open to inspection and available for photocopying by members or

their authorized agents at reasonable times and places within 10 business days after receipt of a written request for access. This subsection may be complied with by having a copy of the official records available for inspection or copying in the community. If the association has a photocopy machine available where the records are maintained, it must provide parcel owners with copies on request during the inspection if the entire request is limited to no more than 25 pages.

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

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

(c) The association may adopt reasonable written rules governing the frequency, time, location, notice, records to be inspected, and manner of inspections, but may not impose a requirement that a parcel owner demonstrate any proper purpose for the inspection, state any reason for the inspection, or limit a parcel owner's right to inspect records to less than one 8-hour business day per month. The association may impose fees to cover the costs of providing copies of the official records, including, without limitation, the costs of copying. The association may charge up to 50 cents per page for copies made on the association's photocopier. If the association does not have a photocopy machine available where the records are kept, or if the records requested to be copied exceed 25 pages in length, the association may have copies made by an outside vendor and may charge the actual cost of copying. The association shall maintain an adequate number of copies of the recorded governing documents, to ensure their availability to members and prospective members. Notwithstanding the provisions of this paragraph, the following records shall not be accessible to members or parcel owners:

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

VI. Budget; Financial Reporting

Editor's Note: Under current federal law, the Association is required to file an income tax return. It is anticipated that the Association will not qualify as a homeowners association under Section 528 of the Internal Revenue Code as that law is currently written and interpreted. The Association should consult with a tax professional about an appropriate accounting method and tax implications.

Additional provisions concerning the budget process may be found in Part IV of the Declaration.

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

(2) BOARD MEETINGS.

(c) 2. An assessment may not be levied at a board meeting unless the notice of the meeting includes a statement that assessments will be considered and the nature of the assessments. Written notice of any meeting at which special assessments will be considered or at which amendments to rules regarding parcel use will be must be mailed, delivered, or electronically transmitted to the members and parcel owners and posted conspicuously on the property or broadcast on closed-circuit cable television not less than 14 days before the meeting.

(c)(3). Directors may not vote by proxy or by secret ballot at board meetings, except that secret ballots may be used in the election of officers. This subsection also applies to the meetings of any committee or other similar body, when a final decision will be made regarding the expenditure of association funds, and to any body vested with the power to approve or disapprove architectural decisions with respect to a specific parcel of residential property owned by a member of the community.

(d) If 20 percent of the total voting interests petition the board to address an item of business, the board shall at its next regular board meeting or at a special meeting of the board, but not later than 60 days after the receipt of the petition, take the petitioned item up on an agenda. The board shall give all members notice of the meeting at which the petitioned item shall be addressed in accordance with the 14-day notice requirement pursuant to subparagraph 2. Each member shall have the right to speak for at least 3 minutes on each matter placed on the agenda by petition, provided that the member signs the sign-up sheet, if one is provided, or submits a written request to speak prior to the meeting. Other than addressing the petitioned item at the meeting, the board is not obligated to take any other action requested by the petition.

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

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

(a) An association that meets the criteria of this paragraph shall prepare or cause to be prepared a complete set of financial statements in accordance with generally accepted accounting principles. The financial statements shall be based upon the association's total annual revenues, as follows:

1. An association with total annual revenues of \$100,000 or more, but less than \$200,000, shall prepare compiled financial statements.

2. An association with total annual revenues of at least \$200,000, but less than \$400,000, shall prepare reviewed financial statements.
3. An association with total annual revenues of \$400,000 or more shall prepare audited financial statements.

(b) 1. An association with total annual revenues of less than \$100,000 shall prepare a report of cash receipts and expenditures.

2. An association in a community of fewer than 50 parcels, regardless of the association's annual revenues, may prepare a report of cash receipts and expenditures in lieu of the financial statements required by paragraph (a) unless the governing documents provide otherwise.

3. A report of cash receipts and disbursement must disclose the amount of receipts by accounts and receipt classifications and the amount of expenses by accounts and expense classifications, including, but not limited to, the following, as applicable: costs for security, professional, and management fees and expenses; taxes; costs for recreation facilities; expenses for refuse collection and utility services; expenses for lawn care; costs for building maintenance and repair; insurance costs; administration and salary expenses; and reserves if maintained by the association.

(c) If 20 percent of the parcel owners petition the board for a level of financial reporting higher than that required by this section, the association shall duly notice and hold a meeting of members within 30 days of receipt of the petition for the purpose of voting on raising the level of reporting for that fiscal year. Upon approval of a majority of the total voting interests of the parcel owners, the association shall prepare or cause to be prepared, shall amend the budget or adopt a special assessment to pay for the financial report regardless of any provision to the contrary in the governing documents, and shall provide within 90 days of the meeting or the end of the fiscal year, whichever occurs later:

1. Compiled, reviewed, or audited financial statements, if the association is otherwise required to prepare a report of cash receipts and expenditures;
2. Reviewed or audited financial statements, if the association is otherwise required to prepare compiled financial statements; or
3. Audited financial statements if the association is otherwise required to prepare reviewed financial statements.

(d) If approved by a majority of the voting interests present at a properly called meeting of the association, an association may prepare or cause to be prepared:

1. A report of cash receipts and expenditures in lieu of a compiled, reviewed, or audited financial statement;
2. A report of cash receipts and expenditures or a compiled financial statement in lieu of a reviewed or audited financial statement; or
3. A report of cash receipts and expenditures, a compiled financial statement, or a reviewed financial statement in lieu of an audited financial statement.

(8) ASSOCIATION FUNDS; COMMINGLING. —

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

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

(c) Association funds may not be used by a developer to defend a civil or criminal action, administrative proceeding, or arbitration proceeding that has been filed against the developer or directors appointed to the association board by the developer, even when the subject of the action or proceeding concerns the operation of the developer-controlled association.

VII. Amendment

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

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

VIII. Supremacy

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

These Bylaws were adopted by the Board on _____, 2005.