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AMELIA PARK

DECLARATION
of
Charter, Easements,
Covenants and Restrictions

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Schedule of Exhibits:

- Exhibit A: Articles of Incorporation of the Amelia Park Owners' Association, Inc.
- Exhibit B: Bylaws of the Amelia Park Owners' Association, Inc.

AMELIA PARK

DECLARATION

of
Charter, Easements,
Covenants and Restrictions

Amelia Park Development, a Florida general partnership to be known as the "Developer," and HomeTown Neighborhoods, Inc., a Florida corporation to be known as the "Founder," make this Declaration on the 21st day of July, 1998.

STATEMENT OF PURPOSE:

A. The Founder has originated, and the Developer has developed, upon real property in Fernandina Beach, Florida, the first portion of a new community, which is that property platted as Amelia Park Phase I, Unit 1, recorded at Plat Book 6, Pages 114 and 115, public records of Nassau County, Florida (the "Initial Plat").

B. The master plan for Amelia Park calls for creation of a new neighborhood, with walkable streets, businesses, civic buildings and a range of housing types. Unlike typical suburbs which separate homes from businesses and force dependence on the automobile, the Amelia Park design is intended to mix commercial, civic and residential uses in a way which enlivens the community.

C. Amelia Park is subject to Master Deed Restrictions, recorded immediately prior to this Declaration, which regulate the construction and modification of buildings and other improvements within Amelia Park.

D. The streets and most sidewalks within Amelia Park shall be dedicated to the public, while lanes, parks and other open space, certain sidewalks and some recreational facilities within Amelia Park are intended to be owned and maintained by the neighborhood association. The Amelia Park Community Development District, a form of local government, is available for future community improvements and maintenance.

E. The Developer, with the consent and joinder of the Founder, records this Declaration for this new community and establishes an Owners' Association to enhance community life, to establish and enforce certain covenants and restrictions, to provide for further maintenance of the community, and to allow for self-governing of Amelia Park by its owners.

DECLARATION:

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The Developer, who is the owner of all of the property which comprises the Initial Plat, hereby submits the Initial Plat to this Declaration of Charter, Easements, Covenants and Restrictions. The Developer hereby declares that the property comprising the Initial Plat shall be held, sold and conveyed subject to the covenants, restrictions and easements of this Declaration, which shall run with the land and be binding on all parties and heirs, successors and assigns of parties having any right, title or interest in all or any part of Amelia Park.

ARTICLE I: Definitions

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

1.1 Amelia Park. "Amelia Park" is the real property shown on the Initial Plat for Amelia Park, as described on the first page of this Declaration, plus any additional property added by Supplemental Declaration.

1.2 Amelia Park Architectural Review Board. The "Amelia Park Architectural Review Board" is the panel established to administer the Amelia Park Design Code, as established by the Master Deed Restrictions and described in Article V.

1.3 Amelia Park Design Code. The "Amelia Park Design Code" establishes the plan for the development of Amelia Park through its regulation of land use, architecture and environment. The Amelia Park Design Code, as originally adopted by the Developer as provided in the Master Deed Restrictions and as amended from time to time, comprises the following:

(a) The City of Fernandina Beach Resolution 92-31 as amended, which establishes zoning requirements for P.U.D. #0192;

(b) The Master Plan, which depicts the streets, Commons, and residential, commercial and civic use lots for the property encompassed by P.U.D. #0192, to be known as the Master Plan Area;

(c) The Urban Regulations, which establish setbacks, lot coverage and other similar matters;

(d) The Architectural Regulations, which guide the design of buildings and describe the materials of which buildings may be constructed; and

(e) Landscape Regulations, which regulate the preservation of existing trees and the planting of new trees and plants.

The Amelia Park Design Code does not need to be recorded to be effective but shall be available from the Amelia Park Architectural Review Board.

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

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- 1.5 Assessments. "Assessments" is the collective term for the following Association charges:
- a) General Assessment. The "General Assessment" is the amount allocated among all Members to meet the Association's annual budgeted expenses, as described in Section 9.3.
 - b) Individual Lot Assessment. An "Individual Lot Assessment" is a charge made to a particular Lot Owner for charges relating only to that Lot, as provided in Section 9.5, or for Neighborhood charges.
 - c) Special Assessment. A "Special Assessment" may be charged to each Lot for capital improvements or emergency expenses, in accordance with the provisions of Section 9.4.

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

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

1.8 Building. "Building" is any residential or commercial building constructed on any Lot. If permitted by the Amelia Park Design Code, a Building may be attached to another Building and share party walls. The Amelia Park Design Code may permit the construction of two or more Buildings or two or more dwelling units on a Lot.

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

1.10 Commons. "Commons" comprises real property within Amelia Park designated on the Initial Plat (or any subsequent plat), or specifically conveyed to the Association, for the common use and enjoyment of all Owners. "Commons" also include any improvements on that real property, all utilities, utility easements and other easement rights or personal property for the Owners' common use, and any other property of any type specifically designated as Commons. The Commons may include areas dedicated to the public or owned by the District, to the extent that the Association agrees to maintain, or is required by this Declaration to maintain, such property.

1.11 Common Roads. "Common Roads" are the streets located within Amelia Park which are intended for automobile traffic. The Common Roads are intended to be dedicated to the public. Any streets, lanes or footpaths not dedicated to the public shall be part of the Commons.

1.12 Declaration. "Declaration" is this Declaration of Charter, Easements, Covenants and Restrictions for Amelia Park.

1.13 Developer. The "Developer" is Amelia Park Development, a Florida general partnership, its successors and assigns, or any successor or assign of all or substantially all of its interests in the development of Amelia Park. The Developer may also be an Owner for so long as the Developer is record owner of any Lot.

1.14 District. The Amelia Park Community Development District, a community development district created by the City of Fernandina Beach ordinance under Chapter 190, Florida Statutes, is a form of local government established to provide systems, facilities and services within its boundaries. Although currently inactive, the District may own and maintain streets, sidewalks and lanes, the utilities, parks and other open space, recreational facilities and other facilities as provided by statute.

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1.15 Founder. The "Founder" is HomeTown Neighborhoods, Inc., a Florida corporation, its successors and assigns.

1.16 Lot. A "Lot" is the smallest parcel of land which may be separately conveyed. Ordinarily, Lots are designated as numbered or lettered, separately identifiable parcels on the recorded subdivision plat of Amelia Park, or, for unplatted areas, as shown on a site plan of property offered for sale as a part of Amelia Park. However, the Developer may redefine Lots prior to sale by combining Lots or portions of Lots and adjusting the boundary of a Lot.

1.17 Master Deed Restrictions. The Developer, as the grantor of deeds within the Initial Plat, has recorded an instrument immediately prior to this Declaration known as the Master Deed Restrictions. The Master Deed Restrictions, which apply to all deeds granted within the Initial Plat, are intended to ensure the proper application of the Amelia Park Design Code during the development stage and to impose other restrictions designed to further the development of neighborhoods.

1.18 Master Plan. The Master Plan is the initial plan for the development of the Master Plan Area. The Master Plan is subject to change based on market conditions, governmental requirements and other modifications which may be made as development progresses.

1.19 Master Plan Area. The Master Plan Area comprises approximately 106 acres, which is that property encompassed by City of Fernandina Beach P.U.D. #0192, intended for development as Amelia Park. The Developer currently plans to develop the entire Master Plan Area and submit it, in phases, to this Declaration; however, the Developer is not obligated to submit any part of the Master Plan Area to this Declaration.

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

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

1.22 Neighborhood Meeting. The "Neighborhood Meeting" is the public meeting of Members for discussion and voting, as described in Article VIII.

1.23 Neighborhood Zone. "Neighborhood Zones" are smaller, contiguous areas within Amelia Park, the boundaries of which shall be designated by the Board. To the extent reasonably possible, all Lots on both sides of a street shall be included within the same Neighborhood Zone. Separate Neighborhood Zones may be created if the street is interrupted by cross streets, by changes in topography or by Commons, or if Lots on opposing sides of the street are of significantly different character.

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

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

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1.26 Special Use Parcel. A "Special Use Parcel" is a Lot of unconventional size, shape, location, or use which calls for special design considerations. Typically, a Special Use Parcel will be used for commercial purposes, multi-family residential or community or recreation facilities. The property labeled "Tract" on the Initial Plat shall be considered a Special Use Parcel.

1.27 Supplemental Declaration. "Supplemental Declaration" is any declaration which may be recorded by the Developer or the Association in accordance with Section 2.2 to annex Additional Property to Amelia Park.

1.28 Surface Water or Stormwater Management System. "Surface Water or Stormwater Management System" means a system which is designed and constructed or implemented to control discharges which are necessitated by rainfall events, incorporating methods to collect, convey, store, absorb, inhibit, treat, use or reuse water to prevent or reduce flooding, overdrainage, environmental degradation, and water pollution or otherwise affect the quantity and quality of discharges from the system, as permitted pursuant to chapters 40C-4, 40C-40, or 40C-42, Florida Administrative Code.

ARTICLE II:
Property comprising
Amelia Park
Amelia Park is being developed in phases, and is intended to include offices, restaurants, shops, recreation facilities and other commercial and civic areas, as well as residential streets. This article describes the real property of which Amelia Park will initially be comprised, provides the method by which additional property may be added and establishes necessary easements.

2.1 Initial Property. The real property which shall be held, transferred, conveyed and occupied subject to this Declaration consists initially of that real property described on the Initial Plat.

2.2 Annexation of Additional Property.

(a) By the Developer. The Developer shall have the right, but not the obligation, for a period of thirty (30) years from this date, from time to time in its sole discretion, to annex any part of the Master Plan Area. This reserved development right may be exercised with respect to different portions of the Master Plan Area at different times. No assurances are made as to the boundaries of those portions or order in which the portions will be added. Exercising any development right in any portion of the Master Plan Area does not necessarily mean the right will be exercised in the remainder of the Master Plan Area.

The Developer may also annex contiguous property, property any portion of which is within one-half mile of any portion of Amelia Park (including any property separated from Amelia Park by a public street, body of water or other property) or any other property with a reasonable relationship to Amelia Park. The Developer may also annex individual residential dwelling units which are within primarily commercial portions of the Master Plan Area, even if the land surrounding the units is not annexed.

(b) By Members. Additional property of any type may be annexed to Amelia Park by a majority vote of the Board.

(c) Supplemental Declaration. A Supplemental Declaration adding the additional property shall become effective upon being recorded in the county's public records.

(d) Special Provisions. The Supplemental Declaration may modify or add to the provisions of this Declaration if needed to reflect the different character of the additional property. A Supplemental Declaration may define Neighborhood Zones; may designate certain Commons as

"Neighborhood Zone Commons" for the use of certain Neighborhood Zones; and may create an assessment procedure by which certain Neighborhood Zones are assessed separately for Neighborhood Zone Commons. However, no such Supplemental Declaration shall deny use of existing Commons to those Owners who had such right prior to the recording of the Supplemental Declaration. A Supplemental Declaration may also create Neighborhood Zone advisory councils or create a plan for election of the Board of Directors which includes district representation. If individual residential dwelling units which are within primarily commercial portions of the Master Plan Area are annexed, the amount of assessments to be paid by such units may be reduced, based upon a reasonable estimate of the units' usage of the Commons.

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

(a) Common Roads. A nonexclusive easement for use of the Common Roads.

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

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

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

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

(f) Maintenance of Commons. To the extent reasonably necessary, an easement over any Lot for maintenance of the Commons.

2.4 Lot Lines. Lots may not be subdivided or separated into smaller lots, or any portion of a Lot separately conveyed, except by the Developer or with the specific consent of the Amelia Park Architectural Review Board. However, this shall not prohibit corrective deeds or similar corrective instruments. The Developer shall have the right to modify subdivision plats of Amelia Park to make adjustments to Lot boundary lines with consent only of those Owners whose Lot boundaries are to be changed.

2.5 Relationship between Lots.

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

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

ARTICLE III:
Allocation of
Expenses

The Declaration provides a formula for allocating interests among the Lots for assessment of common expenses.

3.1 Generally. The common expenses of the Association shall be allocated among the Lots and Residential Units in accordance with the relative values described in Section 3.2. The fractional allocation of the common expenses of the Association may be calculated for each Lot by dividing the value assigned that Lot or Residential Unit by the sum of the values of all Lots and Residential Units within Amelia Park.

3.2 Residential Use. Residential uses shall be assigned the following values:

- (a) A Lot with a single detached home, whether or not it has an outbuilding (which may have a separately leasable apartment) shall be assigned a value of 1.0. The outbuilding shall not be separately assessed.
- (b) A Residential Unit with two or more bedrooms shall be assigned a value of .75.
- (c) A one-bedroom or studio Residential Unit shall be assigned a value of .50.

The Amelia Park Architectural Review Board shall determine the number of bedrooms for Residential Units. The Architectural Review Board's determination shall be reasonable and shall be based on design of the unit, rather than actual usage. Once determined, the assessment value assigned to each Residential Unit shall not be changed unless the actual square footage of the Unit is reduced or enlarged, in which case the Architectural Review Board, acting reasonably, may establish new assessment values for the Unit.

3.3 Special Use Parcels; Commercial Use. Assessments for Special Use Parcels shall be determined by the Developer based on the anticipated use of the parcel. A separate assessment procedure for commercial uses shall be established by supplemental declaration when Lots intended for commercial uses are annexed to Amelia Park. If permitted by the Amelia Park Design Code, a single Lot may have both a residential use and a commercial use and may be assessed separately for such uses. A home-based occupation which does not advertise to the general public or have signage on any street other than a lane, shall not be subject to the commercial use value.

3.4 Combined Lots. If the Developer or an Owner combines two Lots or parts of Lots and uses them as a single Lot, the Association may assess them as a single Lot or other formula in accordance with regulations consistently applied.

3.5 Exempt Lots. Lots which are used by non-profit entities primarily for the benefit of residents of Amelia Park may have a zero allocation. The Developer may grant such exempt status of record at any time up to and including the time of conveyance of the parcel to someone other than the Developer. Once granted, such exempt status shall continue so long as the use of the Lot remains substantially the same. The Association also has the authority to grant exempt status for qualified entities upon terms and conditions established by the Association.

3.6 Additional Property. If Lots of substantially different size or use are created within Additional Property, the Developer may by Supplemental Declaration establish a different relative value for those Lots based on a reasonable determination of the expected usage levels consistent with the determination for other properties within Amelia Park. Each Lot's allocation shall still be calculated by dividing its value by the sum of the relative values of all Lots.

3.7 Determination by Association. The Association may establish rules for the definition and calculation of square footage, assessment of unimproved lots, determination of residential and commercial use and other matters relating to assessment. The Association's agent may enter and examine Buildings at reasonable times for assessment purposes. An Owner shall have the right to a hearing before the Association to appeal an assessment evaluation; however, the decision of the Association after appeal is final.

ARTICLE IV: Commons

Certain property within Amelia Park and certain easement rights, called the "Commons," are to be owned and maintained by the Association for the benefit of all Owners. As Amelia Park is completed in phases, additional property will be added to the Commons.

4.1 Title.

(a) Association-Owned Commons. The Association shall hold title to certain Commons. For those portions of the Commons which consist of easements and other rights, the Association shall be the holder of those rights.

(b) District Facilities. The District may lease certain facilities to the Association or otherwise provide complete or partial control to the Association on a long-term or short-term basis. In addition, the Association may choose to provide additional maintenance to District facilities, to improve the quality of those facilities even though the ownership and primary control of those facilities remain with the District. In any such event, such facilities shall be considered part of the Commons for the purposes of maintenance and, where not inconsistent with District requirements, for other purposes as well.

(c) Additional Commons. The Developer or the District may convey to the Association additional Commons which the Association shall accept for maintenance. The District may also convey facilities to the Association but retain primary maintenance responsibility.

4.2 Maintenance: Capital Improvements.

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

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(b) Capital Improvements. The Association may make capital improvements to the Commons and may modify the uses of the Commons. For example, the Association may create parking areas within the Commons or add new recreational facilities. Expenses for substantial capital improvements must be approved in accordance with Section 8.6.

4.3 Owners' Easements of Access and Enjoyment.

(a) Commons. The Developer hereby grants and conveys to every Owner a right and easement of appropriate use and enjoyment of the Commons, subject to the Association's right of regulation in accordance with this Declaration and the Developer's right to use the commons as provided in paragraph 4.4 (c), and subject also to any limitations contained in the conveyance of those Commons to the Association. These easements shall be appurtenant to and shall pass with title to every Lot.

(b) Tenants, Guests. Any Owner may delegate, subject to the provisions of this Declaration, the Bylaws and the Rules and Regulations, his right to enjoyment to the Commons to the members of his family, his tenants or his guests who reside on the Lot or are accompanied by the Owner. The Association may adopt rules to prohibit or restrict use of the Commons recreational facilities by a non-resident Owner whose dwelling has been leased to a tenant, except when the Owner is a bona fide guest of the tenant.

4.4 Use of Commons.

(a) Members' Benefit. The Association shall maintain the Commons for the benefit of its Members.

(b) Non-Members. The Association may permit limited use and access for all or a portion of the Commons, through the sale of club memberships or other fees. Any such revenue shall benefit the Association.

(c) Open-Air Market and Festivals. The Developer reserves, for itself or its various assigns, the right to use portions of the Commons as designated in the Amelia Park Design Code as an open-air market for the rental of space for pushcarts, kiosks, stands or similar temporary sales structures. Such uses may be for special events or on a recurring or daily basis. Developer also reserves, for itself or its various assigns, the right to use portions of the Commons as designated in the Amelia Park Design Code for festivals or other events intended to enrich and enliven the community. Developer further reserves a right of access through the Commons for all such purposes. Developer may, but is not obligated to, assign such rights to the Association at any time.

(d) No Commercial Use. Except as specifically permitted by this Declaration, there shall be no commercial use of the Commons, nor shall the Commons be subdivided or sold.

4.5 Common Road Regulation. To the extent permitted by the City of Fernandina Beach, the Association may make rules and regulations concerning driving and parking within Amelia Park, and may construct traffic calming devices as approved by the Neighborhood Architect, post speed limit or other traffic signs and take any other reasonable measures to discourage excessive speed and encourage safe driving on the Common Roads. To the extent permitted by the City of Fernandina Beach, the Association may enforce any violation in accordance with Section 10.8 and may tow offenders.

4.6 Surface Water or Stormwater Management System. The Association shall be responsible for the maintenance, operation and repair of the Surface Water or Stormwater Management System. Maintenance of the Surface Water or Stormwater Management System (s) shall mean the

exercise of practices which allow the systems to provide drainage, water storage, conveyance or other surface water or stormwater management capabilities as permitted by the St. Johns River Water Management District. The Association shall be responsible for such maintenance and operation. Any repair or reconstruction of the surface water or stormwater management system shall be as permitted, or if modified, as approved by, the St. Johns River Water Management District.

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

4.8 Limitation of Liability. The Association shall use reasonable judgment in providing security, maintaining the Commons and enforcing traffic control measures, but neither the Association nor the Developer makes any representation or assumes any liability for any loss or injury.

ARTICLE V:
Community Planning and
Administration of The
Design Code

Amelia Park will be built by hundreds of different homeowners, architects and builders. Each of these individuals will contribute to the shaping of the final community.

The Amelia Park Design Code communicates the elements which are essential for creating the community. Within these essential elements, there is room for the creative and individual design which vitalizes the community.

5.1 Master Deed Restrictions. The Master Deed Restrictions establish the Amelia Park Design Code as the guide for all construction within Amelia Park, provide for a Neighborhood Architect to administer the Amelia Park Design Code, and create the Amelia Park Architectural Review Board. All construction or modification, any tree removal or any material alteration of the landscaping or topography of any Lot or Commons must be approved in advance by the Amelia Park Architectural Review Board.

5.2 Binding Effect. The Master Deed Restrictions, which are recorded in the public records, are binding upon all of the property in the Initial Plat. Unless a notice is recorded specifically to the contrary, the submission of additional property to the Declaration for Amelia Park shall automatically extend the provisions of the Master Deed Restrictions to the additional property.

5.3 Assignment to Association. The Master Deed Restrictions provide for the Developer's enforcement of the Amelia Park Design Code during the development period. At the end of the development period, the Developer shall assign to the Association its rights to enforce the Amelia Park Design Code, as provided in the Master Deed Restrictions. Upon such assignment or if for any reason the Developer is unable or unwilling to perform its powers under Articles I and II of the Master Deed Restrictions, the provisions of Articles I and II of the Master Deed Restrictions shall become part of this Declaration as if originally included. At that time, the Association shall have and assume the responsibility of appointing a Neighborhood Architect and members of the Amelia Park Architectural Review Board and enforcing all violations of Articles I and II of the Master Deed Restrictions with all of its powers under the Master Deed Restrictions and this Declaration.

ARTICLE VI: Owners' Association

The Association is responsible for maintaining Amelia Park and enforcing the Declaration. While the Developer will control the Association during the early development stage, the owners themselves will be responsible for the continuation of the community through their participation in the Association.

The Articles and Bylaws of the Association, which create the Association as a non-profit corporation and provide certain procedures for its corporate organization, are attached as exhibits to this Declaration.

6.1 Duties. The Association shall maintain, repair and replace the Commons, shall perform all other duties required by this Declaration and Florida law, and shall enforce the terms of this Declaration.

6.2 Additional Powers. To the extent permitted by governmental authorities, the Association may, but is not obligated to, provide the following services or engage in the following activities:

(a) water, sewer, irrigation systems, drainage, telephone, electricity, television, security, cable television or communication lines and other utility services; supply of irrigation water; garbage and trash collection and disposal; laundry equipment or service;

(b) insect and pest control; improvement of vegetation and wildlife conditions; forestry management, pollution and erosion controls;

(c) emergency rescue, evacuation or safety equipment; fire protection and prevention; lighting of Common Roads; restricted or guarded entrances, traffic and parking regulation and security patrols within Amelia Park;

(d) transportation; day care and child care services; landscape maintenance; recreation, sports, craft and cultural programs; and newsletters or other information services;

(e) maintenance of easement areas, public rights-of-way and other public or private properties located within reasonable proximity to Amelia Park if its deterioration would affect the appearance of or access to Amelia Park; and

(f) any other service allowed by law to be provided by a homeowners' association organized under Florida law.

The Board may, by majority vote, initiate or terminate any of the above services, which shall take effect sixty (60) days after notice to the Members, except in an emergency. If requested by petitions signed by at least 10% of the Members, a Neighborhood Meeting may be called and, if a quorum is present, the Board's action to initiate or terminate an additional service under this Section 6.2 shall be repealed by majority vote of the Members. Upon such repeal, the Board may not reinstitute or terminate the service for five years unless also approved by majority vote of the Members.

6.3 Contracts. The Association may contract with any party, including the Developer, for the performance of all or any portion of the management of the Association and its maintenance and repair obligations. The cost of the contract shall be included within the General Assessment, Special Assessment or Individual Lot Assessment as applicable. The Association may require that Owners contract for certain routine yard maintenance, in order to provide a uniform level of care. The Association also may, but is not obligated to, act as agent for an Owner, if so requested by that

Owner, to contract for routine maintenance and other services not required to be provided by the Association, the cost of which would be assessed to that Owner as an Individual Lot Assessment. The terms and conditions of all such contracts shall be at the discretion of the Board.

6.4 Membership. Every Owner shall be a mandatory Member of the Association. Membership shall be appurtenant to and may not be separated from title to any Lot.

6.5 Voting Rights. Each Member shall have one vote for each Lot or Residential Unit owned, subject to the Developer's rights under Section 6.7 ("Developer's Selection of Initial Board"). Voting rights for Special Use Parcels shall be determined by the Developer based on the anticipated use of the parcel. Voting rights for commercial uses shall be established by supplemental declaration when Lots intended for commercial uses are annexed to Amelia Park

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

6.7 Election of Board of Directors; Initial Selection by Developer. The Developer shall appoint and remove the initial officers and members of the Board and may elect a majority of the Board until required by law to end its control of the Board. No later than sixty days after conveyance of the first one hundred Lots, Lot owners other than the Developer shall have the right to elect at least one member of the Board. Elections shall be conducted in accordance with the Bylaws. The Developer may voluntarily surrender the right to appoint and remove officers and members of the Board before termination of the control period, in which case the Developer reserves the right to record an instrument specifying that certain actions of the Association or Board must be approved by the Developer before they become effective.

6.8 No Compensation for Directors. Directors shall receive no compensation for their services unless expressly provided for in resolutions adopted by the Members, but may be reimbursed for expenses.

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

ARTICLE VII:
Decision Making

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

7.1 Neighborhood Meeting.

(a) When called. The Neighborhood Meeting shall be called annually for the election of members of the Board, and whenever any action is required by this Declaration to be taken by vote or assent in writing of the Members. As a convenient reference and not as a limitation, actions requiring a vote of the Members, or assent in writing, include the following:

- Annexation of Additional Property Section 2.2
- Repeal of Additional Services Section 6.2
- Election of the Board of Directors Section 6.7

Approval of General Assessments when increased more than 15% .. Section 8.4
 Ratification of expenditures for capital improvements..... Section 8.6
 Approval of Neighborhood Zone expenses..... Section 8.7
 Repeal of Rules and Regulations adopted by the Board..... Section 10.7
 Amendment of Declaration..... Section 12.1
 Dedication of the Commons Section 12.2
 Merger into, or Dedication of Commons to, Municipality Section 12.3
 Termination of the Declaration Section 12.5

(b) Quorum. Voting at a Neighborhood Meeting requires presence of members representing the percentage of votes necessary to transact business. The necessary percentage is determined by the Bylaws, and if permitted by the Bylaws and by statute, the Board may revise this percentage from time to time.

(c) Notice. Notice of the meeting must be given to Members in accordance with Section 13.4 ("Notices") and in accordance with the Bylaws. Notice of meetings shall also be posted in at least one place within the Commons.

(d) Proxies; Electronic Voting. To the extent allowed by the Bylaws and statute, proxies and limited proxies may be used to establish a quorum and for voting purposes. To the extent allowed by law and in accordance with procedure which may be adopted in the Bylaws, a quorum may be evidenced, and votes may be cast, by electronic means.

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

7.3 Board Meetings.

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

(b) Quorum. Voting at a Board meeting requires presence of at least one-half of the directors, in person or telephone conference or, if allowed by law, by proxy. If permitted by law, any action required to be taken by vote of the Board may be taken in the absence of a meeting (or in the absence of a quorum at a meeting) by obtaining the written approval of a majority of the Board.

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

7.5 Approval. Wherever used in this Declaration, approval by a majority or other proportion of the Members refers to a vote in accordance with this Article, either at a properly called Neighborhood Meeting or through a voting procedure established under Section 7.2. Where the Declaration specifies consent in writing, or request in writing, by a majority or other proportion of all Members, then the necessary number is based on the number of votes represented by the total Membership of the Association, and signatures may be collected without a Neighborhood Meeting or other voting procedure.

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ARTICLE VIII:

Association Budget

To fulfill its obligation to maintain the Commons, the Board is responsible for the fiscal management of the Association.

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

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

8.3 Reserves. The Association may build up and maintain reserves for working capital, contingencies and replacement, which shall be included in the budget and collected as part of the annual General Assessment. Extraordinary expenses not originally included in the annual budget which may become necessary during the year shall be charged first against such reserves. Except in the event of an emergency, reserves accumulated for one purpose may not be expended for any other purpose unless approved by a majority vote of the Members. If the reserves are inadequate for any reason, including nonpayment of any Member's assessment, the Board may at any time levy an emergency assessment in accordance with the provisions of Section 9.4 ("Special Assessment"). If there is an excess of reserves at the end of the fiscal year and the Board so determines, the excess may be returned on a prorata basis to all Members who are current in payment of all assessments due the Association, or may be used to reduce the following year's assessments, at the Board's discretion.

8.4 Preparation and Approval of Annual Budget.

(a) Initial Budget. The Developer shall determine the budget for the fiscal year in which a Lot is first conveyed to an Owner other than the Developer.

(b) Subsequent Years. Beginning with the year in which a Lot is first conveyed to an Owner other than the Developer and each year thereafter, at least one month before the end of the fiscal year, the Board shall, by majority vote, adopt a budget for the coming year and set the annual General Assessments at a level sufficient to meet the budget. At least two weeks before the fiscal year to which the budget applies, the Board shall send to each Member a copy of the budget in reasonably itemized form, which shall include the amount of General Assessments payable by each Member.

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

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

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

8.7 Neighborhood Zone Expenses.

(a) Capital Improvements. Any Neighborhood Zone may, by two-thirds (2/3) vote of the Members within that Neighborhood Zone and approval of the Board, vote to assess themselves for capital improvements to Commons which will primarily benefit that Neighborhood Zone.

(b) Additional Services. Any Neighborhood Zone may, by majority vote of the Members within that Neighborhood Zone and approval of the Board, vote to assess themselves for maintenance or services in addition to those normally provided by the Association.

(c) Combined Neighborhood Zones: Smaller Groups. Neighborhood Zones may be combined or join together for such assessments. If more than one Neighborhood Zone is to vote, the Board shall determine whether approval and assessment is to be by Neighborhood Zone or by the combined group of Neighborhood Zones. If a group smaller than a Neighborhood Zone wishes to be assessed for capital improvements or services, all of those being assessed must agree to the assessment.

(d) Assessment Levy. Any assessment so approved shall be assessed to all Owners within that Neighborhood Zone or designated group as an Individual Lot Assessment.

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

ARTICLE IX:
Covenants for Maintenance
Assessments

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

9.1 Obligation for Assessments. The Developer, for each Lot owned within the property submitted by this Declaration or Supplemental Declaration to Amelia Park, hereby covenants, and each Owner of any Lot by acceptance of a deed or other transfer instrument, whether or not it shall

be so expressed in such deed, is deemed to covenant and agree to pay to the Association the following (to be known collectively as "Assessments"):

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

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

9.2 Allocation of Common Expenses. Expenses shall be allocated among the Lots as provided in Article III ("Allocation of Expenses"). The Developer shall be excused from payment of assessments if the Developer guarantees to Lot owners that their Assessments during the "Guarantee Period," as defined below, shall not exceed the amounts shown in the then-current estimated operating budget. If the Developer offers such a guarantee, the Developer agrees to pay any Common Expenses incurred during the Guarantee Period which exceed the amount produced by Assessments during that time. The "Guarantee Period" may begin at Developer's discretion at any time within the first three years after the recording of this Declaration in the public records of Nassau County, Florida and shall end at the beginning of the next fiscal year. The Guarantee Period shall then be automatically extended for successive six-month periods up to an additional five years unless terminated upon written notice by the Developer to the Association at least 30 days before the end of the then-current Guarantee Period. During the Guarantee Period, the General Assessments may be increased by up to 15% per year.

9.3 General Assessments.

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

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

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

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

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

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9.5 Individual Lot Assessments. The Association may levy at any time an Individual Lot Assessment against a particular Lot for the purpose of defraying, in whole or in part, the cost of any special services to that Lot, for expenses approved by that Neighborhood Zone in accordance with Section 8.7, or any other charges designated in this Declaration as an Individual Lot Assessment.

9.6 Capital Contribution. At the closing and transfer of title of each Lot to the first Owner other than the Developer, the Owner shall contribute an amount equal to the greater of one hundred dollars (\$100.00) or three months' assessments, or such greater amount as required by the Developer by contract. This contribution shall be used by the Association for the purpose of initial and nonrecurring capital expenses of the Association and for providing initial working capital for the Association, and shall not be considered as a pre-payment of assessments.

9.7 Effect of Nonpayment of Assessment; Remedies

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

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

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

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

9.8 Certificate of Payment. The treasurer of the Association, upon request of any Owner, shall furnish a certificate signed by a member of the Board stating whether any assessments are paid to date by that Owner. Such certificate, when co-signed by the secretary of the Association, may be relied upon by a good faith purchaser or mortgagee as conclusive evidence of payment of any assessment therein stated to have been paid.

ARTICLE X:

Use of Lots

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

10.1 Permitted Uses. Permitted uses for Lots, which may include residential use or retail, office, restaurant or other commercial use, shall be determined based on the Amelia Park Design Code and subject to the zoning requirements of the City of Fernandina Beach. At the Developer's discretion,

the Developer shall make the determination of record at the time of the parcel's addition to Amelia Park, or at any time up to and including the time of conveyance of the parcel to someone other than the Developer. If the Developer fails to make such a determination of record, the Amelia Park Design Code, or the approval of the Building or modification under Article V, may describe permitted uses.

10.2 Prohibited Uses.

(a) Nuisances, Unlawful Use. No nuisance or immoral, improper, offensive or unlawful use shall be permitted to exist or operate on any Lot. The Association may from time to time define and determine unacceptable uses. All laws, building codes, orders, rules, regulations or requirements of any governmental agency having jurisdiction shall be complied with, by and at the sole expense of the Owner.

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

(c) Soliciting. The Association may regulate or prohibit soliciting within Amelia Park.

(d) Time Sharing. No time-share ownership of Lots is permitted without the Association's approval. For this purpose, the term "time-share ownership" shall mean a method of ownership of an interest in a Lot under which the exclusive right of use, possession or occupancy of the Lot circulates among the various owners on a periodically reoccurring basis over a scheduled period of time. Leasing a building or ownership of a Lot by a corporation, partnership or other entity or by not more than four individuals or married couples will not normally be considered time-share ownership.

(e) Camping. Camping shall be prohibited within Amelia Park except in designated areas.

10.3 Attractiveness and Safety of Lots.

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

(b) Signage. No sign, advertisement or notice of any type or nature whatsoever (including "For Sale" or "For Rent" signs) shall be erected or displayed on any Lot, Unit or portion of the Commons unless specifically permitted by the Amelia Park Design Code.

(c) Vehicles. Garage doors shall be kept closed except when automobiles are entering or leaving the garage. No obstruction to visibility at street intersections shall be permitted. The Amelia Park Design Code or the Association may regulate or prohibit the parking of trailers, recreational vehicles, nonfunctioning or excessive numbers of vehicles, sports equipment or any other item visible on the Lot.

10.4 Leasing. Residential units may be rented, subject only to reasonable rules and regulations as promulgated by the Association, which may be modified from time to time. The Association may establish a minimum lease term of at least six months. The Association may prohibit the leasing of any Lot while the Owner is in default in the payment of Assessments. If the Lot is leased in violation, the Association may attach rentals and may evict the tenant as if it were a tenant violation under paragraph 10.8 (c).

10.5 Pets. Pets may be kept by an Owner on his Lot but only if such pets do not cause an unsafe condition or unreasonable disturbance or annoyance within Amelia Park. Each Owner shall be held strictly responsible to immediately collect and properly dispose of wastes and litter of his pets. The Association reserves the right to regulate the number, type and size of pets (specifically including particular breeds of dogs deemed to create unreasonable danger); to prohibit the keeping of animals other than customary household pets, which it may define, acting reasonably; to designate specific areas within the Commons where pets may be walked and to prohibit pets on other areas; to require pets to be on leash; and to restrict the rights of tenants to keep pets.

10.6 Temporary Structures. The Amelia Park Design Code may permit kiosks, pushcarts and other temporary structures in commercial areas and may permit construction trailers and other temporary structures during construction. Other structures of a temporary character, trailers, tents, shacks, barns, sheds or other outbuildings are prohibited. However, during art festivals, craft fairs, block parties and other special events, the Association or Developer may approve the use of tents, trailers and other temporary buildings on the Commons or elsewhere within Amelia Park.

10.7 Rules and Regulations.

(a) Generally. The Association may from time to time adopt rules or amend previously adopted rules and regulations governing the details of the operation, use, maintenance and control of the Lots, Commons and any facilities or services made available to the Owners. This right shall include without limitation the right to approve rental agents, contractors and sub-contractors who do business within Amelia Park.

(b) Effect. Rules and Regulations shall take effect immediately upon approval by the Board, or at a later date selected by the Board. If requested by at least 10% of the Members, a Neighborhood Meeting may be called and any Rule or Regulation may be repealed by majority vote of the Members.

(d) Notice. A copy of the Rules and Regulations adopted from time to time shall be posted in a conspicuous place within Amelia Park or furnished to each Owner.

10.8 Enforcement.

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

(b) Notice, Hearing and Fines. Any Owner who is believed to be in violation of this Declaration or the Rules and Regulations shall be given notice and an opportunity to be heard. After such hearing, the Association shall have the right to assess fines, up to a maximum of \$500 for a single violation or \$50 per day for a continuing violation (to be adjusted according to increases in the cost of living) and may restrict the Owner's use of the Commons for up to sixty (60) days or until remedied, whichever is longer. However, the primary goal of this provision is not to punish but to conciliate and resolve problems. The Association may suggest or approve agreements and withhold the requirement of paying a fine if the agreement is honored. Fines shall be charged against the Lot as an Individual Lot Assessment. Any fines collected shall be contributed to the general fund of the Association.

(c) Tenant Violations. If a tenant is believed to be in violation of the Declaration or Rules and Regulations, the Association shall notify the Owner and tenant and provide an opportunity for hearing. If the Association determines after notice and opportunity for hearing that

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a tenant has violated this Declaration or Rules and Regulations, the Association may assess fines against the Owner as provided in paragraph (b). In addition, if the violation continues for ten days after notice to the Owner of the findings, or if the tenant materially violates either Declaration or Rules and Regulations more than once in any one-year period, the Association shall have the right to evict the tenant. Each Owner by acceptance of a deed irrevocably appoints the Association as its agent and attorney-in-fact in such an eviction action. All costs related to such action shall be charged to the Owner as an Individual Lot Assessment.

(d) Corrective Action for Lot Maintenance. If the Association determines after notice and hearing that any Owner has failed to maintain any part of the Lot (including the yard and any wall, fence, Building, garden structure or other structure) in a clean, attractive and safe manner, in accordance with the provisions of this Declaration, the Amelia Park Design Code and applicable rules and regulations, the Association shall notify the Owner of its findings and may assess fines as provided in paragraph (b). If the violation continues for ten days after notice to the Owner, the Association shall have the right without liability to enter upon such Lot to correct, repair, restore, paint and maintain any part of such Lot and to have any objectionable items removed from the Lot. The Association may reduce or eliminate the time for notice if it believes the condition creates a hazard. All costs related to such action shall be assessed to the Owner as an Individual Lot Assessment.

(e) Pets. After notice and hearing, the Association may find that a pet causes an unsafe condition or unreasonable disturbance or annoyance and may require the Owner or tenant to take steps to cure or limit the offensive condition. If such steps are ineffective, if the Owner or tenant fails to cooperate or if the pet is considered to create an unsafe condition, the Association may require that an Owner or tenant permanently remove the pet from Amelia Park.

(f) Covenants' Committee. The Association may appoint a Covenants' Committee, composed of Lot Owners, to hear violations of the Declaration or Rules and Regulations and to recommend or impose fines or take any other enforcement action under this Section 10.8.

(g) Additional Remedies. All remedies listed in this section are non-exclusive and may be applied cumulatively. The Association shall also have the right to bring suit to enforce the Declaration and Rules and Regulations, as described in Section 13.3 ("Enforcement of the Declaration").

10.9 Commercial Areas. The Developer intends to add commercial areas to Amelia Park. At the time of such annexation, the Developer shall record a Supplemental Declaration in accordance with Section 2.2, which shall include special use provisions applicable to the commercial areas. The Supplemental Declaration may establish a Merchants' Council or similar group to approve rules and regulations and to hear any violations regarding business operation.

ARTICLE XI:

Insurance

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

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

11.2 Casualty Insurance. The Board may obtain and, if additional Commons with significant insurable improvements are added to Amelia Park, shall be required to obtain and maintain,

casualty insurance on the Commons for fire damage. Endorsements for extended coverage, vandalism, malicious mischief, flood and windstorm should be obtained where available at reasonable cost. Coverage shall be in an amount not less than necessary to comply with the co-insurance percentage stipulated in the policy, but in any event not less than 80% of the insurable value (based upon replacement) of the improvements constructed on the Commons.

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

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

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

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

11.7 Repair and Reconstruction after Fire or Other Casualty.

(a) Commons. If fire or other casualty damages or destroys any of the improvements on the Commons, the Board shall arrange for and supervise the prompt repair and restoration of the improvements unless the area is to be redeveloped as provided in Section 12.2 ("Redevelopment"). The Board shall obtain funds for such reconstruction first from the insurance proceeds, then from reserves for the repair and replacement of such improvements, and then from any Special Assessments that may be necessary after exhausting insurance and reserves.

(b) Lot Improvements. If fire or other casualty damages or destroys a Building or any other improvements on a Lot, the Owner of that Lot shall immediately proceed to rebuild and restore the improvements to the condition existing immediately prior to such damage or destruction, unless other plans are approved by the Amelia Park Architectural Review Board or the area is to be redeveloped as provided in Section 12.3. If the Owner fails to clean and secure a Lot within 30 days after a casualty, the Association may, in accordance with the provisions of paragraph 10.8(d) ("Corrective Action for Lot Maintenance"), remove debris, raze or remove portions of damaged structures and perform any other clean up the Association deems necessary to make the Lot safe and attractive. The cost of such clean-up shall be assessed to the Lot Owner as an Individual Lot Assessment.

ARTICLE XII:

Amendment, Redevelopment and Termination

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

When, over long periods of time, conditions change so that redevelopment is necessary, the Declaration allows for a unified plan of redevelopment and compensation for affected owners.

12.1 Amendment.

(a) By Members. This Declaration may be amended at any time by an instrument signed by the president or vice president and secretary of the Association, certifying approval in writing by Lot Owners representing sixty seven percent (67%) of the votes in the Association.

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

(c) Limitations. Whenever any action described in this Declaration requires approval of greater than sixty seven percent (67%) of the Lot Owners, amendment of that provision shall require the same percentage vote as would be required to accomplish that action directly. Rights reserved to the Developer may not be amended without the specific consent of the Developer. Any amendment which alters the Surface Water or Stormwater Management System, beyond maintenance of its original condition, including the water management portions of the common areas, must have the prior approval of the St. Johns River Water Management District.

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

12.2 Dedication.

(a) Common Roads. If any portion of the Common Roads has not previously been dedicated to the public, the Developer or Association shall have the right to convey title to or dedicate the Common Roads to the appropriate public agency or authority.

(b) Commons. All other Commons may be dedicated to the public by the Board upon consent in writing of Lot Owners representing sixty seven percent (67%) of the votes in the Association.

12.3 Redevelopment.

(a) Purpose. If Amelia Park should ever be struck by a natural disaster or other casualty, all or a portion of Amelia Park might be destroyed and need to be rebuilt. In general, after any casualty loss, improvements are to be rebuilt in accordance with the original plan. Alternatively, this section provides a method for redevelopment in accordance with a new plan when Lot Owners representing sixty seven percent (67%) of the votes in the Association, the

