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**DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR  
SAVANNA OAKS HOMEOWNERS ASSOCIATION INC.**

THIS DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS, is made this 10<sup>th</sup> day of May 2005, by SAVANNA OAKS PROPERTIES, LLC, a Florida limited liability company, ("Developer").

Developer is the owner of the real property described in Exhibit "A" attached to this Declaration, and incorporated into this Declaration by reference. The Developer intends by this Declaration to impose restrictions upon certain properties under a general plan of development to mutually benefit all owners of residential properties within the restricted property. The Developer desires to provide a flexible, manageable, and reasonable procedure for the overall development of the restricted property, and to establish a method for the administration, maintenance, preservation, use, and enjoyment of the restricted property.

Developer declares that the property restricted by this Declaration and any additional property which may be subjected to this Declaration by a subsequent amendment shall be held, sold, and conveyed subject to the following easements, restrictions, covenants, and conditions which are for the purpose of protecting the value and desirability of, and which shall run with, the real property subjected to this Declaration. The easements, covenants, conditions and restrictions found in this Declaration shall be binding on all persons or entities, and their heirs, successors, and assigns, having any right, title, or interest in the property subjected to this Declaration.

ARTICLE I

DEFINITIONS

1. "Articles" shall mean the Articles of Incorporation of the Association (hereinafter defined). A true and correct copy of the Articles is attached hereto, made a part hereof, and marked Exhibit "B".

2. "Assessment" means a share of the funds which are required for the payment of Association Expenses, which from time to time is assessed against the Members (hereinafter defined) of the Association. The term, "Assessment" may from time to time also refer to Special Assessments (defined herein) and Default Assessments (defined herein) wherever the context requires.

3. "Association" shall mean and refer to Savanna Oaks Homeowners Association, Inc., a Florida corporation not-for-profit, its successors and assigns.
4. "Association Expenses" shall mean and include the actual and estimated expenses of operating the Association, including any reasonable reserve, all as may be found to be necessary and appropriate by the Board, and by the Savanna Oaks Homeowners Association, Inc., where appropriate, pursuant to the Homeowners Documents (hereinafter defined).
5. "Association Property" shall mean all real and personal property transferred to the Association for the benefit of all Members (hereinafter defined).
6. "Board" shall mean the Board of Directors of the Association.
7. "By-Laws" shall mean and refer to the By-Laws of the Association, attached hereto, made a part hereof, and marked Exhibit "C".
8. "Common Area" shall mean those areas of real property shown on the plat of SAVANNA OAKS, together with all improvements thereto, which are devoted to the common use and enjoyment of the Members of the Association. The term "Common Area" may sometimes be used interchangeably with the term "Association Property". The Common Area shall consist of:
  - A. All portions of the Property (hereinafter defined), which are submitted to this Declaration, and are dedicated to the Association, that are not Lots or Units;
  - B. All portions of the Property which are submitted to this Declaration, that are not dedicated to any governmental entity or to the public for a public use, if any.
9. "Community-Wide Standard" shall mean the standard of conduct, maintenance, or other activity generally prevailing throughout the Properties. Such standard may be reasonably and more specifically determined by the Board, but shall always be, at a minimum, in conformance with and consistent with those standards established by the Homeowners Association.
10. "County" shall mean Martin County, Florida.
11. "Declaration" shall mean the easements, covenants, conditions, restrictions, and all other terms set forth in this document, and as may be amended from time to time.
12. "Developer" shall mean and refer to SAVANNA OAKS PROPERTIES, LLC, a Florida limited liability company, its successors and assigns.
13. "General Plan of Development" shall include the Plat of SAVANNA OAKS, recorded in Martin County, Florida, including, without limitation, any amendments thereto, the Preserve Area Management Plan for the Property, Site Plan for the Property and such other rules and regulations which may affect the Property or as may otherwise be approved by the appropriate governmental agencies, which represent the development plan and general uses of the Property.
14. "Homeowners Documents" means in the aggregate this Declaration, the Articles of Incorporation, the By-Laws of the Association, the Rules and Regulations of the Association, and all of the instruments and amendments thereto.

15. "Institutional Mortgagee" shall mean any lending institution having a first lien on any property subject to this Declaration, including any of the following institutions: an insurance company or subsidiary thereof, a federal or state savings and loan association, a federal or state building and loan association, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, a federal or state banking association, a real estate investment trust, or any mortgage banking company authorized to do business in the State of Florida.

16. "Lot" shall mean a tract of land located within the Property which is intended for use as a site for a Unit.

17. "Member" shall mean a member of the Association.

18. "Occupant" shall mean the person(s) of a Unit who shall be the owner and/or persons living together with owner and interrelated by bonds of consanguinity, marriage, legal foster care, guardianship, or adoption; or not more than two persons living together who may or may not be interrelated, the lessee, or their respective guest(s).

19. "Owner" shall mean and refer to one (1) or more Persons (defined below) who hold the record title to any Lot which is created on the Property, but excluding any party holding an interest merely as security for the performance of an obligation.

20. "PAMP" shall mean and refer to the Preserve Area Management Plan and recorded in Martin County, Florida, at O.R. Book 01929, Page 0303.

21. "Parcel" means the Lot or Unit in Savanna Oaks subdivision that is capable of conveyance and which the Owner is obligated to: 1) be a member of Savanna Oaks Homeowners Association, Inc. and 2) pay Assessments.

22. "Person" means a natural person, a corporation, a partnership, a trustee, or other legal entity.

23. "Property" or "Properties" shall mean all of the real and personal property submitted to this Declaration. The real property initially submitted to this Declaration is described in Exhibit A.

24. "Roads" shall mean and refer to any street or thoroughfare which is constructed by the Developer within the Common Areas, and which is dedicated to the County or the Association, whether same is designated, for example, by way of illustration and not as limitation, as a street, avenue, boulevard, drive, place, court, road, terrace, way, circle, lane, alley, carriageway or similar designation.

25. "Rules and Regulations" shall mean the rules, regulations, and policies as may be adopted by the Board and amended from time to time by resolution or motion carried.

26. "Savanna Oaks Homeowners Association, Inc." shall mean that certain entity created to maintain, manage, and control the Common Areas (defined below). It shall be referred to as the "Association", but it may also be referred to as the "Homeowners Association" or "HOA".

27. "Savanna Oaks Properties, LLC" shall mean and refer to that certain Florida limited liability company, its successors and assigns, which is the declarant of the Savanna Oaks Declaration of Covenants, Conditions and Restrictions. It may also be referred to as the "Savanna Oaks Developer" or "Developer".

28. "Single Family" means one person or a group of two or more persons living together and interrelated by bonds of consanguinity, marriage, or legal foster care, guardianship, or adoption; or not more than two persons living together who may or may not be interrelated.

29. "Transfer Date" shall mean the date that the Developer relinquishes the right to appoint all of the Directors to the Board, and conveys legal title to the Common Area to the Association. The transfer date shall occur no later than 90 days after the Developer has conveyed ninety percent (90%) of the Lots or Units contemplated by the General Plan of Development to the Members, or after the Developer elects to relinquish its control of the Association, whichever shall first occur.

30. "Unit" shall mean a finished portion of the Properties, for which a certificate of occupancy has been issued by the appropriate jurisdiction and which is intended for use and occupancy as a residence for a Single Family. A Unit may also be referred to as a "Single Family Home".

31. "Water Management System (Primary)" shall mean and refer to those lakes, canals, green ways, and other facilities created, owned, and/or used by South Florida Water Management District ("SFWMD") for the drainage of surface waters, and shown on or described in the SFWMD's Environmental Resource Permit, as amended from time to time. (Permit attached as Exhibit D).

32. "Water Management System (Secondary)" shall mean and refer to those Road curbs, catch basins, easements, pipes, and other facilities installed or constructed by the Developer for the use and ownership of the Association.

## ARTICLE II

### PROPERTY SUBJECT TO THIS DECLARATION

1. Use of Property. Every Owner's use of the Property shall be in compliance with all laws, ordinances, regulations, and orders.

2. Property. The Property that is subject to the easements, covenants, conditions, and restrictions imposed by this Declaration is described in Exhibit A.

## ARTICLE III

### PROPERTY RIGHTS

1. Use of Common Area. Every Owner shall have a right and easement of enjoyment in and to the Common Area, subject to this Declaration as it may be amended from time to time, and subject to any restrictions or limitations contained in any deed conveying such property to the Association. Any Owner may delegate his or her right of enjoyment to the members of his or her Single Family, tenants, and social invitees subject to reasonable regulation by the Board, and in accordance with procedures that it may adopt. An Owner who leases his or her Unit shall be deemed to have delegated all such rights to the Unit's lessee. The rights and easements of enjoyment created hereby shall be subject to the following:

A. Right to Borrow Money. The right of the Association to borrow money for the purpose of improving the Common Area and, in connection therewith, to mortgage the Common Area.

B. Protect Against Foreclosure or Imminent Danger. The right of the Association to take such steps as are reasonably necessary to protect the Common Area against foreclosure or an imminent danger.

C. Suspension of Rights. If a Member does not pay its Assessment after ninety (90) days, the Member's voting rights will be suspended until it is current with its Assessments.

D. Maintenance. The right of the Association to maintain the Common Area or to maintain such other areas as may be deemed by the Association to be in the best interest of the Association or the Members.

E. Rules and Regulations. Rules and regulations governing the use and enjoyment of the Common Area, as promulgated by the Association.

F. Traffic Regulations. Traffic regulations governing the use and enjoyment of the Roads shall be as promulgated by the Municipality or the Association.

G. Dedications. The right of the Association to dedicate or transfer all, or any part, of the Common Area to any governmental or quasi-governmental agency, authority, utility, water management or improvement district.

H. Plat Restrictions. Restrictions contained on any plat, or filed separately, with respect to all or any portion of the Property.

I. Declaration. All of the provisions of this Declaration, the Articles of Incorporation and By-Laws of the Association and all exhibits thereto, and all Rules and Regulations adopted by the Association, as same may be amended from time to time.

J. Utility Easements. The Owners' easements of enjoyment shall be subject to easements, hereby reserved over, through and under the Common Area, and (where appropriate) the Lots for present and future utility services to the Property, as further described in Article VII.

K. Emergency Access. In case of any emergency originating in, or threatening the Property or any Unit, regardless of whether the Owner is present at the time of such emergency, the Board of Directors of the Association, or any other person authorized by the Association, or the management agent under a management agreement, shall have the right to enter the Property or such Unit, for the purpose of remedying, or abating, the cause of such emergency, and such right of entry shall be immediate.

2. Developer Rights. The Developer reserves the right to amend this Declaration unilaterally prior to the Transfer Date, without prior notice and without the consent of any Person, and further provided Developer obtains the prior written consent to such amendment, if any, required from the appropriate governmental agencies, including the SFWMD.

#### ARTICLE IV

##### MEMBERSHIP AND VOTING RIGHTS

Membership. Each Lot and/or Unit owner shall become a member of the Homeowners

Association upon acceptance of a deed to his Lot and/or Unit. As a member of the Homeowners Association, the Owner shall be governed by this Declaration, the Articles of Incorporation, the By-Laws, the Rules and Regulations, and all amendments thereto; of the Homeowners Association; and shall be entitled to one (1) vote for each Lot and/or Unit owned. The rights and privileges of membership may be exercised by a Member or the Member's spouse, subject to the provisions of this Declaration and the By-laws. The membership rights of a Lot and/or Unit owned by a corporation or partnership shall be exercised by the individual designated by the Owner in a written instrument provided to the secretary of the Homeowners Association. Provided, however, the Developer shall retain the right to appoint all of the Directors to the Board of Directors of the Homeowners Association until the Transfer Date.

## ARTICLE V

### USE OF PROPERTY

1. Single Family Residence. The Units shall be used as single family residences. Nothing herein shall be deemed to prevent an Owner from leasing a Unit to a Single Family, subject to the terms, conditions, and covenants contained in this Declaration.

2. Use Restrictions. The Board shall have the authority to make and enforce standards and restrictions governing the use of the Properties in accordance with Florida law, in addition to those contained herein. Such regulations and use restrictions shall be binding upon all Owners and occupants until and unless overruled, canceled or modified in a regular or special meeting of the Association.

A. Occupants Bound. All provisions of the Homeowners Documents and of any Rules and Regulations or use restrictions promulgated pursuant thereto which govern the conduct of Owners, and which provide for sanctions against Owners, shall also apply to all occupants of any Unit.

B. Business Use.

i. The Units shall be used for Single Family purposes. However, nothing herein shall be deemed to prevent an Owner from using a Unit for "limited home business uses". The term, limited home business uses, are such uses as are not apparent or detectable by sight, sound, or smell from outside the Unit; the uses do not involve regular visits of customers or clients to the Unit or door-to-door solicitation of residents of the Properties; and the business activity is consistent with the residential character of the Properties and does not violate these Use Restrictions. Examples of "limited home business uses" include, but are not limited to, computer-based telecommunications and literary, artistic, or craft activities. If the Board determines that a home business interferes with the enjoyment or residential purpose of the Properties then the Board shall appoint a committee of three (3) or more persons who are not Directors nor officers nor a family member of a Director or officer of the Association. The committee shall schedule the hearing within fourteen (14) days after sending a notice to the Member. The committee shall allow the Member to present his/her case. The hearing shall be open to all Members, held in the same manner, and noticed as a special meeting, permitting other Members an opportunity to be heard. After the hearing, the committee shall vote and determine by a majority decision, whether or not the Member may continue its limited home business. During this determination, the Member may continue with the business. With the exception of limited home business uses, the Units shall not be used in any trade, business, professional or commercial capacity.

ii. Garage sales, rummage sales shall be approved by the Board and/or permitted in accordance with the Rules and Regulations.

iii. Nothing contained herein shall prohibit the Developer from carrying on any and all types of construction activity necessary to complete the development of the Property, including the construction and operation of a sales model and temporary sales facility (i.e. a temporary trailer) and office by the Developer until all of the Units have been sold.

C. Nuisance. No Unit shall be used, in whole or in part, for the storage of any property or thing that will cause such Unit to appear to be in an unclean or untidy condition or that will be obnoxious to the eye; nor shall any substance, thing, or material be kept in any Unit that will emit a foul or obnoxious odor or that will cause any noise or other condition that will or might disturb the peace, quiet, safety, comfort, or serenity of the occupants of surrounding property or to the development as a whole. No illegal, noxious, or offensive activity shall be carried on in any Unit, which would tend to cause a nuisance to any person using any property adjacent to the Unit. There shall not be maintained any plants, animals, devices, or things of any sort whose activities or existence in any way is noxious, dangerous, unsightly, unpleasant, illegal or of a nature as may diminish or destroy the enjoyment of the Properties.

D. Easements. Except as constructed by the Developer or substantially similar replacements thereof, no Unit or material improvement to a Unit shall be built or maintained upon any easement or right-of-way, and said easements and rights-of-way shall at all times be open and accessible to the persons entitled to the use thereof.

E. Laundry. No portion of the Lot shall be used for the drying or hanging of laundry, unless such laundry is screened from public view, so that the laundry is not visible from any Road, or from adjoining Lots. This provision is not intended to prohibit the drying or hanging of laundry on a Lot.

F. Vehicles. All trailers, boats, campers, motor homes, buses, commercial vehicles of any type (i.e., any vehicle which has any exterior lettering or logo, or has tools or equipment), or similar vehicle shall be parked (1) completely within a garage, (2) in the case of commercial vehicles, vans, or trucks delivering goods or furnishing services temporarily during daylight hours, and (3) upon such portions of the Property as the Board may, in its discretion, allow. Only passenger vehicles may be parked in the Unit's driveway. Vehicles must remain on the Unit's driveway pavement and not encroach onto any alley or road. Passenger vehicles are those vehicles typically used for persons which include, but are not limited to coupes, sedans, station wagons, mini-vans, passenger vans, SUV's and the like. The Association shall have the right to enter the Property and authorize the towing away of any vehicles in violation of this rule with the costs and fees, including attorneys' fees, if any, to be borne by the vehicle owner or violator.

G. Parking and Garages. Except as above noted, vehicles shall be parked only in the garages or in the driveways serving the Units, or along Roads, where such Roads are designed for and accommodate street parking, and then subject to the reasonable rules and regulations adopted by the Board. Street parking is intended for use by guests or temporary use by occupant or owner. No occupant or owner shall keep his or her vehicle parked on the street for more than twenty-four (24) hours, unless otherwise approved by the Board. All commercial vehicles, trailers, campers, camper trailers, boats, water craft, motorcycles, trucks and boat trailers must be parked entirely within a garage unless otherwise approved by the Board. Garage doors shall be kept in a fully closed position except when entering and exiting. No garage shall be used as a living area. No garage shall be altered in such a manner that the number of automobiles which may be parked therein after the alteration is less than the number of automobiles that could have reasonably been parked in the garage as originally constructed.

H. Animals and Pets. No animals shall be raised, bred, or kept in any Unit, except

that dogs, cats, or other household pets may be kept in the Unit, provided they are not kept, bred or maintained for any commercial purpose, or in numbers deemed unreasonable by the Board. Notwithstanding the foregoing, no animal may be kept in the Unit, which in the judgment of the Board results in a nuisance or is obnoxious to the residents in the vicinity. No Owner shall be permitted to maintain in his or her Unit, a pit bull or pit bull mix, or any dog or dogs of mean or of violent temperament or otherwise evidencing such temperament. Pets shall not be permitted in any of the Common Areas unless under leash. Each pet owner shall be required to clean up after his or her pet. Each Owner by acquiring a Unit agrees to indemnify the Association, and hold them harmless against any loss or liability resulting from his or her, his or her Single Family member's, or his or her lessee's or invitee's ownership of a pet. If a dog or any other animal becomes obnoxious to other Unit Owners by barking or otherwise, the Owner shall remedy the problem, or upon written notice from the Association, he or she will be required to remove the pet from the Property.

I. Subdivision of Unit. Units shall not be further subdivided or separated by any Owner; and no portion less than all of any such Unit, nor any easement shall be conveyed or transferred by an Owner; provided, however, that this shall not prevent corrective deeds, deeds to resolve boundary disputes and other similar corrective instruments. Developer, however, hereby expressly reserves the right to subdivide, replat, create easements, or otherwise modify the boundary lines of any Unit or Units owned by the Developer. Any such division, boundary line change, or replatting shall not be in violation of the applicable municipal subdivision and zoning regulations.

J. Antennas. No exterior antennas, aerials, satellite dishes, or other apparatus for the reception or transmission of television, radio, or other signals of any kind shall be placed, allowed, or maintained upon any portion of the Properties, including any Unit, unless installed by the Developer or the Association, without the prior written approval of the ARB (hereinafter defined).

K. Energy Conservation Equipment. All solar heating apparatus must conform to the standards set forth in the HUD Intermediate Minimum Property Standards Supplement, Solar Heating, and domestic Water Systems. No solar energy collector panels or attendant hardware or other energy conservation equipment shall be constructed or installed unless it is an integral and harmonious part of the architectural design of a structure, as reasonably determined by the ARB. No solar panel, vents, or other roof-mounted, mechanical equipment shall project more than 1.0 feet above the surface of the roof of a Unit; and all such equipment, other than solar panels, shall be painted consistent with the color scheme of the portion of the Unit to which such equipment is installed. This provision is not intended to prohibit the use of solar energy devices.

L. Windows and Front Porches. All draperies, curtains, shades, or other window coverings installed in a Unit, and which are visible from the exterior of a Unit shall be uniform and shall have a white or off-white backing, unless otherwise approved by the ARB. Front porches are intended for seating, gathering, and conversation, and are not to be used for storage of equipment, bicycles, toys, or similar personal property. The types of personal property permitted to be placed on a front porch are outdoor furniture, overhead fans, and potted plants. Unless otherwise installed by the Developer or upon approval from the ARB, no front porch shall be enclosed in any manner, including, without limitation, with screening, windows, or walls.

M. Signs. No sign, symbol, name, address, notice, or advertisement shall be inscribed or exposed on or at any window or other part of a Lot and/or Unit or Common Areas without the prior written approval of the Board.

N. Hurricane Season. Each Unit Owner who intends to be absent from his Unit



during the hurricane season (May 1 - November 30 of each year) shall prepare his Unit prior to his departure by doing the following:

i. Removing all furniture, potted plants, and other movable objects from his yard, patio, and deck; and

ii. Designating a responsible person or firm, satisfactory to the Association, to care for his Unit should it suffer hurricane damage. Such person or firm shall also contact the Association for permission to install temporary hurricane shutters, which must be removed when no longer necessary for storm protection. At no time shall hurricane shutters, other than shutters installed by the Developer, be permanently installed, without the consent of the ARB.

iii. If approved by the ARB, temporary or permanent exterior shutters may only be closed during a storm event or when a storm event is imminent. A "storm event" is defined as a meteorological event in which winds in excess of 40 mph or rainfall has occurred, or is expected to occur on the Properties, within 12 hours.

O. Lighting. Except for seasonal holiday decorative lights, which may be displayed between December 1 and January 10 only, all exterior lights must be approved by the ARB.

P. Artificial Vegetation, Exterior Sculpture, and Similar Items. No artificial vegetation shall be permitted on the exterior of any portion of the Properties. Exterior sculpture, fountains, flags, and similar items must be approved by the ARB. The display of a portable, removable, United States or official State of Florida flag is permitted. Such flag shall be displayed in a respectful manner.

Q. Irrigation. Unless installed by the Developer, no sprinkler or irrigation systems of any type within the Properties shall be installed, constructed or operated within the Properties unless prior written approval from the ARB has been obtained.

R. Drainage and Septic Systems. Catch basins and drainage areas are for the purpose of structured and channeled flow of surface water only. No obstructions or debris shall be placed in these areas. No Person, other than the Developer, the Association or the SFWMD, may obstruct or re-channel the drainage flows after location and installation of drainage swales, storm sewers, or storm drains. Developer hereby reserves a perpetual easement to the Association, across the Properties for the purpose of altering drainage and water flow. Septic systems are prohibited on the Property.

S. Tree Removal. Once the Lot has had construction completed and there is a certificate of occupancy issued, no trees shall be removed, except for diseased or dead trees and trees needing to be removed to promote the growth of other trees or for safety reasons, unless approved by the ARB or Developer.

T. Sight Distance. All property located at street intersections shall be landscaped so as to permit safe sight across street corners. No fence, wall, hedge, shrub or planting shall be placed or permitted to remain where it would create a traffic or sight problem.

U. Lakes and Water Bodies. All lakes, ponds, and streams within the Properties, if any, shall be aesthetic amenities only, and no other use thereof, including, without limitation, boating, fishing, swimming, playing, or use of personal flotation devices, shall be permitted. The Association and the Developer shall not be responsible for any loss, damage, or injury to any person or property arising

out of the authorized or unauthorized use of lakes, ponds, or streams within the Properties, if any.

V. Recreational Facilities. All recreational facilities and playgrounds furnished by the Association, if any, or erected within the Properties, if any, shall be used at the risk of the user, and neither the Association nor the Developer shall be held liable to any Person for any claim, damage, or injury occurring thereon or related to use thereof.

W. Recreational Equipment. All personal recreational equipment, including but not limited to permanent basketball hoops, mobile basketball hoops, play area equipment, playground equipment, slides, swing sets, etc. shall not be retained within the front yard of the Unit, and not encroach on any roadway, alley or Common Area, unless otherwise approved by the Board.

X. Rules and Regulations. The Unit Owners shall abide by each and every rule and regulation promulgated from time to time by the Board.

Y. Enforcement of Violations.

i. The Board shall give the Owner in violation of the Declaration of Covenants, Conditions and Restrictions or the duly adopted Rules and Regulations, written notice of the violation by first class U.S. mail to the last known address on file with the Association, within fifteen (15) days in which to cure the violation (unless other time frames are stipulated within the Declaration). If such violation is not corrected within the time frame, the Association has the right, exercisable in its discretion, to enter the Property to correct the violation, and/or seek enforcement through law or equity. If the Association determines to enter the Property, a notice to enter property shall be sent a minimum of seven (7) days prior to entering. In the event the Association after such notice causes the subject work to be done, then, in that event, the cost of such work will be charged to the Owner and may be collected as an Assessment including interest, and all costs incurred in the enforcement action, including reasonable attorney's fees.

ii. Each member and the member's tenants, guests, and invitees, and the Association, are governed by and must comply with Florida law, the governing documents of the community, and the rules and regulations of the Association. Actions at law or in equity, or both, to redress alleged failure or refusal to comply with these provisions may be brought by the Association or by any member against:

- (a) the Association;
- (b) a member;
- (c) any Director or officer of the Association who willfully and knowingly fails to comply with these provisions; and
- (d) any tenants, guests, or invitees occupying a parcel or using the common areas.

This Article does not deprive any person of any other available right or remedy. In any action to recover a fine, the prevailing party is entitled to collect its reasonable attorney's fees and costs from the non-prevailing party as determined by the Court.

iii. The Association may suspend, for a reasonable period of time, the rights of a member or a member's tenants, guests, or invitees, or both, to use common areas and facilities and may levy reasonable fines, not to exceed \$100.00 per violation, against any member or any tenant, guest, or invitee. A fine may be leveled on the basis of each day of a continuing violation, with a single notice

and opportunity for hearing, except that no such fine shall exceed \$1,000.00 in aggregate.

iv. A fine shall not become a lien against a parcel.

v. Suspension of common area use rights shall not impair the right of an owner or tenant to have vehicular and pedestrian ingress and egress from the parcel, including, but not limited to the right to park.

vi. A fine or a suspension may not be imposed without notice of at least fourteen (14) days to the party sought to be fined or suspended and an opportunity for 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 a majority vote, does not approve a proposed fine or suspension, it may not be imposed. This section shall not apply due to failure to pay assessments or charges when due.

## ARTICLE VI

### COMMON AREAS

1. Title to Common Area. The Developer shall not be required to convey title to the Common Area or any portion thereof to the Association until the Transfer Date. Notwithstanding the manner in which title is held, the Association shall be responsible for the management, maintenance, and operation of the Common Areas, (excepting only such portions of the Common Areas which may be subject to express easements which may provide for the maintenance of such portions of the Common Areas to be provided by the easement grantee), and for the payment of all real estate taxes and other assessments which are liens against the Common Area, from and after the recording of this Declaration. On or before the Transfer Date, the Developer shall convey the Common Area to the Association by quitclaim deed. The Developer shall not be required to provide any title insurance or other related title documents to the Association in connection with the conveyance of the Common Areas.

2. Annexation of Additional Property. The Association shall have the power and authority to acquire and annex to the Common Areas other interests in real and personal property as it may deem beneficial to the Members. Any property acquired pursuant to this section shall be annexed to the Common Areas by means of an amendment to this Declaration recorded in the public records of the County.

3. Rules and Regulations Governing Use of Common Areas. The Board shall promulgate rules and regulations governing the use of the Common Areas. Such rules and regulations, and all provisions, restrictions, and covenants as now or hereinafter provided, including, without limitation, all architectural and use restrictions contained in this Declaration may be enforced by legal or equitable action as provided herein or therein.

4. Traffic Regulation. The Board shall have the right to post motor vehicle speed limits throughout the Common Areas, and to promulgate other traffic regulations. The Board may also promulgate rules and procedures for the enforcement of the traffic regulations, including, without limitation, the assessment of fines against Owners or lessees who violate the traffic regulations and against Owners whose Single Family members or guests violate the traffic regulations. The fines shall be collected in the same manner as an individual assessment in accordance with the Declaration from the Owner who violates the traffic regulations, or from the Owner whose Single Family members or guests,

violate the traffic regulations. Before any fine shall be effective, the Owner shall be entitled to notice and an opportunity to be heard before the Board.

5. Implied Rights. The Association may exercise any other right or privilege given to it expressly by this Declaration or the By-Laws, and every other right or privilege reasonably to be implied from the existence of any right or privilege given to it herein or reasonably necessary to effectuate any such right or privilege.

## ARTICLE VII

### EASEMENTS

1. Easements for all Owners. The Developer hereby reserves the right to create a perpetual easement to Unit Owners, their families, guests, invitees, licensees and lessees, for driveway access, vehicular access, and pedestrian access across those certain driveways and or alley ways located on the Unit's Property or Common Areas, prior to the purchase of that Lot, in order to benefit the Property to its fullest potential. At no time may the Developer create an easement on a Lot after it has conveyed legal title, without the express written consent of the Owner. The Developer grants a perpetual non-exclusive easement to the Association and to the Unit Owners, their families, guests, invitees, licensees and lessees upon, over, and across the sidewalks, walkways, rights-of-way and other Common Areas. The Developer hereby grants an additional perpetual non-exclusive easement to the Association over, across, through, and under all portions of the Property for the purpose of performing the maintenance and repair requirements of the Association as described in this Declaration.

2. Easements for Utilities. The Developer hereby also grants a perpetual non-exclusive easement to all utility or service companies servicing the Property upon, over, across, through, and under the Common Areas and such other portions of the Property on which utility facilities may be located for ingress, egress, installation, replacement, repair, and maintenance of all utility and service lines and systems including, but not limited to, water, irrigation, sewer, gas, telephone, electricity, television cable, communication lines and systems, storm drainage pipes, sprinkler pipes, security wires, and street lights. It shall be expressly permissible for the Developer or the providing utility or service company to install and maintain facilities and equipment on said property, to excavate for such purposes and to affix and maintain wires, circuits and conduits on, in and under the Common Areas, provided, however, that any such installation or maintenance shall not diminish any pre-existing uses, and further providing such company restores any disturbed area substantially to the condition existing prior to their activity. Developer may grant specific easements to utility companies and others as reasonably necessary. The Developer makes no representations as to the location or size of such facilities or equipment. No utility service line or system may be installed or relocated within the Common Areas without the consent of the Board.

3. Easements for Drainage Facilities. Easements for the installation and maintenance of drainage facilities are granted to the Association, and the Developer as shown on the Plat of SAVANNA OAKS. Within these easement areas, no structure, planting or other material (other than sod), which may interfere with such installation and maintenance, or which may obstruct or retard the flow of water through drainage channels shall be placed or permitted to remain unless such structure, planting or other material was installed by Developer. The Association shall have access to all such drainage easements for the purpose of operation and maintenance thereof.

4. Easements for Encroachments. The Developer hereby grants an easement for

encroachment in the event any improvements upon the Common Areas now or hereafter encroaches upon a Unit, or in the event that any Unit now or hereafter encroaches upon the Common Area or any other Lot, as a result of minor inaccuracies in survey, construction, reconstruction, or due to settlement or movement or otherwise. The encroaching improvements shall remain undisturbed as long as the encroachment exists. This easement for encroachment shall also include an easement for the maintenance and use of the encroaching improvements. Provided, however, that at no time shall there be any encroachment onto the Water Management System (Primary), without the written consent of the SFWMD.

5. Easements to Institutional Mortgagees. Easements are hereby granted to all Institutional Mortgagees holding mortgages upon any portion of the Property for the purpose of access to the property subject to its mortgage.

6. Easements to the Developer. Easements are hereby reserved throughout the Common Areas, including without limitation, the Roads located on the Common Area and the easements shown on the Plat of SAVANNA OAKS, by Developer, and the reasonable use of its agents, employees, licensees and invitees, for all purposes.

## ARTICLE VIII

### MAINTENANCE

#### 1. Association's Responsibility.

A. Common Areas. The Association shall maintain and keep in good repair the Common Areas as described in this Declaration. The maintenance of the Common Areas shall include, without limitation, maintenance, repair, and replacement, subject to any insurance then in effect, of all plantings and sodding of Common Area road rights-of-way; all perimeter plantings and sod; all wetland buffer areas; right-of-way, perimeter, and other Association irrigation facilities and pumps; all roads within the Common Areas, which are not publicly dedicated and maintained; all road and identification signage; drainage easements and other easements; drainage facilities and water control structures which make up the Water Management Systems; sidewalks located within rights-of-ways; sod, landscaping and other flora located on the Common Areas; and other structures and improvements situated upon the Common Area. The cost to the Association of maintaining the Common Areas shall be assessed equally among the Unit Owners, as part of the Association Expenses pursuant to the provisions of this Declaration.

B. Maintenance and Public Property. The Association may maintain property which it does not own, including, without limitation, property dedicated to the public. The maintenance of property dedicated to the public shall only be undertaken in the event that the Board determines that such public property maintenance is necessary or desirable. The maintenance on a Lot by the Association shall include easements associated with the Units, landscaping and sidewalks. This provision is not intended to make the Association the insurer of any Lot.

2. Owner's Responsibility. All maintenance activities not specifically undertaken by the Association as described above shall be the responsibility of each Owner who shall maintain his or her own Parcel, and the structures, driveway, sidewalks, and other improvements comprising the Parcel in a manner consistent with the standard as initially established by the Developer or subsequently amended by the Association, and all applicable covenants.

A. Maintenance of Exterior of Single Family Home. Each Owner shall maintain the exterior of his Single Family Home, including the walls and fences, where applicable, in good condition and repair.

B. Lot and Yard Maintenance. Each Unit Owner shall maintain its property, landscaping and irrigation system, including, if applicable, that portion of land in front of the home and up to the sidewalk and extending from the sidewalk to the road ("Tree Lawn"). During the construction of Unit, each Owner shall install an irrigation system on their Lot, including, if applicable, within the Tree Lawn. Prior to construction, the Owner shall maintain any underbrush and control all undergrowth on its Lot to prevent the property to be a nuisance by creating problems such as flooding and harboring undesirable animals. The Association, in its sole discretion, shall determine if the Lot is a nuisance, and can determine what action to take in accordance with this Declaration, the Bylaws, and/or Rules and Regulations. Once construction is complete the Owner shall maintain its lawn and landscaping located on the Owner's Lot, in addition to the maintenance and repair of all drainage facilities and irrigation lines within the Lot.

C. Modifications. No Single Family Home Owner shall authorize the painting, refurbishing or modification of the exterior surfaces of his Unit without the prior written consent of the ARB unless it is painted or refurbished in accordance with the color or specifications as originally constructed.

D. Failure to Maintain. The Owner of any Parcel shall maintain the premises and the improvements thereon, as provided herein and in accordance with the initial standard established by the Developer. All Parcels shall be kept in a clean and sanitary condition and no rubbish, refuse or garbage shall be allowed to accumulate or any fire hazard allowed to exist. In the event an Owner fails to maintain his Parcel as required, for a period of at least fifteen (15) days, the Association shall have the right, exercisable in its discretion, to enter upon any lot to correct drainage, to repair, maintain and restore the exterior of the Unit, and any other improvements thereon, to clear any rubbish, refuse, or unsightly debris and/or growth from any Parcel deemed by the Association to be a health menace, fire hazard or a detraction from the aesthetic appearance of SAVANNA OAKS; provided, however, that at least seven (7) days prior notice shall be given by the Association to the Owner of such Parcel before such work is done by the Association. In the event the Association, after such notice, causes the subject work to be done, then, and in that event, the costs of such work, together with interest thereon at the maximum rate permitted by the usury laws of the State of Florida, may be charged to the Owner and shall be a fine against the Parcel, which fine shall be effective and be enforced pursuant to the procedures set forth in this Declaration.

E. Homeowner's Insurance. Each Owner of a Unit shall maintain physical damage insurance for his or her Unit in an amount equal to the replacement value of the home. The Association may require that each such Owner provide proof of insurance. Should any such Owner fail to provide proof of insurance upon request, the Association may purchase the required insurance, and the costs of such insurance may be levied as a Default Assessment against such Unit.

## ARTICLE IX

### ASSESSMENTS

1. Creation of Lien and Personal Obligation for Assessments. Each Owner of a Lot by accepting a deed for the Lot is deemed to covenant to pay to the Association and Developer for each Lot

owned after the Transfer Date hereby covenants to pay the Association: (A) Assessments to fund Association Expenses for the benefit of all Members of the Association; (B) Special Assessments for capital improvements and other purposes as stated in this Declaration; and (C) Default Assessments which may be assessed against a Lot pursuant hereto for the Owner's failure to perform an obligation under the Homeowners Documents or because the Association has incurred an expense on behalf of the Owner under the Homeowners Documents.

All Assessments, together with interest, costs, reasonable attorneys' (and legal assistants') fees and other expenses, will be a charge on the land, and will be a continuing lien upon the Lot against which each such Assessment is made until paid.

Each such Assessment, together with fines, interest, costs, reasonable attorneys' (and legal assistants') fees and other expenses, will also be the personal and individual obligation of the Owner of such Lot as of the time the Assessment falls due, and two or more Owners of a Lot will be jointly and severally liable for such obligations. Suit to recover a money judgment for unpaid Assessments and related charges as listed above may be maintained without foreclosing or waiving the Assessment lien provided in this Declaration.

2. Annual Assessments for Association Expenses.

A. Apportionment of Assessments for Association Expenses. Each Owner will be responsible for Owner's share of the Association Expenses, which will be divided equally among the Lots submitted to this Declaration from time to time. Accordingly, at any given time, an Owner's share of Association Expenses will be determined as a fraction, the numerator of which is the number of Lots owned by the Owner, and the denominator of which is the number of Lots then platted and submitted to the Declaration. Notwithstanding the preceding sentence, any Association Expenses or portion thereof benefiting fewer than all of the Lots will be assessed exclusively against the Lots benefited. For example, cable television charges will not be assessed on a Lot until a certificate of occupancy is issued on the Unit.

B. Collection. Assessments shall be paid in such manner and on such dates as may be fixed by the Board of Directors which may include, without limitation, acceleration of the annual Assessment for delinquent Members. Unless the Board otherwise provides, the Assessments shall be payable not less frequently than quarter-annually in advance on the first day of January, April, July, and October. The omission or failure of the Association to fix the Assessments for any Assessment period will not be deemed a waiver, modification, or release of the Owners from their obligation to pay the same. The Association will have the right, but not the obligation, to make pro rata refunds of any Assessments for Association Expenses in excess of the actual expenses incurred in any fiscal year.

C. Date of Commencement of Assessments. The annual Assessments provided for herein shall commence as to each Unit at the time that the title to such Unit is transferred from the Developer to a third party purchaser, who upon receipt of title becomes a Member of the Association. Assessments shall be due and payable in a manner and on a schedule as the Board of Directors may provide. The first annual Assessment shall be adjusted according to the number of days remaining in the fiscal year at the time assessments commence on a Unit.

D. Capitalization of the Association. Upon acquisition of record title to a Lot from the Developer, or any seller after Declarant, each Owner will contribute to the capital of the Association an amount equal to one-sixth of the amount of the Annual Assessment determined by the Board of Directors for the Lot for the year in which the Owner acquired title. The Association will maintain the

working capital funds in segregated accounts to meet unforeseen expenditures or to acquire additional equipment or services for the benefit of the Members. Such payments to this fund will not be considered advance payments of Annual Assessments.

3. Special Assessments.

A. Determination by Board. The Board may levy in any fiscal year one or more Special Assessments, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, repair or replacement of a described capital improvement upon the Common Area, including the necessary fixtures and personal property related thereto; the cost of replacing any landscaping materials severely damaged or destroyed by any casualty; or, after adopting an annual budget to make up any shortfall in the current year's budget. Special Assessments shall be payable in such manner and at such times as determined by the Board, and may be payable in installments extending beyond the fiscal year in which the Special Assessment is approved, if the Board so determines.

B. Apportionment and Collection of Special Assessments. The Board will apportion Special Assessments among the Lots and collect payment according to the same guidelines as set forth for Annual Assessments for Association Expenses.

C. Notice. Notice of the amount and due dates for such Special Assessments must be sent to each Owner at least 30 days prior to the due date.

4. Default Assessments. All monetary fines, penalties, interest or other charges or fees (excluding Association Expense Assessments and Special Assessments) levied against an Owner pursuant to the Homeowners Documents, or any expense of the Association, which is the obligation of an Owner or which is incurred by the Association, on behalf of the Owner pursuant to the Homeowners Documents, and any expense (including without limitation attorneys' and legal assistants' fees) incurred by the Association, as a result of the failure of an Owner to abide by the Homeowners Documents, or to remedy or abate any emergency, constitutes a Default Assessment, enforceable as provided in this Declaration.

5. Certificate of Payment. The Association shall, upon demand at any time, furnish to any Owner liable for any type of Assessment a certificate in writing signed by an officer of the Association setting forth whether such Assessment has been paid as to any particular Unit. Such certificate shall be conclusive evidence of payment to the Association of such Assessment. The Association may require the advance payment of a nominal processing fee for the issuance of such certificate.

6. No Waiver. No Owner may waive or otherwise exempt himself from liability for the Assessments provided for herein, including, by way of illustration and not limitation, by non-use of Common Areas or abandonment of the Unit. The obligation to pay Assessments is a separate and independent covenant on the part of each Owner. No diminution or abatement of Assessment or set-off shall be claimed or allowed by reason of any alleged failure of the Association or Board to take some action or perform some function required to be taken or performed by the Association or Board under this Declaration or the By-Laws, or for inconvenience or discomfort arising from the making of repairs or improvements which are the responsibility of the Association, or from any action taken to comply with any law, ordinance, or with any order or directive of the County or other governmental authority.

7. Developer Obligation. Until the Transfer Date, the Developer shall be obligated for the difference between the amount of Assessments on all Units on which Assessments have commenced, and the amount of actual expenditures required to operate the Association. This obligation may be satisfied in



the form of a cash subsidy or by "in kind" contributions of services or materials, or a combination of these.

8. Subsidy Contracts. The Association is specifically authorized to enter into subsidy contracts or contracts for "in kind" contribution of services or materials or a combination of services and materials with the Developer or other entities for the payment of some portion of the Association Expenses.

9. Subordination of the Lien to Institutional Mortgagees. The lien of Assessments, including interest, late charges, and costs (including attorney's fees and legal assistant's fees) provided for herein, shall be subordinate to the lien of an institutional mortgage upon any Unit as provided in this Declaration. The sale or transfer of any Unit shall not affect the Assessment lien. However, the sale or transfer of any Unit pursuant to judicial or nonjudicial foreclosure of an institutional mortgage or as a result of a deed in lieu of foreclosure shall extinguish the lien of such Assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Unit from lien rights for any Assessments thereafter becoming due. Where the Institutional Mortgagee holding a first mortgage of record or other purchaser of a Unit obtains title pursuant to remedies under the mortgage, its successors and assigns shall be liable for the share of the Association Expenses or Assessments by the Association chargeable to such Unit which became due prior to the acquisition of title to such Unit by such acquirer up to, but not to exceed, ONE THOUSAND FIVE HUNDRED DOLLARS (\$1,500.00) for such unpaid expenses and/or assessments. Such unpaid share of Association Expenses or Assessments shall be deemed to be Association Expenses collectible from Owners of all the Units, including such acquirer, its successors and assigns.

10. Exempt Property. Notwithstanding anything to the contrary herein, the following property shall be exempt from the payment of Assessments and Special Assessments:

- A. All Common Areas; and
- B. All property dedicated to and accepted any governmental authority, or public utility.

## ARTICLE X

### BUDGET AND FINANCIAL REPORTS

#### 1. Budget.

A. Annual Budget. It shall be the duty of the Board, at least forty-five (45) days before the beginning of the fiscal year, to prepare a budget covering the estimated revenues and expenses of operating the Association during the coming year, and estimated surplus and deficit as of the end of the current year. The budget shall include and shall separately list all fees or charges for recreational amenities. The Board shall cause a copy of the budget and the amount of assessments to be levied against each Unit for the following year to be delivered to, or to be made available to, each Owner at least thirty (30) days prior to the end of the current fiscal year. There shall be no obligation to call a meeting for the purpose of considering the budget except on petition of the Members as provided for special meetings in the By-Laws or as required by law.

Notwithstanding the foregoing, however, in the event the proposed budget is disapproved or the

Board fails for any reason so to determine the budget for any year, then and until such time as a budget shall have been determined as provided herein, the budget in effect for the immediately preceding year shall continue for the current year.

In addition to the above stated requirements, the budget shall include, without limitation, the following listed line items:

i. Maintenance, Repair and Replacement. All expenses necessary to meet the Association's responsibility to maintain the Units, landscaping and irrigation systems located in, and to maintain the Common Areas in accordance with the requirements of this Declaration, and according to Article VIII I.B. of this Declaration, that property dedicated to the public shall and approved by the Board as necessary or desirable.

ii. Utility Charges. All charges levied for utility services to the Common Areas, whether supplied by a private or public firm including, without limitation, all charges, if any, for water, gas, electricity, telephone, irrigation quality water, sewer and any other type of utility or service charge.

iii. Security. All charges, expenses and other costs associated with security for the Property, including, without limitation, costs and expenses associated with any security gates, systems or other facilities located within or contiguous to the Property.

iv. Insurance. The premiums on any policy or policies of insurance required under this Declaration, together with the costs of such other policies of insurance, as the Board, with the consent of the Unit Owners at any meeting thereof, shall determine to be in the best interest of the Association. Nothing contained herein is intended to require that the Association insure any Unit or Lot from any liability or casualty risk.

v. Insurance Trustee. If required or appropriate, all expenses necessary to retain and continue to retain a lending institution in the County, having a trust department to act as "Insurance Trustee". The functions of the Insurance Trustee shall include holding all original policies purchased by the Association, being named as loss payee, distributing proceeds of such insurance, assisting in the reconstruction of improvements from insurance premiums and performing such other functions as shall be agreed upon.

vi. Taxes. All taxes levied or assessed upon the Common Areas, if any, by any and all taxing authorities, including all taxes, charges and assessments, imposition and liens for public improvements, special charges and assessments; and, in general, all taxes on personal property and improvements which are now and which hereinafter may be placed in the Common Area, including any interest penalties and other charges which may accrue on such taxes.

vii. Miscellaneous Expenses. The costs of administration for the Association, including any management company, secretaries, accounting service, bookkeepers, or employees necessary to carry out the obligations and covenants of the Association under the Declaration, including the collection of sums owed by a particular Unit. Bulk rate charges for cable television may be assessed as Association Expenses, if the Association becomes a party to a single billing service for cable television services provided to all of the Owners. In a bulk rate agreement, the gross amount billed to the Association by the cable television provider will remain fixed for a period of time, and the sum assessed to an Owner may vary depending on the number of Owners receiving cable television services. The Association may retain a managing company or contractors to assist in the operation of the Association

and to perform or assist in the performance of certain obligations of the Association hereunder. The fees or costs of any management company or contractor so retained shall be deemed to be part of the Association Expenses.

viii. Indemnification. The costs to the Association to indemnify and save harmless Developer from and against any and all claims, suits, actions, damages and/or causes of action arising from any personal injury, loss of life and/or damage to property in or about the Common Areas, if any, from and against all costs, counsel fees, expenses, liabilities occurring in and about such claim, the investigation thereof, or the defense at any level of any action or proceeding brought which may enter therein. Included in the foregoing provisions for indemnification are any expenses the Developer may be compelled to incur and bring suit for the purposes of enforcing rights hereunder, or for the purpose of compelling the specific enforcement of the provisions, conditions, covenants and restrictions, contained in this Declaration or any rules and regulations promulgated by the Board, ARB or Developer to be kept and performed by the Association and/or the Owners, including the payment of Association Expenses.

Included also is the cost to the Association to indemnify its Board, committee members, and officers for all costs and expenses whatsoever incurred in pursuance of their duties, obligations and functions hereunder. Nothing in the provisions of this subparagraph shall require any Institutional Mortgagee to pay the Association Expenses or portion thereof attributable to costs of the Association to indemnify and save harmless Developer in accordance with such paragraph. Any such Association Expense shall be reallocated among the Unit Owners and not the Institutional Mortgagees.

ix. Capital Contributions. The costs to establish a fund for replacement and/or capital refurbishment of the Common Areas and Association Property (the "capital contributions") in the amounts, if any, determined proper and sufficient by the Board. Each Owner acknowledges and consents that capital contributions are the exclusive property of the Association as a whole, and that no Owner shall have any interest, claim or right to any such capital contributions or funds composed of same. The Association shall be responsible for maintaining the capital contributions, and for using such funds only for capital costs and expenses as aforesaid. This provision may only be amended by the affirmative vote of a two-thirds majority of the Members.

2. Financial Reporting. The Association shall prepare an annual financial report within sixty (60) days after the close of the fiscal year. The Association shall, within ten (10) days after preparation or completion of the annual report, provide each member with a copy of the annual financial report or written notice that a copy of the financial report is available upon request at no charge to the member. Financial reports shall be prepared in accordance with F.S.A. 720.303(7) (2005), or the subsequent Florida law in effect at that time.

## ARTICLE XI

### ESTABLISHMENT AND ENFORCEMENT OF LIENS

1. Lien for Assessments. All Assessments, together with interest (at a rate not to exceed the highest rate allowed by Florida law as computed from the date the delinquency first occurs), costs, and reasonable attorney's fees (including legal assistant's fees), shall be a charge on the land and shall be a continuing lien upon the Unit against which each Assessment is made. Each such Assessment, together with interest, costs, and reasonable attorney's fees (including legal assistant's fees), shall also be the personal obligation of the Owner of such Unit at the time the Assessment arose, and his or her grantee shall be jointly and severally liable for such portion thereof as may be due and payable at the time of

conveyance, except no Institutional Mortgagee who obtains title to a Unit pursuant to the remedies provided in the mortgage shall be liable for unpaid Assessments which accrued prior to such acquisition of title. Under no circumstances shall the Board suspend the voting rights of a Member for nonpayment of any Assessment.

2. Effective Date of Lien. Said lien shall be effective only from and after the time of recordation in the Public Records of the County, of a written, acknowledged statement by the Association setting forth the amount due to the Association as of the date the statement is signed. Upon recording, there shall exist a perfected lien for unpaid Assessments prior and superior to all other liens, except (1) all taxes, bonds, assessments, and other levies which by law would be superior thereto, and (2) the lien or charge of any institutional mortgage. Upon full payment of all sums secured by that lien and costs and fees accrued, the party making payment shall be entitled to a recordable Satisfaction of Lien.

3. Remedies. In the event any Owner shall fail to pay his or her Assessments within (15) days after the same becomes due, the Association, through its Board, shall have all of the following remedies to the extent permitted by law.

A. Late Charge. To impose a late charge not in excess of \$25.00.

B. Acceleration of Assessments. To accelerate the entire amount of any Assessments for the remainder of the year notwithstanding any provisions for the payment thereof in installments.

C. Attorneys Fees and Costs. To advance on behalf of the Owner funds to accomplish the needs of the Association and the amount or amounts of money so advanced, including reasonable attorneys' fees (including legal assistant's fees) and expenses which might have been reasonably incurred because of or in connection with such advance, including costs and expenses of the Association if it must borrow to pay expenses because of said Owner, together with interest at the highest rate allowable by law as of the date of the advance, may thereupon be collected or enforced by the Association and such advance or loan by the Association shall not waive the default.

D. Action in Equity. To file an action in equity to foreclose its lien at any time after the effective date thereof. The lien may be foreclosed by an action in the name of the Association in a like manner as the foreclosure of a mortgage on real property.

E. Action at Law. To file an action at law to collect said Assessments, plus interest at the highest rate allowable by law plus costs and attorneys' fees, without waiving any lien rights or rights of foreclosure by the Association.

4. Rights upon Foreclosure. The Association, acting on behalf of the Owners, shall have the power to bid for the Unit at foreclosure sale and to acquire and hold, lease, mortgage, and convey the same. During the period in which the Unit is owned by the Association following foreclosure: (a) no right to vote shall be exercised on its behalf; (b) no Assessment shall be assessed or levied on it; and (c) each other Unit shall be charged, in addition to its usual Assessment, its equal pro rata share of the Assessment, that would have been charged such Unit had it not been acquired by the Association as a result of foreclosure. Suit to recover a money judgment for unpaid common expenses and attorney's fees shall be maintainable without foreclosing or waiving the lien securing the same.

## ARTICLE XII

INSURANCE

1. Common Area Insurance. The Association shall maintain a policy or policies to insure the Common Area improvements, personal property and supplies, if any, from physical damage and liability losses, and shall be in such amounts so that the insured will not be a co-insurer except under deductible clauses required to obtain coverages at a reasonable cost. Insurable improvements in the Common Areas shall include, without limitation, the Recreational Facilities, if any, boundary walls or fences, Roads dedicated or conveyed to the Association, gates or barriers, and lighting fixtures.

A. Casualty Insurance Exclusions. The coverages for physical damage losses will EXCLUDE the following:

- i. Land, foundations, excavations or other items that are usually excluded from insurance coverage; and
- ii. Floor, wall, and ceiling coverings.

B. Property Insurance Inclusions. The coverage for physical damage losses will INCLUDE, where applicable, the following:

- i. Loss or damage by fire or other hazards covered by a standard extended coverage endorsement;
- ii. All other perils customarily covered for similar types of projects, including those covered by the standard special form endorsement;
- iii. Agreed Amount and Inflation Guard Endorsement, when it can be obtained;
- iv. Demolition Cost Endorsements, Building Ordinance Endorsement, and Increased Cost of Construction Endorsement; and
- v. Boiler and Machinery Endorsement, if applicable, providing at least \$50,000.00 coverage for each accident at each location.

Prior to obtaining any policy of physical damage insurance or any renewal thereof, and at such intervals as the Board of Directors may deem advisable, the Board will obtain an appraisal from a general contractor or such other source as the Board may determine of the then current replacement cost of the Common Areas subject to insurance carried by the Association, for the purpose of determining the amount of physical damage insurance to be secured pursuant to this Article.

C. Policy Waivers. When appropriate and possible, the policies shall waive the insurer's right to:

- i. Subrogation against the Association and against the Owners, individually and as a group;
- ii. The prorata clause that reserves to the insurer the right to pay only a

fraction of any loss if other insurance carriers have issued coverage upon the same risk; and

iii. Avoid liability for a loss that is caused by an act of the Board, or by a member of the Board or by one or more Owners.

D. Other Provisions. In addition, the policy shall provide that:

i. Any Insurance Trust Agreement will be recognized;

ii. The policy shall be primary, even if an Owner has other insurance that covers the same loss; and

iii. The named insured shall be the Association for the use and benefit of the Unit Owners. The "loss payable" clause should show said Association or the designated insurance trustee as the trustee for each Owner and each Owner's mortgagee.

2. Unit Insurance. Each Unit Owner shall maintain a policy or policies to insure his or her Unit from all physical damage and liability losses. If a Unit is damaged by a casualty, the affected Unit Owner shall promptly have his Unit repaired and rebuilt substantially in accordance with the architectural plans and specifications of the Unit. The Board of Directors shall establish periodically the minimum physical damage and liability insurance coverage and endorsements to be maintained by each Unit Owner. Upon the request of the Association, each Owner will provide a certificate of insurance coverage to the Association to evidence compliance with the minimum physical damage and liability coverage and endorsements set by the Board of Directors.

3. Reconstruction and Repair after Casualty.

A. Determination. Under ordinary circumstances, Common Area improvements which are damaged by a casualty shall be reconstructed and repaired. If a dispute arises as to whether a Common Area improvement should be repaired or reconstructed, the Board of Directors shall make the determination to repair or reconstruct. The adjoining owners shall be bound by this determination. The Association shall have the right to specially assess all members of the Association if insurance proceeds are insufficient to repair or rebuild the affected Common Areas in accordance with this paragraph. The assessment and collection of any special assessment authorized pursuant to this paragraph shall be made in accordance with the assessment powers and lien rights of the Association for Association Expenses.

B. Plans and Specifications. Although it is impossible to anticipate all problems which may arise from a casualty, the intent is to try to assure that the initial plan of development is maintained by requiring damaged Units to be rebuilt or repaired and that unsightly and dangerous conditions are remedied as soon as possible. Any reconstruction and repair must be substantially in accordance with the plans and specifications for such property as originally constructed, and in any event, according to plans and specifications approved by the ARB. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction and repair to the Common Areas, for which the Association is responsible, or if at any time during the work or upon completion of the work the funds available for payment of the costs are insufficient, assessments shall be made by the Association against all Owners in sufficient amounts to provide funds for the payment of those costs. The Assessments shall be made as an Association Expense, except that the cost of construction, reconstruction and repair occasioned by special improvement made at the request of the Owner and not common to other Units shall be assessed to such Unit Owner.

4. General Liability Coverage. The Board of Directors shall obtain and maintain comprehensive general liability (including, without limitation, libel, slander, false arrest and invasion of privacy coverage and errors and omissions coverage for Directors) and property damage insurance in such limits as the Board of Directors may from time to time determine, insuring each member of the Board of Directors, each Owner, and the Developer (prior to the Transition Date) against any liability to the public or to the Owners (and their invitees, agents and employees) arising out of or incident to the ownership or use of the Common Areas. Such insurance shall be issued on a comprehensive liability basis and shall contain: (i) cross liability endorsement under which the rights of a named insured under the policy shall be insured; (ii) hired and non-owned vehicle coverage (iii) host liquor liability coverage with respect to events sponsored by the Association; (iv) deletion of the normal products exclusion with respect to events sponsored by the Association; and (v) severability of interest" endorsement which shall preclude the insurer from denying liability to an Owner because of negligent acts of the Association or of another Owner. The Board of Directors shall review such limits of coverage at least once each three (3) years, but in no event shall such insurance be less than One Million Dollars (\$1,000,000.00) covering all claims for bodily injury or property damage arising out of one occurrence.

5. Workmen's Compensation Coverage. The Association shall obtain Workmen's Compensation Insurance as may be required by law.

6. Fidelity Bond Coverage. The Association shall, subject to availability and reasonable costs, as determined by the Board, obtain Fidelity Bonds covering officers, directors, employees and other persons who handle or are responsible for handling Association funds. The Fidelity Bonds (or insurance) shall meet the following requirements.

A. Association as Obligee. All such fidelity insurance or bonds shall name the Association as an obligee; and

B. Amount of Insurance. Such fidelity insurance or bonds shall be written in the amount equal to at least 150% of three months operating expenses of the Association, and the amount in reserve as of the end of each fiscal year of the Association; and

C. Waivers. Such fidelity insurance or bonds shall contain waivers of any defense based upon the exclusion of persons who serve without compensation from any definition of "employee" or a similar expression; and

D. Notice of Cancellation. Such insurance or bonds shall provide that they may not be canceled or substantially modified (including cancellation for nonpayment of premiums) without at least ten (10) days prior written notice of the servicer or the insured.

7. Excess Coverage. The Board of Directors may obtain such excess liability or umbrella coverage as they deem appropriate from time to time.

8. Other Coverage. The Board of Directors may obtain such other insurance as they deem appropriate from time to time.

9. Flood Insurance. If any part of the Common Areas are in a special flood hazard area, and are insurable as defined by the Federal Emergency Management Agency, the Association shall insure same. The coverage shall be 100% of the current replacement cost of any Common Area improvements or structures and other insurable common property, or the maximum coverage available for such improvements, structures, or property under the National Flood Insurance Program.

10. Insurer. All insurance shall be issued by a company authorized to do business in the State of Florida.

11. Named Insured. For all policies obtained by the Association, the named insured shall be the Association individually and as trustee for Owners covered by the policy without naming them, and shall include Institutional Mortgagees who hold mortgages upon Units covered by the policy whether or not the mortgagees are named. The Board may authorize the Insurance Trustee to maintain the policies and receive any proceeds of such policies.

12. Premiums. Premiums on policies purchased by the Association shall be paid as an Association Expense. However, if the amount of a premium is increased because a Unit or its appurtenances is misused or abandoned then the Owner of such Unit is liable for the amount of such increase. The Association will furnish evidence of premium payment to each mortgagee upon request.

13. Insurance Proceeds. All insurance policies purchased by the Association shall be for the benefit of the Association and the Unit Owners and their mortgagees as their interests may appear, and shall provide that all proceeds covering property losses shall be paid to the Association as trustee or to such institution in Florida with trust powers as may be designated as Insurance Trustee by the Board. The Trustee shall hold the proceeds for the benefit of the Unit Owners and their mortgagees in the following shares:

A. Share of Proceeds. An undivided share for each Unit Owner, that share being the same as such Owner's undivided share in the Association Expenses.

B. Mortgagees. If a mortgagee endorsement of an insurance policy has been issued as to a Unit, the share of the Owner shall be held in trust for the mortgagee and such Owner, as their interests may appear; however, that no mortgagee shall have any right to determine or participate in the determination as to whether or not any such Unit shall be reconstructed or repaired, and unless provided by the terms of the mortgage, no mortgagee shall have any right to apply or have applied to the reduction of a mortgage debt any insurance proceeds except distribution of proceeds made to the Owner and the mortgagee.

14. Policy Cancellation. All insurance policies purchased by the Association shall require the insurer to notify in writing the Association or the designated Insurance Trustee and each first mortgagee named in any mortgage clause at least 10 days before it cancels or substantially changes the coverage.

15. Association as Agent. The Association is irrevocably appointed agent for each Unit Owner and for each mortgagee or other lienor of a Unit, and for each owner of any other interest in the property, to adjust all claims arising under insurance policies purchased by the Association and to execute and deliver releases upon the payment of claims.

### ARTICLE XIII

#### ARCHITECTURAL CONTROL

1. Architectural Review Board. The Architectural Review Board ("ARB") shall consist of three (3) or more persons appointed by the Board. Until such ARB is so appointed, the Board shall



function as the ARB. The Board shall have the authority and standing, on behalf of the Association, to enforce in courts of competent jurisdiction the decisions of the ARB. This Article may not be amended without the Developer's written consent so long as the Developer owns any property subject to this Declaration or subject to annexation to this Declaration.

2. Initial Development Standard. The Initial Development Standard and Community Wide Standard is established as a result of the overall style and atmosphere in the Developer's, or its successors, constructed Units. The ARB shall regulate the external appearance, use, and maintenance of the development and of improvements thereon in such a manner as to comply with and meet the Initial Development Standard and Community Wide Standard to best preserve and enhance values and to maintain a harmonious relationship among structures and the natural vegetation and topography. As regards the Developer, or any successor Developer, nothing herein shall give to the ARB the authority to regulate, control or determine external appearance, use, or maintenance of property to be developed or under development, or dwellings to be constructed or under construction.

3. General Provisions.

A. Address of ARB. The address of the ARB shall be the principal office of the Association as designated by the Board. Such address shall be the place for the submittal of plans and specifications and the place where the current architectural standards, if any, shall be kept.

B. Construction Time Limitations. The ARB shall establish time limitations for the completion of any architectural improvements for which approval is required.

C. Defects in Plans, Specifications or Construction of Improvements. Plans and specifications are not approved for engineering design, and by approving such plans and specifications, neither the ARB, the members thereof, the Association, its members, the Board or the Developer assumes liability or responsibility therefor, or for any defect in any structure constructed from such plans and specifications.

4. Approval by ARB.

A. All Units not constructed by the Developer must be first approved by the ARB. No construction of improvements (including without limitation, pools, saunas, spas, Jacuzzis, screened enclosures, buildings, mailboxes, dog runs, animal pens, or fences), decorations, attachments, fixtures, alterations, repairs, change of paint or stain color, or other work shall be erected, constructed, affixed, placed, or altered on any Unit until the proposed plans, specifications, exterior colors and/or finishes, landscaping plan, drainage plan and site plan showing the proposed location of such improvements on the lot shall have been approved by the ARB, its successors or assigns. Refusal of approval of plans, location, or specifications may be based by the ARB upon any reason, including purely aesthetic conditions, which in the sole discretion of the ARB shall be deemed sufficient. One (1) copy of all plans and specifications shall be furnished to the ARB for its records. No permission or approval shall be required to repaint in accordance with the originally approved color scheme, or to rebuild in accordance with originally approved plans and specifications. Nothing herein shall be construed to limit the right of an Owner to remodel the interior of his Unit, or to paint the interior of his Unit any color desired.

B. Failure to Approve. In the event the ARB fails to approve, modify or disapprove in writing an application within thirty (30) days after plans and specifications in writing have been submitted to it, in accordance with adopted procedures, if any, approval will be deemed granted.

C. Disapproval. In the event plans and specifications submitted to the ARB are disapproved, the party or parties making such submission may appeal in writing to the Board. The written request must be received by the Board not more than thirty (30) days following the final decision of the ARB. The Board shall have forty-five (45) days following receipt of the request for appeal to render its written decision. The Board may reverse or modify the ARB decision by a majority vote of the Directors. The failure of the Board to render a decision within the forty-five (45) day period shall be deemed a decision in favor of the appellant.

5. Exemption. The SFWMD shall be exempt from the requirement to obtain the approval of the ARB before commencing any management, maintenance, installation, and/or construction of public infrastructure.

6. Conditions

A. Construction. No construction, which term shall include, without limitation, within its definition, staking, clearing, excavation, grading, and other site work, and no plantings or removal of plants, trees, or shrubs shall take place except in strict compliance with this Article, until the requirements of this Article have been fully met, and until the approval of the ARB has been obtained.

B. Additional Plantings. No additional plantings shall be permitted on that portion of any Unit which may be maintained by the Association except as may be approved by the Association or the ARB.

C. Typical Completion Deadline. Unless specifically excepted by the ARB, all improvements (other than swimming pools) for which an approval of the ARB is required under this Declaration shall be completed within twelve (12) months from the date of commencement of said improvements. Construction of swimming pools must commence within sixty (60) days of ARB approval, and must be completed within seventy-five (75) days (including Saturdays, Sundays, and holidays) of the date of issuance of the building permit. The Association may charge a delay penalty of one hundred dollars (\$100.00) for each day in excess of seventy-five (75) days that the Member has failed to complete a swimming pool after the issuance of the building permit.

D. Construction Deposit. No construction shall be commenced unless and until a returnable construction deposit up to \$1,000.00 has been posted by the Unit Owner with the Association, if determined necessary by the ARB or Board, as the case may be. The construction deposit shall be used to correct any damage to the common areas resulting from the construction activity. If no damage is done to the common areas by the construction activity, the debris deposit will be returned to the Unit Owner.

7. Variances. The ARB may authorize variances from compliance with any of the provisions of the current architectural standards, if any, when circumstances such as topography, natural obstructions, hardship, aesthetic, or environmental considerations require, but only in accordance with duly adopted rules and regulations. Such variances may only be granted, however, when unique circumstances dictate, and no variance shall be effective unless in writing and recorded in the public records of Martin County, Florida; unless in compliance with the restrictions set forth in this Declaration; and unless such variance will not estop the Association from denying a variance in other circumstances. For the purposes of this paragraph, the inability to obtain approval of any governmental agency; the issuance of any permit; or the terms of any financing shall not be considered a hardship warranting a variance.

## ARTICLE XIV

ADDITIONAL RESTRICTIONS

1. Contracts. All contracts as further described in this section or any contract that is not to be fully performed within 1 year after the making thereof for the purchase, lease, or renting of materials or equipment to be used by the Association in accomplishing its purposes under this chapter or the governing documents, and all contracts for the provision of services, shall be in writing. If a contract for the purchase, lease, or renting of materials or equipment, or for the provision of services, requires payment by the Association that exceeds 10% (ten percent) of the total annual budget of the Association, including reserves, the Association must obtain competitive bids for the materials, equipment, or services. Nothing contained in this Article shall be construed to require the association to accept the lowest bid.

A. Notwithstanding the foregoing, contracts with employees of the Association, and contracts for attorney, accountant, architect, community association manager, engineering, and landscape architect services are not subject to the provisions of this Article.

B. If a contract was awarded under the competitive bid procedures of this Article, any renewal of that contract is not subject to such competitive bid requirements if the contract contains a provision that allows the Board to cancel the contract on 30 days' notice. Materials, equipment, or services provided to the Association under a local government franchise agreement by a franchise holder are not subject to the competitive bid requirements of this Article. A contract with a manager, if made by a competitive bid, may be made for up to 3 years.

C. Nothing contained in this Article is intended to limit the ability of the Association to obtain needed products and services in an emergency.

D. This Article does not apply if the business entity with which the Association desires to enter into a contract is the only source of supply within the County.

2. Covenants Running With The Property. The agreements, covenants, conditions, restrictions, Assessments, liens and other provisions contained herein shall constitute a servitude upon the Property and each portion thereof, shall run with the Property, shall be binding upon the Owners of any portion thereof, and shall inure to the benefit of the Developer, the Association, and the Owners.

3. Plat. In addition to this Declaration, the Property shall be subject to the additional covenants, restrictions, reservations and other terms and provisions set forth in the plat of the Property, which plat is recorded in the Public Records of the County.

## ARTICLE XV

DEVELOPER'S RIGHTS

1. Developer's Transfer Right. Any or all of the special rights and obligations of the Developer may be transferred or assigned to other Persons, provided that the transfer or assignment shall not reduce an obligation nor enlarge a right beyond that contained herein, and provided further, no such transfer shall be effective unless it is in a written instrument signed by the Developer and duly recorded in the Public Records of the County. Nothing in this Declaration shall be construed to require Developer or

any successor or assign to develop any property other than the property described in Exhibit A.

2. Developer's Sales Offices. Notwithstanding any provisions contained in the Declaration to the contrary, so long as construction and sales of Units by Developer shall continue, it shall be expressly permissible for Developer or a real estate broker approved by the Developer to maintain and carry on upon portions of the Property such facilities and activities as, in the sole opinion of Developer, may be reasonably required, convenient, or incidental to the construction or sale of such Units, including, but not limited to, business offices, signs, model units, sales offices or temporary sales trailers, and the Developer or a real estate broker approved by the Developer shall have an easement for access to such facilities. The right to maintain and carry on such facilities and activities shall include specifically the right to use Units owned by the Developer and any facility which may be owned by the Association, as models and sales offices, respectively.

3. Right of Approval. So long as Developer continues to have rights under this Article, no Person shall record any declaration of covenants, conditions and restrictions, or declaration of condominium or similar instrument affecting any portion of the Properties without Developer's review and written consent thereto, and any attempted recordation without compliance herewith shall result in such declaration of covenants, conditions and restrictions, or declaration of condominium or similar instrument being void and of no force and effect unless subsequently approved by recorded consent signed by the Developer.

4. Termination of Developer's Rights. This Article may not be amended without the express written consent of the Developer; provided, however, the rights contained in this Article shall terminate upon the Transfer Date, except as to Article XV, paragraph 2., Developer's Sales Offices, and Article XIII, paragraph 2., Initial Development Standards.

## ARTICLE XVI

### ENFORCEMENT OF DECLARATION

The enforcement of this Declaration may be by proceeding at law for damages or in equity to compel compliance with its terms or to prevent violation or breach of any of the covenants or terms herein. The Developer, the Association, or any Unit Owner may, but shall not be required to, seek enforcement of the Declaration, including, without limitation, enforcement of any breach of, or failure to comply with, any governmental order, regulation, ordinance, permit condition, or other requirement. Any Unit Owner who seeks enforcement of this Declaration shall by his actions be deemed to have indemnified the Developer and the Association, from all liabilities resulting from his actions. Should the party seeking enforcement be the prevailing party in any action, then the person against whom enforcement has been sought shall pay all costs and reasonable attorneys' fees (including legal assistant's fees) at all trial and appellate levels to the prevailing party. In addition, the Association shall be entitled to recover its attorney's fees (including legal assistant's fees) incurred against an owner who is in violation, regardless of whether a lawsuit has been filed. Such fees shall be deemed an assessment and collectible in the same manner as an assessment. The failure or refusal of the Developer, the Association, or any Member to enforce any of the provisions of this Declaration shall in no event be deemed to constitute a waiver of the right to do so thereafter.

## ARTICLE XVII

AMENDMENTS

1. Amendment Date. Until the Transfer Date, any amendment may be made by Developer with consent of any mortgagee who has advanced funds for construction or who is under contract to advance construction funds, if any.

2. Consent. After the Transfer Date, this Declaration may be amended only by consent of sixty-six percent (66%) of all Unit Owners together with the consent of the institutional mortgagee of each lot should it affect their rights, abilities or value. The aforementioned consent shall be in writing and affixed as an Amendment to this Declaration.

3. Limitation on Amendments. No amendment to the Article entitled "Assessments" or the Article entitled "Enforcement and Establishment of Liens", and no other amendment shall be effective which shall, in a material fashion impair or prejudice the rights or priorities of any Owner, the Developer, or any institutional mortgagee under this Declaration without the specific written approval of the Owner, the Developer or institutional mortgagee affected thereby. In addition, any amendment which would affect the Water Management System (Primary) or the Water Management System (Secondary), must have the prior approval of the SFWMD.

An amendment may not materially and adversely alter the proportionate voting interest appurtenant to a Lot or increase the proportion or percentage by which a Lot shares common expenses of the Association unless the record Owner and all record Owners of liens on their Lots join in the execution of the amendment. For purposes of this Article, a change in quorum requirements is not an alteration of voting interest.

4. Scrivener's Errors. Prior to the Transfer Date, the Developer may amend this Declaration in order to correct a scrivener's error or other defect or omission without the consent of the Owners or the Board; provided that such amendment is reasonable and does not adversely affect in a material manner an Owner's property rights. Such an amendment shall be signed by the Developer alone and a copy of the amendment shall be furnished to each Owner and the Association as soon after recording thereof amongst the public records of the County, as is practicable.

5. Effective Date of Amendments. An amendment to the Declaration shall become effective upon the recordation amongst the public records of the County.

## ARTICLE XVIII

CONVEYANCES

In order to assure a community of congenial residents and thus protect the value of the Units in the Association, the sale or lease of Units shall be subject to the following provisions:

1. Notice to Association. The Unit Owner shall notify the Association in writing of his or her intention to sell or lease his or her Unit and furnish with such notification a copy of the contract for purchase and sale or a copy of the lease, whichever is applicable. Except as provided below, it is not the intention of this Article to grant to the Association a right of approval or disapproval of purchasers or lessees. It is, however, the intent of this paragraph to impose an affirmative duty on the Unit Owners to

keep the Association fully advised of any changes in occupancy or ownership for the purposes of facilitating the management of the Association's membership records. As this Article is a portion of the Declaration which runs with the land, any transaction which is conducted without compliance with this Article may be voidable by the Association.

2. Lease Agreement Terms. Any and all lease agreements between an Owner and a lessee of such Owner shall be in writing, shall provide for a term of not less than twelve (12) months, and must provide that the lessee shall be subject in all respects to the terms and provisions of this Declaration and that any failure by the lessee under such lease agreement to comply with such terms and conditions shall be a material default and breach of the lease agreement. The lease agreement shall also state the party who will be responsible for the assessments as stated above, and it shall be the obligation of all Unit Owners to supply the Board with a copy of said written agreement prior to the lessee occupying the premises. Unless provided to the contrary in a lease agreement, a Unit Owner, by leasing his Unit, automatically delegates his right of use and enjoyment of the Common Areas and facilities to his lessee; and in so doing, said Owner relinquishes said rights during the term of the lease agreement.

3. Association Approval. Upon receipt of a copy of the contract for purchase and sale or a copy of the lease, the Association shall within ten (10) business days, issue a Certificate indicating the Association's approval of the transaction. In the event of a sale it shall then be the responsibility of the purchaser to furnish the Association with a recorded copy of the deed of conveyance indicating the owner's mailing address for all future assessments and other correspondence from the Association. Provided, however, prior to the issuance by the Association of a Certificate indicating the Association's approval of the transaction, the purchaser or lessee shall be required to agree to comply with the Rules and Regulations of the Association.

4. Delinquent Unit Owners. Notwithstanding the provisions above, in the event that an Unit Owner is delinquent in paying any assessment, or the Owner or his buyer, family, guests, agents, licensees or invitees are not in compliance with any provisions of the Homeowners Documents, the Association has the right to disapprove of any sale; and in the case of a lease, the right to garnish lease payments in accordance with Florida law, disapprove of and to void any lease at any time prior to or during the leasehold tenancy until any delinquent assessment is paid and/or until any violation of the Homeowners Documents is corrected.

## ARTICLE XIX

### TERMINATION

1. Consent to Termination. This Declaration may be terminated upon the affirmative written consent of eighty percent (80%) of all Unit Owners and upon the affirmative written consent of all Institutional Mortgagees holding mortgages encumbering Units.

2. Termination Documents. If this Declaration is terminated in accordance herewith, it is hereby declared by the Developer, and each and every Owner of a Unit by acquiring title to his Unit covenants and agrees, that the termination documents shall require:

A. Use of Units. That all Units shall continue to be used subject to the use restrictions set forth in Article V hereof.

B. Common Areas. All Common Areas shall be owned and held in equal shares by

the Unit Owners as tenants in common, and each Unit Owner shall remain obligated to pay his pro rata share of expenses to continually maintain the Common Areas.

3. Limitation on Termination. The Unit Owners and their grantees, successors, and assigns by acquiring title to a Unit covenant and agree that no termination of this Declaration shall be made for a period of twenty-five (25) years from the date of recordation of this Declaration. This Declaration and the terms, provisions, conditions, covenants, restrictions, reservations, regulations, burdens and liens contained herein shall run with and bind the subject property and inure to the benefit of Developer, the Association, the Owners, Institutional Mortgagees and their respective legal representatives, heirs, successors, and assigns for said period. After this period, the Declaration shall be automatically renew and extend for successive periods of ten (10) years each unless at least one (1) year prior to the termination of such twenty-five (25) year term or any such ten (10) year extension thereof is recorded among the Public Records of the County, an instrument signed by at least eighty percent (80%) of all Unit Owners and Institutional Mortgagees holding mortgages encumbering the Units agreeing to terminate this Declaration, upon which event this Declaration shall be terminated upon the expiration of twenty-five (25) years or the ten (10) year extension thereof during which the termination instrument is recorded.

4. Water Management System (Secondary). If the Association is terminated, the Water Management System (Secondary) shall be conveyed to an appropriate agency of local government, and if not accepted thereby, then it must be conveyed to a similar non-profit corporation.

## ARTICLE XX

### MISCELLANEOUS

1. No Waiver. The failure of the Developer, the Association, or any Owner to object to an Owner's or another person's failure to comply with the Covenants and Restrictions contained herein shall in no event be deemed a waiver of any right to object to same and to seek compliance therewith in accordance with the provisions herein.

2. Headings. Article and paragraph captions inserted throughout this Declaration are intended only as a matter of convenience and for reference only and in no way shall such captions or headings define, limit or in any way affect any of the terms and provisions of this Declaration.

3. Pronouns. Whenever the context requires, any pronoun used herein may be deemed to mean the corresponding masculine, feminine or neuter form thereof, and the singular form of any nouns or pronouns herein may be deemed to mean the corresponding plural form thereof and vice versa.

4. Severability. In the event any one of the provisions of this Declaration shall be deemed invalid by a court of competent jurisdiction, said judicial determination shall in no way affect any of the other provisions hereof, which shall remain in full force and effect.

5. Partition. The Association may not convey, encumber, abandon, partition or subdivide any of the Common Areas without the approval of all Owners.

6. Homeowners Documents. The Association is required to make available to Owners, to Institutional Mortgagees, and to holders, insurers or guarantors of any first mortgage, current copies of the Declaration, Articles of Incorporation, By-Laws, Rules and Regulations and other such documents governing the Association, as well as the books, records, and financial statements of the Association.

"Available" shall be defined as obtainable for inspection, upon written request after reasonable notice, during normal business hours or under such other reasonable circumstances. Any holder of a first mortgage shall be entitled, upon written request after reasonable notice, to a financial statement of the Association for the immediately preceding fiscal year.

## ARTICLE XXI

### PRESERVE AREAS

1. Savanna Oaks Subdivision contains upland and wetland Preserve Areas that is regulated by the South Florida Water Management District ("SFWMD"), Martin County, and State and Federal regulations.

2. Savanna Oaks Subdivision is subject to the Martin County PAMP and SFWMD permit. The PAMP guidelines are for the maintenance and preservation of the Associations Preserve Area, Conservation Areas, and Common Areas.

3. The Developer, Association and Owners shall preserve, maintain, implement and comply with the terms of the PAMP and SFWMD permits, including, but not limited to the following:

A. The Preserve Areas shall have posted permanent signs and boundary markers, with boundary markers placed at the corners of lots abutting the Preserve Areas. Signs shall be on a frequency no less than 500 feet.

B. Barricade all Preserve Areas during the construction of the units. Neither the Association, Buyer nor Developer shall remove any of the barricades or other turbidity control measures, such as the placement of screen and hay bales. After completion of the construction, such devices shall be removed through an authorized County person.

C. Activities allowed in Preserve Areas, are passive activities such as walking, bird-watching, identification of flora/fauna and observation of natural processes/seasonal changes and the like.

D. Activities prohibited in Preserve Areas, as defined in the PAMP and/or ordinances of Martin County, include but are not limited to are dumping or placing soil or other substances such as garbage, trash, and cuttings; removal or destruction of native trees, shrubs or other native vegetation; excavation, dredging or removal of soil materials; diking or fencing; vehicular traffic including use by non-motorized vehicles, recreational vehicles and off-road vehicles; permanent irrigation; trimming, pruning, or fertilization; and any other activities detrimental to drainage, flood control, water conservation, erosion control or fish and wildlife conservation and preservation.

E. Any building proposed to be located adjacent to a Preserve Area shall have a set-back minimum of at least ten (10) feet. All other structures such as pools, sheds, decks, fences, etc. shall be set back a minimum of five (5) feet from the Preserve Area boundary.

F. Except for approved restoration and maintenance activities, Preserve Areas will be left undisturbed. All maintenance of Preserve Areas will be in accordance with the PAMP for Savanna Oaks Subdivision. Maintenance and management activities will be performed by or under the supervision of a qualified environmental professional and must be approved by the Martin County Environmental Planning Administrator. The following restoration and maintenance activities may be allowed within



Preserve Areas with prior written approval from the Environmental Planning Administrator: exotic plant removal, re-vegetation or planting native vegetation, and removal of dead, diseased, or safety hazard plant material.

G. Exotic vegetation removal. Exotic vegetation shall be removed from the Preserve Areas by the least ecologically-damaging method available. No debris, including dead plants, plant clippings or wood scraps, shall be allowed in the Preserve Areas. The Preserve Areas shall be free of exotic plant species following a maintenance activity and no more than 5% of exotic plant species coverage shall occur between maintenance activities.

H. Re-vegetation. Any re-vegetation which might be necessary as a result of exotic vegetation removal shall consist of native plant species representative of the existing native plant community. Re-vegetation plans shall be submitted to the Martin County Environmental Planning Administrator for approval prior to implementation.

I. Vegetation removal. Dead or diseased plant material shall be removed from Preserve Areas upon approval by the Martin County Environmental Planning Administrator. Re-vegetation may be required for any removed plant material.

J. Prescribed burns. Martin County considers prescribed burns an acceptable habitat management tool. When approved by the Martin County Environmental Planning Administrator, they will be conducted by a certified burn manager who will be responsible for obtaining all appropriate permits from State and local agencies.

K. Transfer of responsibilities. The Association, Owners and Developer of Savanna Oaks are responsible for implementation of all requirements of the PAMP until such time as the Developer transfers responsibility to the Association. The Martin County Environmental Planning Administrator will be notified in writing within thirty (30) days of transfer of ownership of any lands to be preserved under the PAMP. At such time as the Developer is ready to transfer control of the Savanna Oaks to the Association, whether the Developer retains ownership of lots in the project or not, an environmental professional shall certify, in writing, to the Martin County Environmental Planning Administrator, that the Preserve Areas are in full compliance with the PAMP. The Developer and/or successors will be responsible for maintaining the Preserve Areas in their existing natural condition with the periodic removal of invasive exotic vegetation. After transfer of responsibilities, funding for all maintenance and management programs will be the responsibility of the Association and its successors.

L. Monitoring, reporting and inspecting.

i. Annual monitoring reports. Monitoring and reporting will be conducted annually by a qualified environmental professional for a period of five years from the date of completion of the project or project phase encompassing the monitored area. Annual monitoring will be conducted at the end of the wet season (usually by November 30) and a report of the monitoring will be submitted to the Martin County Environmental Planning Administrator within 30 days of the completion of the monitoring.

ii. The Annual Monitoring Report will document changes in vegetation including encroachments and/or overgrowth of noxious or exotic vegetation. Fixed-point panoramic photos of all Preserve Areas will be included in each report. The reports will include recommendations for exotic vegetation removal, re-vegetation, and any additional enhancement activities necessary to

maintain the Preserve Area. A timetable for action within 90 days of the report will be prepared and followed.

iii. The first Annual Monitoring Report due in compliance with the PAMP will be submitted to the Martin County Environmental Planning Administrator no later than November 30, 2005. Subsequent Annual Monitoring Reports will be due on the same date for the next four years.

iv. After the initial five-year monitoring period, the Preserve Areas may be subject to periodic review and, if conditions warrant, will be subject to further monitoring the maintenance to ensure environmental integrity, consistent with the provisions of the Plan.

M. The Association shall be responsible to complete any and all PAMP requirements, fulfill its conditions, maintain and monitor Preserve Areas, and all other requirements set forth in the PAMP, or as may be requested from time to time from the County or SFWMD to maintain and preserve the conservation areas, common areas and/or the Preserve Area.

4. Cleansing and preservation. Maintenance, and re-vegetation when necessary, shall be accomplished in accordance with Section 6 "Restoration and Maintenance Activities" of the PAMP, and further described as:

A. Monitoring. Annual monitoring of the Preserve Area shall be performed in late November (end of wet season) for 5 years. Monitoring shall consist of:

- i. Locating any remnants or new outbreaks of exotic or nuisance vegetation;
- ii. Wildlife observation, both upland and wetland;
- iii. Tabulating species coverage in 4 quadrats of 3m-long a permanent transect to be established through the wetland and buffer;
- iv. Panoramic photographs from two permanent photo stations to be established;
- v. Evaluation of any vegetational changes observed and occurring as a result of hydroperiod alteration or other disturbances;
- vi. Identification of any natural or man-caused disturbances.

Transect, photo point, and gauge locations are depicted on the Monitoring Map of the PAMP Wetland Monitoring and Maintenance Plan, Exhibit 1 of the PAMP. At the conclusion of the November monitoring, a report summarizing information from the monitoring event shall be supplied to the District. The report will be supplemented by figures, charts, and photographs as needed to evaluate the success of the preservation effort.

The monitoring schedule shall be as follows:

Baseline Report	January 30, 2005
1 <sup>st</sup> Annual Monitoring Report	January 30, 2006
2 <sup>nd</sup> Monitoring Report	January 30, 2007
3 <sup>rd</sup> Monitoring Report	January 30, 2008
4 <sup>th</sup> Monitoring Report	January 30, 2009
5 <sup>th</sup> Monitoring Report	January 30, 2010

B. Maintenance plan. Maintenance will be directed at removing/killing any and all exotic vegetation, as listed by the Florida Exotic Pest Plant Council, and controlling nuisance vegetation

such that the Preserve Area shall be free (0%) of exotic plant species following a maintenance activity, and nuisance and exotic vegetation constitute no more than 5% of total vegetation coverage between maintenance activities. Exotic and nuisance control will be accomplished by chemical and/or manual methods, as appropriate; powered wheel equipment is not allowed in the Preserve Area. Maintenance shall also include any other measures necessary to nurture recruited groundcover, with a target of achieving an 80% coverage by desirable groundcover within 5 years, or the end of 2009.

For the first two years after exotic removal, maintenance shall be performed at least twice annually in the preserved wetland, in order that opportunistic exotic or nuisance vegetation does not claim the cleaned areas. Thereafter, maintenance in perpetuity shall be performed at least annually, but more often if necessary to comply with exotic/nuisance coverage restrictions. Perpetual maintenance shall be the responsibility of the Savanna Oaks Homeowners Association, or its successors.

5. Protecting measures for species. Prior to construction, there was identified several gopher tortoises' burrows in the area. All gopher tortoise burrows remaining in the area are subject to Florida law. Gopher tortoises are protected as a species of special concern. Under Florida law, no person may take, possess, transport or sell a species of special concern. Once the homeowners association has control of the Preserve Areas, it will notify the Martin County Environmental Planning Administrator if there comes any questions or problems with regard to gopher tortoise.

In addition, the eastern indigo snake, an endangered species, may reside in the same areas as the gopher tortoise. Every effort will be undertaken to avoid harming any snakes observed in the Preserves. As an endangered species, the Endangered Species Act (ESA) of 1973 makes it a violation to "harass, harm, pursue, hunt, shoot, wound, kill, capture or collect endangered or threatened species." There may be a violation of up to \$20,000.00 and/or one year in prison. If there is any question, the association will contact the U.S. Fish & Wildlife Service and the Florida Fish & Wildlife Conservation Commission.

#### 6 Enforcement.

A Martin County shall have the right to enforce the provisions of the PAMP through any available administrative or civil proceedings, which may result in penalties.

B The SFWMD reserves the right to enforce the provisions of its permit through any available administrative or civil proceedings, which may result in penalties, including, but not limited to an injunction and penalties against the Association to compel it to correct any outstanding problems with the surface water management system facilities or in mitigation or conservation areas under the responsibility or control of the Association.

7 Permits. Copies of SFWMD permits along with any future permitting shall be maintained by the Association and maintained with the corporate records.

-Signature Page Follows-

IN WITNESS WHEREOF, Developer has caused this Declaration to be executed this 10<sup>th</sup> day of May 2005.

Signed, sealed and delivered  
In the presence of

SAVANNA OAKS PROPERTIES, LLC, a Florida  
limited liability company

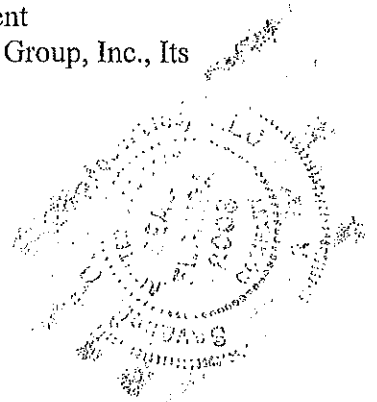
[Signature]

By: David R. Giunta

David R. Giunta, President  
Prosperity Development Group, Inc., Its  
Managing Member

[Signature]

(Corporate Seal)



STATE OF FLORIDA  
COUNTY OF MARTIN

The foregoing instrument was acknowledged before me this 10<sup>th</sup> day of May 2005, by DAVID R. GIUNTA, President of PROSPERITY DEVELOPMENT, INC., a Florida corporation, as managing member of SAVANNA OAKS PROPERTIES, LLC, a Florida limited liability company on behalf of the corporation. He is personally known to me.

[Signature]

Notary Public

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

My Commission # \_\_\_\_\_

Expiration date: \_\_\_\_\_

**NOTARY PUBLIC-STATE OF FLORIDA**  
**Maura S. Curran**  
Commission # DD392322  
Expires: FEB. 02, 2009  
Bonded Thru Atlantic Bonding Co., Inc.

**EXHIBIT "A" TO THE DECLARATION OF COVENANTS AND  
RESTRICTIONS FOR SAVANNA OAKS HOMEOWNERS ASSOCIATION, INC.**

**LEGAL DESCRIPTION**

The North half ( $\frac{1}{2}$ ) of the Northeast one-quarter ( $\frac{1}{4}$ ) of the Northeast one quarter ( $\frac{1}{4}$ ) of Section 21, Township 27 South Range 41 East, Martin County, Florida.

AND

The South  $\frac{1}{2}$  of the Northeast one-quarter  $\frac{1}{4}$  of the Northeast one-quarter  $\frac{1}{4}$  of Section 21, Township 37 South, Range 41 East, martin County, Florida, LESS the Easterly 37 Feet of the Southerly 186.68 feet thereof.

All of the above containing 429,506 Square Feet, or 9.860 Acres, more or less.

