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2006 JUN - 7 PM 4: 29
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

FILED

I. Burch JUN 8 2006

COVER LETTER

Department of State
Division of Corporations
P. O. Box 6327
Tallahassee, FL 32314

SUBJECT: Palencia North Homeowners Association, Inc.
(PROPOSED CORPORATE NAME - MUST INCLUDE SUFFIX)

Enclosed is an original and one(1) copy of the Articles of Incorporation and a check for :

\$70.00
Filing Fee

\$78.75
Filing Fee &
Certificate of
Status

\$78.75
Filing Fee
& Certified Copy

\$87.50
Filing Fee,
Certified Copy
& Certificate

ADDITIONAL COPY REQUIRED

FROM: Scott D. Newsom, Esq.
Name (Printed or typed)

300 South Orange Avenue, Suite 1000
Address

Orlando, Florida 32801
City, State & Zip

(407) 423-3200
Daytime Telephone number

NOTE: Please provide the original and one copy of the articles.

FILED
2006 JUN -7 PM 4: 29
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

**ARTICLES OF INCORPORATION
OF
PALENCIA NORTH HOMEOWNERS ASSOCIATION, INC.**

In compliance with the requirements of Florida law, the undersigned Incorporator has executed, adopted and caused to be delivered for filing these Articles of Incorporation for the purpose of forming a corporation not for profit and does hereby certify:

ARTICLE I

NAME OF CORPORATION

The name of the corporation is PALENCIA NORTH HOMEOWNERS ASSOCIATION, INC. (hereinafter called the "Association").

ARTICLE II

DEFINITIONS

Unless otherwise provided in these Articles of Incorporation, all terms used in these Articles of Incorporation shall have the same definitions and meanings as those set forth in the Declaration of Covenants and Restrictions for Palencia North recorded or to be recorded in the Public Records of St. Johns County, Florida, as it may be amended and/or supplemented from time to time (hereinafter called the "Declaration").

ARTICLE III

PRINCIPAL OFFICE OF THE ASSOCIATION

The principal place of business and the mailing address of the Association is located at 14785 St. Augustine Road, Jacksonville, Florida 32256.

ARTICLE IV

REGISTERED OFFICE AND REGISTERED AGENT

The initial registered office of the Association shall be located at 14785 St. Augustine Road, Jacksonville, Florida 32256, and the initial registered agent of the Association shall be

Sam Sparks. The Association may change its registered agent or the location of its registered office, or both, from time to time, without having to amend these Articles of Incorporation.

ARTICLE V

PURPOSE AND POWERS OF THE ASSOCIATION

Section 1. Purpose. The purposes for which the Association is organized are as follows:

(a) To operate as a corporation not-for-profit pursuant to Chapter 617 and any other applicable provisions of the Florida Statutes, as they may be amended and/or renumbered from time to time. The Association does not contemplate pecuniary gain or profit. The Association shall not pay dividends and no part of any income of the Association shall be distributed to its Members, Directors or officers.

(b) To administer, enforce and carry out the terms and provisions of any other Declaration of Covenants, Conditions and Restrictions or similar document, submitting property to the jurisdiction of or assigning responsibilities, rights or duties to the Association.

Section 2. Powers. The Association shall have the following powers:

(a) All of the common law and statutory powers of a not for profit corporation organized under the laws of the State of Florida, subject only to such limitations upon the exercise of such powers as are expressly set forth in these Articles of Incorporation, the Bylaws or the Declaration.

(b) To enter into, make, establish, amend and enforce, rules, regulations, Bylaws, covenants, restrictions and agreements to carry out the purposes of the Association. The Association may use any enforcement method authorized by the Declaration and/or Florida law, including but not limited to, fines, suspensions of use rights to Common Property, actions for damages, equitable actions, injunctive relief, administrative actions, or any combination of these.

(c) To fix, levy and collect Assessments (Annual Assessments, Special Assessments, Initiation Assessments, Service Area Assessments, Special Service Area Assessments and/or Individual Assessments) for the Common Expense from Members to defray the costs, expenses, reserves and losses incurred or to be incurred by the Association and to use the proceeds thereof in the exercise of the Association's powers and duties, including, but not limited to, the costs of maintenance and operation of the Surface Water or Stormwater Management System.

(d) To fix, levy and collect Special Assessments for the Common Expense from Members to defray the costs, expenses, reserves, losses, damages and budget shortfalls incurred or to be incurred by the Association and to use the proceeds thereof in the exercise of the Association's powers and duties.

(e) To fix, levy and collect Service Area Assessments and Special Service Area Assessments for the Service Area Expense from Members to defray the costs, expenses, reserves and losses incurred or to be incurred by the Association on behalf of any Service Area, and to use the proceeds thereof in the exercise of the Association's powers and duties.

(f) To fix, levy and collect Special Service Area Assessments for the Service Area Expense from Members to defray the cost, expenses, reserves, losses, damages and budget shortfalls incurred or to be incurred by the Association on behalf of any Service Area, and to use the proceeds thereof in the exercise of the Association's powers and duties.

(g) To make, adopt, establish, amend and enforce rules and regulations regarding the use, appearance and/or condition of any portion of the Property bound by the terms, covenants, conditions and restrictions of the Declaration, including but not limited to, Common Property, Area of Common Responsibility, Service Areas, Residential Dwelling Units, Lots, Building Sites, Members, structures, improvements, dwellings, landscaping and maintenance.

(h) To operate, maintain, manage, repair and replace the Surface Water or Stormwater Management System in a manner consistent with the District Permit requirements and the applicable District rules, and shall assist in the enforcement of the terms, conditions, restrictions and portions of the Declaration which relate to the Surface Water or Stormwater Management System.

(h) To own, purchase, sell, mortgage, lease, administer, manage, operate, maintain, improve, repair and/or replace real property and personal property.

(i) To borrow and to hold funds, select depositories, administer bank accounts of the Association, and to pay all expenses, including licenses, public assessments, taxes or government charges, incident to the purposes and powers of the Association, as set forth in these Articles of Incorporation and as may be provided in the Declaration and the Bylaws.

(j) To purchase insurance for the protection of the Association, its officers, Directors, Members and such other parties as the Association may determine to be in the best interests of the Association. To require Members to purchase insurance for the protection of their Lots and/or Building Sites and any structures, landscaping, Residential Dwelling Units, Commercial Improvements and/or any improvements on that Member's Lots and/or Building Site.

(k) To operate, maintain, manage, repair, control, regulate, replace and/or improve the Common Property, Area of Common Responsibility, and such other portions of the Property as may be determined by the Association from time to time.

(l) To enter into contracts and agreements between third parties and the Association.

(m) To exercise architectural control, either directly or through appointed committees, over all buildings, structures, Residences, landscaping and/or improvements of any type to be placed, built, erected, installed and/or constructed upon any portion of the Property. Such architectural control shall be exercised pursuant to the Declaration.

(n) To provide for any functions and services within the Property as the Board of Directors in its sole discretion determines necessary or appropriate.

(o) To provide, purchase, sell, lease, acquire, replace, improve, maintain and/or repair such buildings, structures, pathways, landscaping, paving, equipment and property, both real and personal, as the Association, through its Board of Directors, in its discretion determines necessary or appropriate.

(p) To employ any personnel necessary to perform the obligations, services and/or duties required of or to be performed by the Association and/or to contract with others for the performance of such obligations, services and/or duties and to pay the costs thereof in accordance with whatever contractual arrangement the Board of Directors of the Association shall enter in its sole discretion.

(q) To establish, maintain, operate and use reserve funds for capital improvements, repairs and replacements. To establish, maintain, operate and use reserve funds for items, services, property and/or any other purpose as the Board of Directors of the Association may determine in its sole discretion to be in the best interest of the Association.

(r) To enter into a management contract with a third party for the maintenance and repair of any Common Property, Area of Common Responsibility and for the operation of the Association. The Board of Directors will carry out this power on behalf of the Association. The management contract may provide a management fee to the management agent and the delegation of certain duties, as may be determined by the Board of Directors of the Association.

(s) To enter into agreements and/or contracts with professionals, including but not limited to, attorneys and accountants, to assist the Association in its performance of the obligations, services and duties required of or to be performed by the Association. The Board of Directors will carry out this power on behalf of the Association.

(t) To create, appoint and/or dissolve any committees that the Board of Directors of the Association may deem appropriate.

(u) To collect delinquent Assessments by fine, claim of lien, suit or otherwise and to file and defend any suit or other proceeding in pursuit of all legal and/or equitable remedies or defense of all claims relating to the Declaration, the Bylaws, these Articles of Incorporation and/or Florida law.

(v) To adopt, change, repeal and/or amend the Bylaws.

(w) To adopt, change, repeal and/or amend Bylaws that would be effective only in an emergency, as defined in Article XIII of these Articles of Incorporation.

ARTICLE VI

MEMBERSHIP

Section 1. Each Owner (including Declarant) shall be a Member of the Association. Membership in the Association shall be appurtenant to and inseparable from the Lot and/or Building Site giving rise to such membership, and any transfer of record title to a Lot and/or Building Site shall operate automatically to transfer to the new Owner the membership in the Association appurtenant to that Lot and/or Building Site. The interest, if any, of an Owner in the funds and assets of the Association may not be assigned, hypothecated or transferred in any manner, except as an appurtenance to that Owner's Lot and/or Building Site. Membership in the Association is mandatory for all Owners and membership shall continue, as to each Owner, until such time as that Owner transfers or conveys that Owner's fee simple interest in the Lot and/or Building Site upon which that Owner's membership is based or until such fee simple interest is transferred or conveyed by operation of law, at which time the membership in the Association will automatically pass to the grantee or transferee. Notwithstanding the foregoing, the Association shall not be obligated to recognize such a transfer or conveyance of membership until such time as the Association receives a true copy of the recorded deed or other written instrument establishing the transfer or conveyance of ownership of the Lot and/or Building Site, and it shall be the responsibility and obligation of the new Owner of the Lot and/or Building Site to provide such true copy of said recorded instrument to the Association.

Section 2. The Association shall have two (2) classes of membership with the voting rights as follows:

(a) Class A. Class A Members shall be all the Owners of Lots and all Owners of Building Sites, with the exception of Declarant for so long as Class B membership exists. Each Class A Member shall have one (1) vote for each Lot and/or Building Site owned by that Member. When more than one person or entity is an Owner of any Lot and/or Building Site, all such persons or entities shall be Members, but the vote for that Lot and/or Building Site shall be exercised only by that one (1) Member Eligible To vote. In no event shall there be more than one (1) Class A vote for each Lot, and in no event shall there be more than one (1) Class A vote for each Building Site.

(b) Class B. The Class B Member shall be the Declarant, or the express assigns or successors in interest of Declarant. Until conversion of the Class B membership to Class A membership as set forth in Article VI, Section 2(c) of these Articles of Incorporation, Declarant shall have five (5) votes for each Lot and/or Building Site owned by Declarant. As each Lot and Building Site in the Property are conveyed by Declarant to a Class A Member, Declarant's votes for that Lot and/or Building Site shall automatically terminate.

(c) Conversion of Class B Membership. Declarant's Class B membership shall continue in effect during the period from the date of the Declaration until the earlier of the following events:

(1) Three (3) months after ninety percent (90%) of all Lots in Palencia North have been conveyed or transferred to Owners other than Declarant, excluding conveyances and/or transfers to builders, contractors, and/or any others who purchase a Lot for the purpose of constructing improvements thereon for resale; or

(2) Ten (10) years after the date on which the Declaration is recorded in the Public Records of St. Johns County, Florida; or

(3) At such earlier time as Declarant, in its sole discretion, may so elect by recording a notice of such election in the Public Records of St. Johns County, Florida.

When the earlier of the preceding events occurs, the Class B Members shall call a Special Meeting of the Association's membership to advise of the termination of Class "B" membership. When the Class B membership terminates, Declarant will automatically be converted to Class A membership. Declarant shall then retain one (1) vote for each Lot and/or Building Site still owned by Declarant. When the Class B membership converts to Class A membership in the Association, Declarant may exercise the right to vote any Lot(s) and/or Building Site(s) still owned by Declarant in the same manner as any other Class A Member, except Declarant cannot exercise its vote(s) for the purposes of reacquiring control of the Association or selecting a majority of the members of the Board of Directors.

(d) No Split Votes. The vote for each Lot must be cast as a single vote, and fractional votes shall not be allowed. The vote for each Building Site must be cast as a single vote, and fractional votes shall not be allowed. If a Lot and/or Building Site is owned by more than one (1) Owner, and the Owners of that Lot and/or Building Site are unable to agree among themselves as to how the vote is to be cast, or if more than one (1) Class A vote is cast for any Lot and/or Building Site, the vote for that Lot and/or Building Site shall not be counted for any purpose except for establishing a quorum. If any Owner casts a vote on behalf of a Lot and/or Building Site, it shall be conclusively presumed that Owner was acting with the authority and consent of all other Owners of that Lot and/or Building Site.

(e) Voting by Proxy. All Members entitled to vote may do so by proxy. Any proxy shall be delivered to the Secretary of the Association's Board of Directors or another authorized person so designated by the Board of Directors. No proxy shall be valid after ninety (90) days from the date the proxy is signed by the Member. Every proxy shall be revocable at any time in the discretion of the Member executing that proxy.

(f) No Cumulative Voting. There shall be no cumulative voting on any issue, matter or candidate that is the subject of a vote by the Association's membership.

(g) Percentage of Members. When reference is made in these Articles of Incorporation or the Bylaws to a majority, specific percentage or fraction of Members, such reference shall be deemed to be a reference to a majority, specific percentage or fraction of the votes eligible to be cast and not of the Members themselves. As an illustration, but not as a

limitation, if there are one hundred twenty-seven (127) Lots and all the Lots are owned by Class A Members, then there is a total of one hundred twenty-seven (127) votes eligible to be cast.

ARTICLE VII

BOARD OF DIRECTORS

The affairs of the Association shall be managed and administered by a Board of Directors consisting of three (3), five (5) or seven (7) members, as may be determined from time to time by the Association's membership. While Class B membership exists, the Board of Directors shall consist of three (3) members. All of the duties, power and authority of the Association existing under Florida law, the Declaration, these Articles and/or the Bylaws shall be exercised exclusively by the Board of Directors, subject to approval by the Members only when specifically required. The names and addresses of persons who are to act in the capacity of Director until appointment or election of their successors are:

	<u>NAME</u>	<u>ADDRESS</u>
1.	Sam Sparks	14785 St. Augustine Road Jacksonville, Florida 32256
2.	Robert Smith	14785 St. Augustine Road Jacksonville, Florida 32256
3.	Don Wilford	14785 St. Augustine Road Jacksonville, Florida 32256

Any other provision of these Articles notwithstanding, the Declarant shall be entitled to appoint and remove any Director while Class B membership exists. When Class B membership terminates, the Class A Members shall elect Directors by written ballot at a Special Meeting of the Association's Members. A Member must be current in the payment of all Association Assessments to be eligible to run for and hold the position of Director. Directors must be natural persons who are eighteen (18) years of age or older. All Directors, except those designated or appointed by the Declarant, shall be Members of the Association.

Any vacancies on the Board shall be filled as set forth in the Bylaws of the Association.

ARTICLE VIII

OFFICERS

The officers of the Association may include a President, a Vice President, a Secretary, a Treasurer and such other officers as the Board of Directors may from time to time by resolution create. The officers shall be elected by the Board of Directors and the officers shall serve at the

pleasure of the Board of Directors. The names and addresses of the officers who shall serve until their successors are designated by the Board of Directors are as follows:

<u>OFFICE</u>	<u>NAME</u>	<u>ADDRESS</u>
President	Sam Sparks	14785 St. Augustine Road Jacksonville, Florida 32256
Vice President	Don Wilford	14785 St. Augustine Road Jacksonville, Florida 32256
Treasurer/Secretary	Robert Smith	14785 St. Augustine Road Jacksonville, Florida 32256

ARTICLE IX

INDEMNIFICATION OF OFFICERS AND DIRECTORS

Section 1. The Association shall defend, indemnify and hold harmless any person who is made a party or is threatened to be made a party to any threatened, pending, or contemplated action, suit or proceedings, whether civil, criminal, administrative, or investigative, by reason of the fact that the person is or was a Director, officer, Committee member, employee or agent of the Association:

(a) From and against expenses (including reasonable attorneys' fees for pretrial, trial, or appellate proceedings), judgments, fines, and amounts paid in settlement actually and reasonably incurred by that person in connection with an action, suit, or proceeding (other than one by or in the right of the Association), if that person acted in good faith, and, with respect to any criminal action or proceedings, he or she had no reasonable cause to believe his or her conduct was unlawful; and

(b) From and against expenses (including reasonable attorneys' fees for pretrial, trial, or appellate proceedings) actually and reasonably incurred by him or her in connection with the defense or settlement of an action or suit by or in the right of the Association, if he or she acted in good faith.

(c) From and against expenses (including reasonable attorneys' fees for pretrial, trial, or appellate proceedings) actually and reasonably incurred by him or her in connection with enforcing the indemnification provisions of this Article IX.

Section 2. The termination of any action, suit, or proceeding by judgment, order, settlement, conviction, or upon a plea of *nolo contendere* or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith, or, with respect to any criminal

action or proceeding, that such person had reasonable cause to believe that his or her conduct was unlawful.

Section 3. Notwithstanding any other provision hereof to the contrary, no indemnification shall be made in respect of any claim, issue, expense and/or matter as to which such person shall have been adjudged to be liable for gross negligence and/or misconduct in the performance of his or her duty to the Association.

Section 4. Expenses incurred in defending a civil or criminal action, suit, or proceeding as a result of the indemnification provided under this Article IX shall be paid by the Association from time to time as incurred rather than only after the final disposition of such action, suit, or proceeding. Payment of such expenses shall be authorized by the Board of Directors in each specific case only after receipt by the Association of an undertaking by or on behalf of the Director or officer to repay such amounts if it shall later develop that he or she is not entitled to be indemnified by the Association.

Section 5. The indemnification provided by this Article IX shall not be deemed exclusive of any other rights to which the Association's Directors, officers, Committee members, employees or agents may be entitled under the Association's bylaws, agreement, vote of Members or disinterested Directors, or otherwise, both as to actions in their official capabilities and as to action in another capacity while holding such offices or positions, and shall continue as to a person who has ceased to be a Director, officer, Committee member, agent or employee and shall inure to the benefit of the heirs, executors and administrators of such a person.

Section 6. Notwithstanding the foregoing provisions, indemnification provided under this Article IX shall not include indemnification for any action of a Director, officer, Committee member, agent or employee of the Association for which indemnification is deemed to be against public policy. In the event that indemnification provided under this Article IX is deemed to be against public policy, such an event shall not invalidate or affect any other right or indemnification herein provided.

Section 7. The Association shall have the power, but shall not be obligated, to purchase and maintain indemnification insurance to provide coverage for any liability asserted against any director, officer, committee member, agent or employee of the Association in any of his or her capacities as described in Article IX, Section 1 of these Articles of Incorporation, whether or not the Association would have the power to indemnify him or her under this Article IX.

Section 8. Any person requesting indemnification shall first look to any insurance maintained by the Association for indemnification against expenses (including attorneys' fees and costs), judgments, fines, and amounts paid in settlement (as described above). The Association shall be obligated to indemnify such person (if entitled to indemnification by the Association) only to the extent such insurance does not indemnify such person. In the event that any expenses, judgments, fines, or amounts paid in settlement are paid pursuant to insurance maintained by such Association, the Association shall have no obligation to reimburse the insurance company.

ARTICLE X

EXISTENCE AND DURATION

Section 1. The existence of the Association shall commence with the filing of these Articles of Incorporation with the appropriate agency of the State of Florida. The Association shall exist in perpetuity.

Section 2. In the event of termination, dissolution or final liquidation of the Association, the Association's responsibility for the operation and maintenance of the Master Surface Water Management System must be transferred to and accepted by an entity which would comply with the applicable provisions of the Florida Administrative Code, as they may be amended and/or renumbered from time to time, and be approved by the District prior to such termination, dissolution or liquidation.

ARTICLE XI

AMENDMENTS

Amendments to these Articles of Incorporation shall be proposed and adopted as follows:

A. The Board of Directors, by majority vote, must adopt a resolution setting forth the proposed amendment(s); and

Written notice of the content of the proposed amendment(s) must be given to all Members of the Association at least fourteen (14) days prior to the date of the meeting when the vote on the proposed amendment(s) will take place. In addition to the content of the proposed amendment(s), the Association shall provide the date, time and location for the meeting where the vote will take place. For purposes of this Article XI(A), the notice will be considered to have been properly sent to the Association's membership when personally delivered or mailed, postage prepaid, by the Association, its employees, agents, Officers or Directors, to the address of the person who appears as a Member or Owner on the records of the Association at the time of such delivery or mailing.

B. Any proposed amendment to these Articles of Incorporation must be submitted to a vote by the Members for approval. At least sixty-seven percent (67%) of those Members, who appear either in person or by proxy at any duly called meeting of the Association's membership where a quorum is attained, must vote in favor of adopting any amendment to these Articles of Incorporation. A vote by the Members regarding a proposed amendment to these Articles of Incorporation may take place at any duly called meeting of the Association's membership where a quorum is attained, which may either be the Annual Meeting or a Special Meeting.

C. If an amendment is adopted by the Members pursuant to Article XI(B) of these Articles, a copy of the amendment(s) must be filed with the State of Florida Secretary of State or other appropriate agency of the State of Florida, and a copy that has been certified by the

Secretary of State or other appropriate agency of the State of Florida shall be recorded in the Public Records of St. Johns County, Florida. Any amendment to these Articles of Incorporation shall be effective on the date it has been accepted and filed by the Secretary of State or other appropriate agency of the State of Florida.

ARTICLE XII

BYLAWS

The Bylaws of the Association shall be initially adopted by a majority vote of the Association's Board of Directors and may subsequently be altered, amended, repealed and/or rescinded in the manner provided in the Bylaws.

ARTICLE XIII

EMERGENCY BYLAWS

The Association's Board of Directors, by majority vote, may adopt Bylaws that would be effective only in an emergency. For purposes of these Articles of Incorporation, "emergency" shall be defined as a catastrophic event that would prevent a quorum of the Association's Board of Directors from readily assembling, which would include, but is not limited to, the following: a hurricane, earthquake, act of war, civil unrest, domestic terrorism, or other similar occurrence. An "emergency" also exists during any period of time that local civil authorities have declared that a state of emergency exists in, or have ordered the mandatory evacuation of, the area in which the Montecito community is located.

Any emergency Bylaws adopted by the Association's Board of Directors shall cease to be effective once the reason for the emergency ends. All provisions of the regular Bylaws that do not conflict with the emergency Bylaws remain effective during the emergency.

ARTICLE XIV

CONFLICT BETWEEN DOCUMENTS

In the event of any conflict or inconsistency between these Articles of Incorporation and the Declaration, the terms, conditions and provisions of the Declaration shall control and prevail. In the event of any conflict or inconsistency between these Articles of Incorporation and the Bylaws, the terms, conditions and provisions of these Articles of Incorporation shall control and prevail.

ARTICLE XV

REQUIRED APPROVALS

Notwithstanding anything in these Articles of Incorporation to the contrary, as long as there exists a Class B membership in the Association, if any one of more of the Department of Housing and Urban Development ("HUD"), Federal Housing Administration ("FHA") or the Veteran's Administration ("VA") requires approval or consent by it or them for any of the following: mergers or consolidations involving the Association; placing any mortgage lien on the Association's Common Property; dedication to the public of any Common Property; any amendment of the Declaration; any amendment of these Articles of Incorporation; and dissolution of the Association, then the required consent or approval shall be obtained.

ARTICLE XVI

MERGER

Section 1. The Association may be merged with any other Florida not for profit or for profit corporation, as long as the surviving corporation is a Florida not for profit corporation and has as one of its purposes to administer, enforce and carry out the terms, conditions, restrictions and provisions of the Declaration as it may be amended and/or supplemented from time to time, any subsequent Declaration, any restrictive covenants that run with the land and/or any equitable servitudes that may apply to the Property.

Section 2. In order for a merger to occur, the Association must adopt a plan of merger that contains at a minimum the following: the names of the corporations proposing to merge and the name of the surviving corporation which will be left following the merger; the terms and conditions of the proposed merger; a statement of any changes in the articles of incorporation of the surviving corporation to be effected by the merger; and a prohibition on any abandonment of the proposed merger after the merger has been approved by the Association's members pursuant to Article XV, Section 3(c) of these Articles of Incorporation, unless such abandonment is first approved by the Association's members.

Section 3. In order to approve a plan of merger:

(a) the Board of Directors, by a majority vote, must first adopt a resolution approving the proposed plan of merger and then submit that plan of merger to a vote of the Association's membership by written notice.

(b) the written notice of the content of the proposed amendment must be given to all Members of the Association at least fourteen (14) days prior to the date of the meeting when the vote on the proposed amendment will take place. In addition to the content of the proposed amendment, the Association shall provide the date, time and location for the meeting where the vote will take place. For purposes of Article XV, Section 3(b) of these Articles of Incorporation, the notice will be considered to have been properly sent to the Association's membership when personally delivered or mailed, postage prepaid, by the Association, its employees, agents,

Officers or Directors, to the address of the person who appears as a Member or Owner on the official records of the Association at the time of such delivery or mailing.

(c) the proposed plan of merger must then be approved by at least a majority of the Association's Members, voting either in person or by proxy, at a duly called meeting of the Association's Members at which a quorum is attained. This meeting of the Association's Members may be either the Annual Meeting or a Special Meeting.

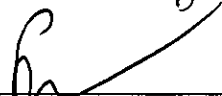
ARTICLE XVII

INCORPORATOR

The name and street address of the Incorporator to these Articles of Incorporation are as follows:

Sam Sparks
14785 St. Augustine Road
Jacksonville, Florida 32256

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of Florida, the undersigned, constituting the Incorporator of this Association, has executed these Articles of Incorporation this 31st day of May, 2006.



SAM SPARKS

STATE OF FLORIDA

COUNTY OF DUVAL

The foregoing Articles of Incorporation were acknowledged before me this 31st day of May, 2006, by SAM SPARKS who is personally known to me OR has produced _____ as identification.

NOTARY STAMP:





NOTARY PUBLIC, State of Florida

Print Name: _____
Commission No. _____
My Commission Expires: _____

**CERTIFICATE DESIGNATING REGISTERED AGENT
FOR SERVICE OF PROCESS**


Pursuant to Chapters 48 and 617 of the Florida Statutes, the following is submitted in compliance with said Acts:

PALENCIA NORTH HOMEOWNERS ASSOCIATION, INC., desiring to organize as a corporation under the laws of the State of Florida, with its registered office at 14785 St. Augustine Road, Jacksonville, Florida 32256, has named Sam Sparks, located at the above-registered office, as its Registered Agent to accept service of process within the State of Florida.

ACKNOWLEDGMENT

Having been named to accept service of process for the above-stated corporation at the place designated in this Certificate, I hereby accept to act in this capacity and agree to comply with the provisions of said Acts relative to keeping open said office.

Registered Agent:

By: 

SAM SPARKS

Dated: May 31, 2006



RECEIVED

OCT 18 2001

FLORIDA DEPARTMENT OF STATE
Katherine Harris
Secretary of State

October 17, 2001

UCC FILING & SEARCH SERVICES

The Articles of Incorporation for PALENCIA PROPERTY OWNERS ASSOCIATION OF ST. JOHNS COUNTY, INC. were filed on October 17, 2001 and assigned document number N01000007382. Please refer to this number whenever corresponding with this office regarding the above corporation. The certification you requested is enclosed.

PLEASE NOTE: COMPLIANCE WITH THE FOLLOWING PROCEDURES IS ESSENTIAL TO MAINTAINING YOUR CORPORATE STATUS. FAILURE TO DO SO MAY RESULT IN DISSOLUTION OF YOUR CORPORATION.

A CORPORATION ANNUAL REPORT/UNIFORM BUSINESS REPORT MUST BE FILED WITH THIS OFFICE BETWEEN JANUARY 1 AND MAY 1 OF EACH YEAR BEGINNING WITH THE CALENDAR YEAR FOLLOWING THE YEAR OF THE FILING DATE NOTED ABOVE AND EACH YEAR THEREAFTER. FAILURE TO FILE THE ANNUAL REPORT/UNIFORM BUSINESS REPORT ON TIME MAY RESULT IN ADMINISTRATIVE DISSOLUTION OF YOUR CORPORATION.

A FEDERAL EMPLOYER IDENTIFICATION (FEI) NUMBER MUST BE SHOWN ON THE ANNUAL REPORT/UNIFORM BUSINESS REPORT FORM PRIOR TO ITS FILING WITH THIS OFFICE. CONTACT THE INTERNAL REVENUE SERVICE TO RECEIVE THE FEI NUMBER IN TIME TO FILE THE ANNUAL REPORT/UNIFORM BUSINESS REPORT AT 1-800-829-3676 AND REQUEST FORM SS-4.

SHOULD YOUR CORPORATE MAILING ADDRESS CHANGE, YOU MUST NOTIFY THIS OFFICE IN WRITING, TO INSURE IMPORTANT MAILINGS SUCH AS THE ANNUAL REPORT/UNIFORM BUSINESS REPORT NOTICES REACH YOU.

Should you have any questions regarding corporations, please contact this office at the address given below.

Alan Crum, Document Specialist
New Filing Section

Letter Number: 901A00057405

State of Florida



Department of State

I certify the attached is a true and correct copy of the Articles of Incorporation of PALENCIA PROPERTY OWNERS ASSOCIATION OF ST. JOHNS COUNTY, INC., a Florida corporation, filed on October 17, 2001, as shown by the records of this office.

The document number of this corporation is N01000007382.

Given under my hand and the
Great Seal of the State of Florida
at Tallahassee, the Capitol, this the
Seventeenth day of October, 2001



CR2EO22 (1-99)

Katherine Harris

Katherine Harris
Secretary of State

ARTICLES OF INCORPORATION
OF
PALENCIA PROPERTY
OWNERS ASSOCIATION OF ST. JOHNS COUNTY, INC.
(a corporation not-for-profit)

FILED
OCT 17 AM 11:03
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

I. NAME AND DEFINITIONS.

The name of this corporation shall be Palencia Property Owners Association of St. Johns County, Inc. All defined terms contained in these Articles shall have the same meanings as such terms are defined by the Declaration of Covenants and Restrictions for Palencia to be recorded in the current public records of St. Johns County, Florida (the "Declaration").

II. PRINCIPAL OFFICE AND MAILING ADDRESS.

The location of the corporation's principal office and its mailing address shall be 7502-B U.S. 1 North, St. Augustine, Florida, or at such other place as may be established by resolution of the Association's Board of Directors from time to time.

III. PURPOSES.

The general nature, objects and purposes of the Association are:

A. To promote matters of common interest and concern of the Owners of property within the real property subject to the terms and provision of the Declaration.

B. To own, maintain, repair and replace the Common Area, including without limitation the structures, landscaping and other improvements located thereon, for which the obligation to maintain and repair has been delegated to and accepted by the Association.

C. To operate, maintain and manage the Surface Water or Stormwater Management System in a manner consistent with the St. Johns River Water Management Permit No. 4-109-0216-ERP, as the same may be amended from time to time, and applicable District rules, and to assist in the enforcement of the restrictions and covenants contained therein and in Army Corps of Engineers Permit No. 199800 984 (IP-ME).

D. To cooperate with other associations responsible for administration of adjacent or contiguous properties in matters of common interest to the Association and such other associations and to contribute to such common maintenance interests whether within or without the Property.

E. To provide, purchase, acquire, replace, improve, maintain, operate and repair such buildings, structures, landscaping, equipment, and to provide such other services for the benefit of the members of the Association, as the Board of Directors in its discretion determines necessary, appropriate, and/or convenient.

F. To operate without profit for the sole and exclusive benefit of its Members.

G. To perform all of the functions contemplated for the Association and undertaken by the Board of Directors pursuant to the terms and conditions of the Declaration.

IV. GENERAL POWERS.

The general powers that the Association shall have are as follows:

A. To hold funds solely and exclusively for the benefit of the Members for purposes set forth in these Articles of Incorporation.

B. To promulgate and enforce rules, regulations, bylaws, covenants, restrictions and agreements to effectuate the purposes for which the Association is organized.

C. To delegate power or powers where such is deemed in the interest of the Association.

D. To purchase, lease, hold, sell, mortgage or otherwise acquire or dispose of real or personal property, to enter into, make, perform or carry out contracts of every kind with any person, firm, corporation or association (including without limitation contracts for services to provide for operation and routine custodial maintenance of the Surface Water or Stormwater Management System); to do any and all acts necessary or expedient for carrying on any and all of the activities and pursuing any and all of the objects and purposes set forth in the Declaration and these Articles of Incorporation and not forbidden by the laws of the State of Florida.

E. To fix assessments to be levied against all or any portion of the Property to defray expenses and costs of effectuating the objects and purposes of the Association and to create reasonable reserves for such expenditures, and to authorize its Board of Directors to enter into agreements with other property owner's associations or maintenance entities for the collection of such assessments. The foregoing shall include the power to levy and collect adequate assessments against the Members for the costs of maintenance and operation of the Surface Water or Stormwater Management System. Such assessments shall be used for the maintenance and repair of the Surface Water or Stormwater Management System, including but not limited to, work within retention areas, drainage structures and drainage easements.

F. To charge recipients for services rendered by the Association and the users of the Association property where such is deemed appropriate by the Board of Directors of the Association and permitted by the Declaration.

G. To pay taxes and other charges, if any, on or against property owned, accepted, or maintained by the Association.

H. To borrow money and, from time to time, to make, accept, endorse, execute and issue debentures, promissory notes or other obligations of the Association for monies borrowed, or in payment for property acquired, or for any of the other purposes of the Association, and to secure the payment of such obligations by mortgage, pledge, or other instrument of trust, or by lien upon, assignment of or agreement in regard to all or any part of the property rights or privileges of the Association wherever situated.

I. To merge with any other association which may perform similar functions located within the same general vicinity of the Property.

J. In general, to have all powers conferred upon a corporation by the laws of the State of Florida, except as prohibited herein and by the terms and conditions set forth in the Declaration.

V. **MEMBERS.**

The members ("Members") shall consist of the Developer, each Subassociation and each Owner who is not a member of a Subassociation.

VI. **VOTING AND ASSESSMENTS.**

A. Subject to the restrictions and limitations hereinafter set forth, each Member, other than the Developer, shall be entitled to the number of votes in the Association computed as follows:

1. The Members who are Subassociations shall have the number of votes equal to the number of Assessment Equivalents attributable to the Lots and Building Sites owned by Owners who are members of such Subassociations. The votes of Members who are Subassociations shall be exercised by an officer of the Subassociation designated by the Board of Directors of such Subassociation.

2. The Members, other than the Developer, who are Owners shall have one vote for each Assessment Equivalent attributable to the Lots or Building Sites owned by them. The votes of Members who are Owners shall be exercised directly by such Owners or their authorized representatives.

3. The Developer shall have the number of votes equal to the number of votes allocated to the Members other than the Developer, plus one vote. The Developer shall have such voting rights for so long as it shall own any portion of the Property, or until it shall voluntarily relinquish its right to vote in Association matters, whichever shall first occur.

B. When an Owner who is a Member is comprised of one or more persons or entities, all such persons shall be Members, and the vote(s) for the applicable portions of the Property shall be exercised as they among themselves shall determine. The votes allocated to any Subassociation or Owner pursuant to these Articles, cannot be divided for any issue and must be voted as a whole, except where otherwise required by law. The affirmative vote of a majority of the votes allocated to the Members cast at any meeting of the Members duly called at which a quorum is present, or cast by written ballot by a quorum of the membership, shall be binding upon the Members and the Association.

C. The Association will obtain funds with which to operate by assessment of the Owners in accordance with the provisions of the Declaration, as supplemented by the provisions of the Articles and Bylaws of the Association relating thereto. Any Member who is delinquent in the payment of assessments due the Association shall be deemed to be not in good standing with the Association for the period of time that such delinquency shall continue.

VII. BOARD OF DIRECTORS.

A. The affairs of the Association shall be managed by a Board of Directors consisting of five (5) Directors. Directors need not be Members of the Association and need not be residents of the State of Florida; provided however, no person who is a Member who is not in good standing with the Association shall be eligible to serve as a Director. For so long as it shall own any portion of the Property, the Developer shall have the right to appoint three (3) of the Directors and there shall be two (2) Directors elected by the Members of the Association other than the Developer.

B. Elections shall be by plurality vote. At the first annual election of the Board of Directors, the terms of office of the two (2) elected Directors shall be established at one (1) year. The Developer shall appoint three (3) Directors to serve for terms of two (2) years each. Thereafter, as many Directors shall be elected and appointed, as the case may be, as there are regular terms of office of Directors expiring at such time; and the term of each Director so elected or appointed at each annual election shall be for two (2) years expiring at the second annual election following their election, and thereafter until their successors are duly elected and qualified, or until removed from office with or without cause by the affirmative vote of a majority of the Members which elected or appointed them. In no event can a Board member appointed by the Developer be removed except by action of the Developer. Any Director appointed by the Developer shall serve at the pleasure of the Developer, and may be removed from office, and a successor Director may be appointed, at any time by the Developer.

C. The names and addresses of the members of the first Board of Directors who shall hold office until the first annual meeting of the Members and until their successors are elected or appointed and have qualified, are as follows:

Michael T. Harrison
7502-B U.S. 1 North
St. Augustine, FL 32095-8401

V. Hawley Smith, Jr.
7502-B U.S. 1 North
St. Augustine, FL 32095-8401

Walter R. O'Shea
7502-B U.S. 1 North
St. Augustine, FL 32095-8401

Paul Fletcher
7502-B U.S. 1 North
St. Augustine, FL 32095-8401

Naomi Lumley
7502-B U.S. 1 North
St. Augustine, FL 32095-8401

VIII. OFFICERS.

A. The Officers of the Association shall be a President, a Vice President, a Secretary and a Treasurer, and such other officers as the Board may from time to time by resolution create. Any two (2) or more offices, may be held by the same person except the offices of President and Secretary. Officers shall be elected for one (1) year terms in accordance with the procedure set forth in the Bylaws. The names of the officers who are to manage the affairs of the Association until the first annual meeting of the Members and until their successors are duly elected and qualified are:

President	Michael T. Harrison
Vice President	Walter R. O'Shea
Treasurer	Michael Taylor
Secretary	Naomi Lumley

IX. CORPORATE EXISTENCE.

The Association shall have perpetual existence. These Articles shall become effective upon filing as prescribed by law.

X. BYLAWS.

The Board of Directors shall adopt Bylaws consistent with these Articles. Such Bylaws may be altered, amended, or repealed by resolution of the Board of Directors.

XI. AMENDMENTS TO ARTICLES OF INCORPORATION AND BYLAWS.

These Articles may be altered, amended or repealed upon the affirmative vote of Members holding a majority of the total votes allocated to the Members pursuant to these Articles.

XII. INCORPORATOR.

The name and address of the Incorporator is as follows:

Mr. Michael T. Harrison
7502-B U.S. 1 North
St. Augustine, FL 32095

XIII. INDEMNIFICATION OF OFFICERS AND DIRECTORS.

A. To the extent allowed by law, the Association hereby indemnifies any Director or officer made a party or threatened to be made a party to any threatened, pending or completed action, suit or proceeding:

1. Whether civil, criminal, administrative, or investigative, other than one by or in the right of the Association to procure a judgment in its favor, brought to impose a liability or penalty on such person for an act alleged to have been committed by such person in his capacity as a Director or officer of the Association or as a director, officer, employee or agent of any other corporation, partnership, joint venture, trust or other enterprise which he served at the request of the Association, against judgments, fines, amounts paid in settlement and reasonable expenses, including attorneys' fees, actually and necessarily incurred as a result of such action, suit or proceeding or any appeal thereof, if such person acted in good faith in the reasonable belief that such action was in the best interests of the Association, and in criminal actions or proceedings, without reasonable grounds for belief that such action was unlawful. The termination of any such action, suit or proceeding by judgment, order, settlement, conviction or a plea of nolo contendere or its equivalent shall not in itself create a presumption that any such Director or officer did not act in good faith in the reasonable belief that such action was in the best interest of the Association or that he had reasonable grounds for belief that such action was unlawful.

2. By or in the right of the Association to procure a judgment in its favor by reason of his being or having been a Director or officer of the Association, or by reason of his being or having been a director, officer, employee or agent of any other corporation, partnership, joint venture, trust or other enterprise which he served at the request of the Association, against the reasonable expenses including attorneys' fees, actually and necessarily incurred by him in connection with the defense or settlement of such action, or in connection with an appeal therein if such person acted in good faith in the reasonable belief that such action was in the best interest of the Association. Such person shall not be entitled to indemnification in relation to matters to which such person has been adjudged to have been guilty of gross negligence or misconduct in the performance of his duty to the Association unless, and only to the extent that, the court, administrative agency, or investigative body before which such action, suit or proceeding is held shall determine upon

application that, despite the adjudication of liability but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnification for such expenses which such tribunal shall deem proper.

B. The Board of Directors shall determine whether amounts for which a Director or officer seek indemnification were properly incurred and whether such Director or officer acted in good faith in a manner he reasonably believed to be in the best interests of the Association, and whether, with respect to any criminal action or proceeding, he had no reasonable ground for belief that such action was unlawful. Such determination shall be made by the Board of Directors by a majority vote of a quorum consisting of Directors who were not parties to such action, suit or proceeding.

C. The foregoing rights of indemnification shall not be deemed to limit in any way the powers of the Association to indemnify under applicable law.

XIV. TRANSACTION IN WHICH DIRECTORS OR OFFICERS ARE INTERESTED.

A. No contract or transaction between the Association and one or more of its Directors or officers, or between the Association and any other corporation, partnership, association, or other organization in which one or more of its Directors or officers are Directors or officers, or in which they have a financial interest, shall be invalid, void or voidable solely for this reason, or solely because the Director or officer is present at or participates in the meeting of the Board or committee thereof which authorizes the contract or transaction, or solely because his or their votes are counted for such purpose. All such contracts or transactions shall, however, be fair and reasonable and upon terms reasonably comparable to those which could be obtained in arms-length transactions with unrelated entities. No Director or Officer of the Association shall incur liability by reason of the fact that he is or may be interested in any such contract or transaction.

B. Interested Directors may be counted in determining the presence of a quorum at a meeting of the Board of Directors or of a committee which authorized the contract or transaction.

XV. DISSOLUTION OF THE ASSOCIATION.

A. Upon dissolution of the Association, all of its assets remaining after provisions for creditors and payment of all costs and expenses of such dissolution shall be distributed in the following manner:

1. Dedication to any applicable municipal or other governmental authority of any property determined by the Board of Directors of the Association to be appropriate for such dedication and which the authority is willing to accept.

2. Remaining assets shall be distributed among the Members, subject to the limitation set forth below, each Member's share of the assets to be determined by multiplying such remaining assets by a fraction the numerator of which is all amounts assessed by the Association since its organization against the portion of Property which is owned by the Member at that time,

and the denominator of which is the total amount (excluding penalties and interest) assessed by the Association against all properties which at the time of dissolution are part of the Property. The year of dissolution shall count as a whole year for purposes of the preceding fractions.

B. The Association may be dissolved upon a resolution to that effect being approved by a majority of the Board of Directors and by two-thirds (2/3) of the Members. In the event of incorporation by annexation or otherwise, of all or part of the Property by a political subdivision of the State of Florida, the Association may be dissolved in the manner set forth above.

C. In no event shall the Association be dissolved or merged, and any attempt to do so shall be ineffective, unless and until maintenance responsibility for the Surface Water or Stormwater Management System and discharge facilities located within the Property is assumed by an entity acceptable to the St. Johns River Water Management District, Florida Department of Environmental Regulation, or other governmental authority having jurisdiction, pursuant to the requirements of Rule 40C-42.027, Florida Administrative Code, or other administrative regulation of similar import. Further, such dissolution or merger shall require the prior approval of the Army Corps of Engineers.

XVI. MERGERS AND CONSOLIDATIONS.

Subject to the provisions of the Declaration applicable to the Property and to the extent permitted by law, the Association may participate in mergers and consolidations with other nonprofit corporations organized for the same purposes, provided that any such merger or consolidation shall be approved in the manner provided by Chapter 617, Florida Statutes as the same may be amended from time to time. For purposes of any vote of the Members required pursuant to said statutes, for so long as the Developer shall own any portion of the Property, any such merger or consolidation shall require the Developer's prior approval.

IN WITNESS WHEREOF, the Incorporator has hereto set his hand and seal this 11th day of October, 2001.


Signed, sealed and delivered
in the presence of:

Suzanne Ritter
SUZANNE RITTER
(Print or Type Name)

Michael T. Harrison
Michael T. Harrison
Incorporator

Mark Johnson
Mark Johnson
(Print or Type Name)

HAVING BEEN NAMED TO ACCEPT SERVICE OF PROCESS FOR THE ABOVE NAMED CORPORATION, AT THE PLACE DESIGNATED IN THIS CERTIFICATE, I HEREBY AGREE TO ACT IN THIS CAPACITY, AND I FURTHER AGREE TO COMPLY WITH THE PROVISIONS OF ALL STATUTES RELATIVE TO THE PROPER AND COMPLETE PERFORMANCE OF MY DUTIES.



Walter R. O'Shea
Registered Agent

Dated: 10-15-01, 2001

FILED
01 OCT 17 AM 11:03
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

BYLAWS
OF
PALENCIA PROPERTY
OWNERS ASSOCIATION OF ST. JOHNS COUNTY, INC.

I. DEFINITIONS.

All defined terms contained herein which are defined in the Declaration of Covenants and Restrictions for Palencia ("Declaration") to be recorded in the public records of St. Johns County, Florida, and in the Articles of Incorporation of the Association, shall have the same meanings as such terms are defined in the Declaration and Articles of Incorporation.

II. LOCATION OF PRINCIPAL OFFICE.

The office of the Palencia Property Owners Association of St. Johns County, Inc. ("Association") shall be at 7502-B U.S. 1 North, St. Augustine, Florida 32095, or at such other place as may be established by resolution of the Board of Directors of the Association from time to time.

III. VOTING RIGHTS AND ASSESSMENTS.

A. The Subassociations, the Owners who are not members of a Subassociation, and the Developer, as long as it owns any Property subject to the Declaration, shall be Members of the Association as provided in the Articles of Incorporation of the Association, and shall have the voting rights as set forth in the Articles of Incorporation, provided that any person or entity who holds any interest in a Lot or Building Site only as a security for the performance of an obligation shall not be a Member. Membership shall be appurtenant to, and may not be separated from, ownership of any parcel within the Property.

B. Assessments and installments thereon not paid when due shall bear interest from the date when due until paid at the highest lawful rate and shall result in the suspension of voting privileges during any period of such non-payment.

IV. BOARD OF DIRECTORS.

A. A majority of the Board of Directors of the Association (the "Board") shall constitute a quorum to transact business at any meeting of the Board, and the action of the majority present at a meeting at which a quorum is present shall constitute the action of the Board.

B. Any vacancy occurring on the Board because of death, resignation or other termination of services of any Director, shall be filled by the Board, except that the Developer, to the exclusion of other Members and/or the Board itself, shall fill any vacancy created by the death, resignation, removal or other termination of services of any Director appointed by the Developer. A Director elected or appointed to fill a vacancy shall be elected or appointed for the unexpired term

of his predecessor in office and thereafter until his successor shall have been elected or appointed, and qualified.

V. ELECTION OF DIRECTORS.

A. Nominations for the election of Board members (other than Board members appointed by the Developer) shall be made by the Nominating Committee described in Article IX hereof, or upon petition in accordance with Section C. of this Article V. The Nominating Committee shall make as many nominations as it shall in its discretion determine.

B. The Developer shall, within fourteen (14) days of the date set for the annual meeting of the Association, notify the Secretary of the names of the Directors that it is appointing to the Board.

C. Petitions for nominees shall be accepted if signed by Members representing one-third (1/3) of the total votes held by the Members other than the Developer, and if received by the Secretary of the Association not less than thirty (30) days prior to the date fixed for the annual meeting of the Members. Nominations and notification of the vacancies being filled by the Developer shall be placed on the written ballot referenced in Section D of this Article V.

D. No Member who is not in good standing with the Association may be nominated to serve as a Director. All questions as to the good standing of any Member shall be determined by the Board in its sole discretion.

E. All elections to the Board shall be made on written ballots to be voted at the annual meeting, or in the discretion of the Board, by mail provided such ballots are mailed to the Members not less than fifteen (15) days prior to the date fixed for the annual meeting. The ballots shall (i) describe the vacancies to be filled by the Members other than the Developer, (ii) set forth the names of those nominated for each such vacancy, and (iii) set forth the names of those appointed to the Board by the Developer. Each Member may cast the number of votes to which such Member is entitled as set forth in the Articles of Incorporation.

F. In order for an election of Members of the Board to be valid and binding, the election must occur at a meeting of the Members at which a quorum is present; or if the election is conducted by mail, the Association must receive as of the date established by the Board for receipt of ballots, a number of ballots representing not less than a quorum of the Members.

G. The members of the Board elected or appointed in accordance with the procedures set forth in this Article V shall be deemed elected or appointed as of the date of the annual meeting of the Members.

VI. POWERS AND DUTIES OF THE BOARD OF DIRECTORS.

A. The Board of Directors shall have power:

1. To call meetings of the Members.
2. To appoint and remove at its pleasure all officers, agents and employees of the Association; and to prescribe their duties, fix their compensation, and require of them such security or fidelity bond as it may deem expedient. Nothing contained in these Bylaws shall be construed to prohibit the employment of any Member, Officer or Director of the Association in any capacity whatsoever.
3. To establish, levy and assess, and collect the annual and special assessments necessary to operate the Association and carry on its activities, and to create such reserves as may be deemed appropriate by the Board.
4. To collect assessments on behalf of any other property owners association entitled to establish, levy and collect assessments from the Members of the Association.
5. To appoint committees, adopt and publish rules and regulations governing matters of common interest to the Members, including without limitatoin, the use of the Common Areas or any portion thereof and the personal conduct of the Members and their guests thereon, including reasonable admission charges if deemed appropriate.
6. To authorize and cause the Association to enter into contracts for the day-to-day operation of the Association and the discharge of its responsibilities and obligations.
7. To cause the financial records of the Association to be compiled, reviewed, or audited by an independent certified public accountant at such periodic intervals as the Board may determine in its sole discretion.
8. To supervise the enforcement of the provisions of any covenants and restrictions enforceable by the Association, including without limitation, the administration of any provisions for the imposition of fines contained therein.
9. To exercise for the Association all powers, duties and authority vested in or delegated to the Association, except those reserved to Members in the Declaration or the Articles of Incorporation of the Association.

B. It shall be the duty of the Board of Directors:

1. To cause to be kept a complete record of all of its acts and corporate affairs.
2. To supervise all officers, agents and employees of this Association to insure that their duties are properly performed.
3. With reference to assessments of the Association:
 - (a) To fix the amount of annual assessments against each Member for

each annual assessment period at least thirty (30) days in advance of such date or period;

- (b) To prepare and maintain a roster of the Members and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Member; and
- (c) To send written notice of each assessment to every Member subject thereto.

VII. DIRECTORS MEETINGS.

A. Regular meetings of the Board shall be held quarterly on such date and at such time as the Board may establish. Notice of such meetings is hereby waived.

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

C. Meetings of the Board of Directors shall be open to all Members and notices of meetings shall be posted in a conspicuous place within the Property at least forty-eight (48) hours in advance, except in an emergency. Notice of any meeting of the Board of Directors during which assessments are to be established, shall specifically contain a statement that the assessments shall be considered and a statement of the nature of such assessments.

D. The transaction of any business at any meeting of the Board, however called and noticed, or wherever held, shall be as valid as though made at a meeting duly held after regular call and notice, if a quorum is present and, if either before or after the meeting, each of the Directors not present signs a waiver of notice, or a consent to the holding of such meeting, or an approval of the minutes thereof. All such waivers, consents and approvals shall be filed with the corporate records of the Association and made a part of the minutes of the meeting.

VIII. OFFICERS.

A. The Officers of the Association shall be a President, a Vice President, a Secretary and a Treasurer, and such other officers as may be determined from time to time by the Board, in accordance with the Articles of Incorporation of the Association. The President shall be a member of the Board, but the other Officers need not be.

B. The Officers of the Association shall be elected by the Board at the annual meeting of the Board, which shall be held immediately following the annual meeting of the Association. New offices may be created and filled at any meeting of the Board. Each Officer shall hold office until his successor shall have been duly elected.

C. A vacancy in any office because of death, resignation, or other termination of service,

may be filled by the Board for the unexpired portion of the term.

D. All Officers shall hold office for terms of one (1) year.

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

F. The Vice President, or the Vice President so designated by the Board if there is more than one Vice President, shall perform all the duties of the President in his absence. The Vice President(s) shall perform such other acts and duties as may be assigned by the Board.

G. The Secretary shall be ex officio the secretary of the Board, and shall record the votes and keep the minutes of all meetings of the Members and of the Board of Directors in a book to be kept for that purpose. The Secretary shall keep all records of the Association and shall record in the book kept for that purpose all the names of the Members of the Association together with their addresses as registered by such members.

H. The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association, and shall disburse such funds as directed by resolution of the Board, provided however, that a resolution of the Board shall not be necessary for disbursement made in the ordinary course of business conducted within the limits of a budget adopted by the Board. The Treasurer may, but need not, be a required signatory on checks and notes of the Association.

I. The Treasurer, or his appointed agent, shall keep proper books of account and cause to be prepared at the completion of each fiscal year an annual budget and an annual balance sheet statement, and the budget and balance sheet statement shall be open for inspection upon reasonable request by any Member.

J. With the approval of the Board of Directors, any or all of the Officers of the Association may delegate their respective duties and functions to a licensed and qualified property manager, provided, however, such property manager shall at all times be subject to the supervision and control of the Board of Directors.

IX. COMMITTEES.

A. The standing committee of the Association shall be the Nominating Committee. The Nominating Committee shall have the duties, authority and functions as described elsewhere in these Bylaws.

B. The Board shall have the power and authority to appoint such other committees as it deems advisable. Any committee appointed by the Board shall consist of a Chairman and two (2) or more other members and shall include a member of the Board. Committee members shall serve at the pleasure of the Board, and shall perform such duties and functions as the Board may direct.

X. BOOKS AND RECORDS.

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member. The Association shall retain the minutes of all meetings of the Members and the Board of Directors for not less than seven (7) years.

XI. MEETINGS OF MEMBERS.

A. The annual meetings of the Members shall be held prior to April 30th of each year, at such time as the Board may designate, or at such other date and time as may be selected by the Board.

B. Special meetings of the Members for any purpose may be called at any time by the President, the Vice President, the Secretary or Treasurer, by any two or more members of the Board or upon the written request of Members holding a majority of all the votes allocated to the entire Membership.

C. Notice of all meetings of the Members shall be given to the Members by the Secretary. Notice may be given to the Member either personally or by sending a copy of the notice through the mail, postage fully prepaid, to his address appearing on the books of the Association. Each Member shall be responsible for registering his address and telephone number with the Secretary and notice of the meeting shall be mailed to him at such address. Notice of the annual meeting of the Members shall be delivered at least forty-five (45) days in advance. Notice of any other meeting, regular or special, shall be mailed at least seven (7) days in advance of the meeting and shall set forth in general the nature of the business to be transacted; provided, however, that if the business of any meeting shall involve any action as governed by the Articles of Incorporation or the Declaration in which other notice provisions are provided for, notice shall be given or sent as therein provided.

D. The presence, in person or by proxy, of the Members holding sixty percent (60%) of the total votes in the Association as established by the Articles of Incorporation shall constitute a quorum of the Membership for any action governed by the Declaration, the Articles of Incorporation, or these Bylaws.

XII. PROXIES.

A. Except for elections of the Board of Directors, at all meetings of the Members, each Member may vote in person or by limited, but not general, proxy. Limited proxies and general proxies may be used to establish a quorum. Limited proxies may also be used for votes taken to amend the Articles of Incorporation or these Bylaws, or for any other matter that requires or permits a vote of the Members.

B. All proxies shall be in writing and filed with the Secretary. No proxy shall extend beyond a period of ninety (90) days from the date of the meeting for which it was originally given, and every proxy shall automatically cease upon the sale by the Member of his interest in the Property.

C. For elections of the Board of Directors, the Members shall vote in person at a meeting of the Members, or by a written ballot that each Member personally casts.

XIII. SEAL.

The Association shall have a seal in circular form having within its circumference the words: Palencia Property Owners Association of St. Johns County, Inc., not for profit, 2001.

XIV. AMENDMENTS.

These Bylaws may be altered, amended or rescinded by majority vote of the Board of Directors at a duly constituted meeting of the Board. Amendments shall be effective on the date of passage by the Board and no amendment need be recorded in the public records of St. Johns County, Florida.

XV. INCONSISTENCIES.

In the event of any inconsistency between the provisions of these Bylaws and the Declaration or Articles of Incorporation, the provisions of the Declaration and Articles of Incorporation shall control.

Adopted by the Board of Directors of Palencia Property Owners Association of St. Johns County, Inc., a Florida corporation not-for-profit, effective October 15th, 2001

By:

Naomi Zunley

Secretary

**BYLAWS
OF
PALENCIA NORTH HOMEOWNERS ASSOCIATION, INC.**

ARTICLE I

IDENTITY AND LOCATION

These are the Bylaws of PALENCIA NORTH HOMEOWNERS ASSOCIATION, INC. (hereinafter called the “Association”), a corporation not for profit organized and existing under the applicable provisions of the Florida Statutes, for the purpose of administering the Property and the Common Area, in accordance with the Declaration of Covenants and Restrictions for Palencia North (the “Declaration”) recorded or to be recorded in the Public Records of St. Johns County, Florida. The principal office of the Association shall be located at 14785 St. Augustine Road, Jacksonville, Florida 32256, but meetings of the Association’s Board of Directors may be held at such places within the State of Florida as may be designated from time to time by the Board of Directors.

ARTICLE II

GENERAL

Section 1. Incorporation of Declaration. As supplemented herein, the regulation of the business, operation, powers, duties and affairs of the Association shall be governed by the Declaration, as it may be amended and/or supplemented from time to time, the terms and provisions of which are incorporated herein by reference as though it had been set forth in its entirety.

Section 2. Fiscal Year. The Fiscal Year of the Association shall be the time period beginning on January 1 through and including December 31 of each calendar year, or such other period of time as may subsequently be determined by the Board.

Section 3. Corporate Seal. The corporate seal of the Association shall include the following: “Palencia North Homeowners Association, Inc.”, “Florida” and “corporation not for profit”.

Section 4. Definitions. Unless otherwise specifically provided in these Bylaws, all terms used in these Bylaws shall have the same definitions and meanings as those set forth in the Declaration, as it may be amended and/or supplemented from time to time.

ARTICLE III

PURPOSE AND POWERS OF THE ASSOCIATION

Section 1. Purpose. The purposes for which the Association is organized are as follows:

(a) To operate as a corporation not for profit pursuant to Chapter 617 and any other applicable provisions of the Florida Statutes, as they may be amended and/or renumbered from time to time. The Association does not contemplate pecuniary gain or profit. The Association shall not pay dividends and no part of any income of the Association shall be distributed to its Members, Directors or officers.

(b) To operate as a homeowners' association pursuant to Chapter 720 and any other applicable provisions of the Florida Statutes, as they may be amended and/or renumbered from time to time, and to administer, enforce and carry out the terms, conditions, restrictions and provisions of the Declaration as it may be amended and/or supplemented from time to time.

(c) To administer, enforce and carry out the terms and provisions of any other Declaration of Covenants, Conditions and Restrictions or similar document, submitting property to the jurisdiction of or assigning responsibilities, rights or duties to the Association.

Section 2. Powers. The Association shall have the following powers:

(a) All of the common law and statutory powers of a not for profit corporation organized under the laws of the State of Florida, subject only to such limitations upon the exercise of such powers as are expressly set forth in the Articles of Incorporation, these Bylaws or the Declaration.

(b) To enter into, make, establish, amend and enforce, rules, regulations, Bylaws, covenants, restrictions and agreements to carry out the purposes of the Association. The Association may use any enforcement method authorized by the Declaration and/or Florida law, including but not limited to, fines, suspensions of use rights to the Common Area, actions for damages, equitable actions, injunctive relief, administrative actions, self-help, or any combination of those. The prevailing party in any action at law, action for damages, equitable action, action for injunctive relief and/or administrative action shall be entitled to recover all of its attorneys' fees, paralegal fees, costs, expenses, appellate attorneys' fees and appellate costs.

(c) To fix, levy and collect Assessments (Annual Assessments, Special Assessments, Initiation Assessments, Service Area Assessments, Special Service Area Assessments, Neighborhood Assessments, Special Neighborhood Assessments and/or Individual Assessments) for the Common Expense from Members to defray the costs, expenses, reserves and losses incurred or to be incurred by the Association and to use the proceeds thereof in the exercise of the Association's powers and duties, including, but not limited to, the costs of maintenance and operation of the Master Drainage System.

(d) To fix, levy and collect Special Assessments for Common Expense from Members to defray the costs, expenses, reserves, losses, damages and budget shortfalls incurred or to be incurred by the Association and to use the proceeds thereof in the exercise of the Association's powers and duties.

(e) To fix, levy and collect Service Area Assessments and Special Service Area Assessments for the Service Area Expense from Members to defray the costs, expenses, reserves and losses incurred or to be incurred by the Association on behalf of any Service Area, and to use the proceeds thereof in the exercise of the Association's powers and duties.

(f) To fix, levy and collect Special Service Area Assessments for the Service Area Expense from Members to defray the costs, expenses, reserves, losses, damages and budget shortfalls incurred or to be incurred by the Association on behalf of any Service Area, and to use the proceeds thereof in the exercise of the Association's powers and duties.

(g) To make, adopt, establish, amend and enforce rules and regulations regarding the use, appearance and/or condition of any portion of the Property bound by the terms, covenants, conditions and restrictions of the Declaration, including but not limited to, Common Area, Service Areas, Residential Dwelling Units, Lots, Building Sites, Members, structures, improvements, dwellings, landscaping and maintenance.

(h) To own, purchase, sell, mortgage, lease, administer, manage, operate, maintain, improve, repair and/or replace real property and personal property.

(i) To borrow and to hold funds, select depositories, administer bank accounts of the Association, and to pay all expenses, including licenses, public assessments, taxes or government charges, incident to the purposes and powers of the Association, as set forth in the Articles of Incorporation and as may be provided in the Declaration and these Bylaws.

(j) To purchase insurance for the protection of the Association, its officers, Directors, Members and such other parties as the Association may determine to be in the best interests of the Association. To require Members to purchase insurance for the protection of their Lots and/or Building Sites and any structures, landscaping, Residential Dwelling Units, Commercial Improvements and/or any other improvements on that Member's Lot and/or Building Site.

(k) To operate, maintain, manage, repair, control, regulate, replace and/or improve the Common Area and such other portions of the Property as may be determined by the Association from time to time.

(l) To enter into contracts and agreements between third parties and the Association.

(m) To exercise architectural control, either directly or through appointed committees, over all buildings, structures, Residential Dwelling Units, Building Sites, Commercial Improvements, landscaping and/or improvements of any type to be placed, built,

erected, installed and/or constructed upon any portion of the Property. Such architectural control shall be exercised pursuant to the Declaration.

(n) To provide for any functions and services within the Property as the Board of Directors in its sole discretion determines necessary or appropriate.

(o) To provide, purchase, sell, lease, acquire, replace, improve, maintain and/or repair such buildings, structures, pathways, landscaping, paving, equipment and property, both real and personal, as the Association, through its Board of Directors, in its discretion determines necessary or appropriate.

(p) To employ any personnel necessary to perform the obligations, services and/or duties required of or to be performed by the Association and/or to contract with others for the performance of such obligations, services and/or duties and to pay the costs thereof in accordance with whatever contractual arrangement the Board of Directors of the Association shall enter in its sole discretion.

(q) To operate, maintain and manage the Master Drainage System in a manner consistent with the St. Johns River Water Management District ("District") Permit requirements and applicable District rules, and shall assist in the enforcement of the terms, conditions, restrictions and provisions of the Declaration which relate to the Master Drainage System.

(r) To establish, maintain, operate and use reserve funds for capital improvements, repairs and replacements. To establish, maintain, operate and use reserve funds for items, services, property and/or any other purpose as the Board of Directors of the Association may determine in its sole discretion to be in the best interest of the Association.

(s) To enter into a management contract with a third party for the maintenance and repair of any Common Area and for the operation of the Association. The Board of Directors will carry out this power on behalf of the Association. The management contract may provide a management fee to the management agent and the delegation of certain duties, as may be determined by the Board of Directors of the Association.

(t) To enter into agreements and/or contracts with professionals, including but not limited to attorneys and accountants, to assist the Association in its performance of the obligations, services and duties required of or to be performed by the Association. The Board of Directors will carry out this power on behalf of the Association.

(u) To create, appoint, remove and/or dissolve any committees that the Board of Directors of the Association may deem appropriate.

(v) To collect delinquent Assessments by fine, claim of lien, suit or otherwise and to file and defend any suit or other proceeding in pursuit of all legal, equitable and/or administrative remedies or defense of all claims relating to the Declaration, these Bylaws, the Articles of Incorporation and/or Florida law.

(w) To adopt, change, repeal and/or amend the Bylaws.

(x) To adopt, change, repeal and/or amend Bylaws that would be effective only in an emergency.

Section 3. Power to be Exercised by Board of Directors. Except where approval by the Association's membership is specifically required by Florida law, the Declaration, the Articles of Incorporation and/or these Bylaws, all powers, duties, affairs, authority, and/or purposes of the Association shall be exercised and/or carried out exclusively by the Association's Board of Directors.

ARTICLE IV

OFFICIAL RECORDS OF THE ASSOCIATION

The Association shall maintain each of the following items, if applicable, which shall constitute the official records of the Association:

(1) Copies of any plans, specifications, permits and warranties related to improvements constructed on the Common Area or any other property that the Association is obligated to maintain, repair and/or replace.

(2) A copy of the Bylaws of the Association and a copy of each amendment to the Bylaws.

(3) A copy of the Articles of Incorporation of the Association and a copy of each amendment to the Articles of Incorporation.

(4) A copy of the Declaration and a copy of each amendment to the Declaration.

(5) A copy of the current Rules and Regulations of the Association.

(6) The minutes of all meetings of the Board of Directors, and the minutes must be retained for a minimum of seven (7) years.

(7) The minutes of all Annual Meetings of the Association's membership, and the minutes must be retained for a minimum of seven (7) years.

(8) The minutes of all Special Meetings of the Association's membership, and the minutes must be retained for a minimum of seven (7) years.

(9) A current roster of all Owners and their mailing addresses and parcel identifications. The Association shall not be obligated to recognize a transfer or conveyance of ownership of any Lot until such time as the Association receives a true copy of the recorded deed or other written instrument establishing the transfer or conveyance of ownership of the Lot, and

it shall be the responsibility and obligation of the new Owner(s) of the Lot to provide such true copy of said recorded instrument to the Association.

(10) For those Owners consenting to receive notice by electronic transmission, the Association shall maintain the electronic mailing addresses and the numbers designated by those Owners. The electronic mailing address and number provided by an Owner to receive notice by electronic transmission shall be removed from the Association's records when consent to receive notice by electronic transmission has been revoked by that Owner. The Association shall not be liable for an erroneous disclosure of an Owner's electronic mail address or the number for receiving electronic transmission of notices.

(11) All of the Association's insurance policies or a copy of those insurance policies. These must be retained for a minimum of seven years (7) from the effective date of each policy.

(12) A current copy of all contracts to which the Association is a party, including any management agreement, lease or other contract under which the Association has any obligation or responsibility.

(13) Any bids received by the Association for work to be performed, and these must be retained for a minimum of one (1) year.

(14) The financial and accounting records of the Association, kept according to good accounting practices, including the following:

(a) Accurate, itemized and detailed records of all receipts and expenditures.

(b) A current account and a periodic statement of the account of each Owner, designated the name and current address of each Owner who is obligated to pay assessments, the due date and amount of each assessment or other charge against the Owner, the date and amount of each payment on the account, and any balance due.

(c) All tax returns, financial statements and financial reports of the Association.

(d) Any other records that identify, measure, record or communicate financial information of the Association.

All financial and accounting records of the Association must be retained for a minimum of seven (7) years.

(15) A copy of the disclosure summary currently described in Section 720.401(1) of the Florida Statutes, as it may be amended and/or renumbered from time to time.

(16) All other written records of the Association which are related to the operation of the Association.

ARTICLE V

ACCESS TO OFFICIAL RECORDS OF THE ASSOCIATION

Section 1. Access to Records Generally. The official records of the Association shall be maintained at a location within the State of Florida. The official records of the Association shall be open to inspection and available for photocopying by Members or an authorized agent of a Member, except for the official records contained in Article V, Section 2 of these Bylaws. In order to inspect and/or photocopy the official records of the Association, a Member or a Member's authorized agent must first provide a written request to the Association or any person or entity designated by the Association to receive such written requests. The Association shall then make available the requested records for inspection and/or photocopying no later than ten (10) business days following receipt of the written request. Notwithstanding the foregoing, a Member and/or any authorized agent of that Member shall not be permitted to inspect the official records of the Association for more than eight (8) hours per month. The Association, through the Board of Directors, has the right to adopt additional reasonable rules in writing governing the frequency, time, location, notice, records to be inspected and manner of the inspections. However, the Association and/or the Association's agent shall not at any time impose a requirement that a Member or an authorized agent of a Member specify a purpose for the inspection of the Association's official records or provide a reason for the inspection of the Association's official records.

Section 2. Records Not Open for Inspection. The following official records of the Association shall not be accessible, open for inspection and/or photocopied by any Member or any authorized agent of any Member:

- (a) Any record of the Association protected by the attorney-client privilege.
- (b) Any record of the Association protected by the work-product privilege.
- (c) Any record of the Association prepared by an attorney for the Association or prepared at that attorney's express direction which reflects a mental impression, conclusion, litigation strategy and/or legal theory of that attorney or the Association, and the record was prepared exclusively for civil litigation, criminal litigation and/or adversarial administrative proceedings, or the record was prepared in anticipation of imminent civil litigation, criminal litigation and/or adversarial administrative proceedings. Once the civil litigation, criminal litigation and/or adversarial administrative proceedings completely conclude, including any and all appeals, enforcement and/or contempt proceedings, the records shall be open to, accessible to, and available for photocopying by any Member or any authorized agent of any Member.
- (d) Any information and record obtained by the Association in connection with the approval of a lease, sale and/or any other transfer of a Lot.
- (e) Any and all disciplinary records of the Association's employees.

- (f) Any and all health records of the Association's employees.
- (g) Any and all insurance records of the Association's employees.
- (h) Any and all personnel records of the Association's employees.
- (i) Any and all medical records of Members and/or residents of the Live Oak Estates community.

Section 3. Cost of Photocopies. If the Association or the Association's agent have a photocopy machine available at the location where the Association's official records are maintained, the Association must provide Members or a Member's authorized agent with photocopies of requested documents during the inspection by those Members or authorized agents, if the entire photocopy request is limited to no more than twenty-five (25) pages. The Association may impose fees to cover the costs of providing any copies of the official records, including, without limitation, the costs of photocopying. The Association may charge a maximum of Fifty Cents (\$0.50) per page for any copies of the official records made on the Association's or the agent of the Association's photocopy machine.

If the Association or the Association's agent do not have a photocopy machine available at the location where the official records of the Association are kept, or if the records requested to be copied exceed a total of twenty-five (25) pages, the Association may have the requested copies made by an outside vendor and the Association may charge the Member requesting the copies the actual cost of the copying by the outside vendor.

ARTICLE VI

MEETINGS OF MEMBERS

Section 1. Members of the Association. Each Owner (including Developer) shall be a Member of the Association. Membership in the Association shall be appurtenant to and inseparable from the Lot giving rise to such membership, and any transfer of record title to a Lot shall operate automatically to transfer to the new Owner the membership in the Association appurtenant to that Lot and/or Building Site. The interest, if any, of an Owner in the funds and assets of the Association may not be assigned, hypothecated or transferred in any manner, except as an appurtenance to that Owner's Lot and/or Building Site. Membership in the Association is mandatory for all Owners and membership shall continue, as to each Owner, until such time as that Owner transfers or conveys that Owner's fee simple interest in the Lot and/or Building Site upon which that Owner's membership is based or until such fee simple interest is transferred or conveyed by operation of law, at which time the membership in the Association will automatically pass to the grantee or transferee. Notwithstanding the foregoing, the Association shall not be obligated to recognize such a transfer or conveyance of membership until such time as the Association receives a true copy of the recorded deed or other written instrument establishing the transfer or conveyance of ownership of the Lot and/or Building Site, and it shall

be the responsibility and obligation of the new Owner(s) of the Lot and/or Building Site to provide such true copy of said recorded instrument to the Association.

Section 2. Annual Meetings. An Annual Meeting of the Members of the Association shall be held during the calendar year at a date, time and location as determined by the Board of Directors. The election of Directors, if such an election is required to take place, shall take place at the Annual Meeting of the Members, except for the first election of Directors by Class A Members which shall take place at a Special Meeting of the Members called when the Class B membership terminates and is automatically converted to Class A membership.

Section 3. Special Meetings. A Special Meeting of the Members of the Association may be called at any time by the Board of Directors. A Special Meeting of the Members may also be called upon written request of at least sixty percent (60%) of the Association's Members. A Special Meeting of the Members may be called upon written request of the Developer for so long as Developer owns any Lot and/or Building Site. Business conducted at any Special Meeting of the Members is limited to the specific purposes and issues described in the notice of the Special Meeting.

A Special Meeting of the Members shall be called and properly noticed when the Class B membership terminates pursuant to the Declaration for the purpose of the Class A Members electing Directors and any additional business that the Association will consider at that Special Meeting.

Section 4. Notice of Meetings. Notice of Meetings shall be as follows:

(a) Annual Meetings. The notice of the Annual Meeting shall include the time, date and location of the Annual Meeting. The notice of the Annual Meeting of the Members does not need to include a description of the purpose, business and/or items to be discussed or for which the Annual Meeting is called. The notice of the Annual Meeting of the Members shall be mailed, hand delivered or electronically transmitted to all Members at least fourteen (14) days prior to the date of the Annual Meeting and no more than sixty (60) days prior to the date of the Annual Meeting. Proof of compliance with this notice requirement shall be made by an affidavit executed by the person providing the notice, and this affidavit shall immediately be filed in the official records of the Association after it is executed.

The notice of the Annual Meeting of the Members shall also be posted in a conspicuous place within the community at least fourteen (14) days prior to the date of the Annual Meeting.

(b) Special Meetings. The notice for any Special Meeting of the Members shall include the time, date and location of that Special Meeting. In addition, the notice must contain a description of the purpose, business and/or items to be discussed or for which the Special Meeting is called. The notice for any Special Meeting of the Members shall be mailed, hand delivered or electronically transmitted to all Members at least fourteen (14) days prior to the date of that Special Meeting and no more than sixty (60) days prior to the date of that Special Meeting. Proof of compliance with this notice requirement shall be made by an affidavit

executed by the person providing the notice, and this affidavit shall immediately be filed in the official records of the Association after it is executed.

The notice for any Special Meeting of the Members shall also be posted in a conspicuous place within the community at least fourteen (14) days prior to the date of that Special Meeting.

(c) Notice by Electronic Transmission. The Association shall not send any notice of the Annual Meeting or a Special Meeting of the Members by electronic transmission to a Member, unless that Member has first consented to receive notice by electronic transmission. A Member may revoke his or her consent to receive notice by electronic transmission at any time, but must provide that revocation in writing to the Association or any person designated by the Association to receive such revocations.

(d) Notice Timing. Any notice required to be sent to any Member under these Bylaws shall be deemed to have been properly sent when personally delivered or mailed, postage prepaid, to the last known address of the person who appears as a Member in the official records of the Association at the time of such delivery or mailing. If any Member has consented to receive notice by electronic transmission, any notice required to be sent to that Member shall be deemed to have been properly given when sent and/or forwarded to the electronic mailing address(es) designated by that Member.

Section 5. Attendance at Meetings. All Members of the Association shall have a right to attend each Annual Meeting and any Special Meeting of the Members. In addition, all Members of the Association shall have the right to speak for at three (3) minutes on any item opened for discussion or included on the agenda of the Annual Meeting or any Special Meeting. However, if a Member wishes to exercise this right to speak, that Member must submit a written request to speak at least one (1) hour prior to the start of the Annual Meeting or Special Meeting at which that Member wishes to speak. This written request to speak must be submitted to the Association or any person designated by the Association to receive such written requests. The Board of Directors may adopt additional reasonable rules regarding the frequency, duration and manner Members are permitted to speak at the Annual Meeting and any Special Meeting.

Section 6. Adjournment of Meetings.

(a) Annual Meetings. The Annual Meeting of the Members may be adjourned to a different date, time and/or place. Notice of the new date, time and/or place shall be mailed, hand delivered or electronically transmitted to all Members at least fourteen (14) days prior to the new date of the adjourned Annual Meeting. Proof of compliance with this notice requirement shall be made by an affidavit executed by the person providing the notice, and this affidavit shall immediately be filed in the official records of the Association after it is executed.

The notice of the new date, time and/or place shall also be posted in a conspicuous place within the community at least fourteen (14) days prior to the new date of the adjourned Annual Meeting.

(b) Special Meetings. A Special Meeting of the Members may be adjourned to a different date, time and/or place. Notice of the new date, time and/or place shall be mailed, hand delivered or electronically transmitted to all Members at least fourteen (14) days prior to the new date of the adjourned Special Meeting. Proof of compliance with this notice requirement shall be made by an affidavit executed by the person providing the notice, and this affidavit shall immediately be filed in the official records of the Association after it is executed.

The notice for the new date, time and/or place shall also be posted in a conspicuous place within the community at least fourteen (14) days prior to the new date of the adjourned Special Meeting.

Section 7. Minutes of Meetings. Minutes of all Annual Meetings and all Special Meetings of the Members must be maintained in written form or in another form that can be converted into written form within a reasonable time. These minutes must be retained by the Association for a period of not less than seven (7) years.

Section 8. Quorum for Meetings. The presence, either in person or by proxy, at any Meeting of the Members of the Association, whether it is an Annual Meeting or a Special Meeting, of at least thirty percent (30%) of the Association's Members shall constitute a quorum for that Meeting. If a quorum is not attained at any Meeting of the Members of the Association, that Meeting may be adjourned from time to time pursuant to Article VI, Section 6 of these Bylaws until such time as a quorum is attained.

Section 9. Voting. If a quorum has been attained at any Meeting of the Members of the Association and unless otherwise provided by Florida law, the Declaration, the Articles of Incorporation or these Bylaws, any decisions or matters that require a vote of the Members must be approved by at least a majority of the Members present at that Meeting, either in person or by proxy.

The Association shall have two (2) classes of membership with the voting rights as follows:

(a) Class A. Class A Members shall be all the Owners of Lots and all Owners of Building Sites, with the exceptions of Developer for so long as Class B membership exists. Each Class A Member shall have one (1) vote for each Lot and/or Building Site owned by that Member. When more than one (1) Person is an Owner of any Lot and/or Building Site, all such Persons shall be Members, but the vote for that Lot shall be exercised only by that one (1) Member Eligible To Vote. In no event shall there be more than one (1) Class A vote cast for each Lot, and in no event shall there be more than one (1) Class A vote for each Building Site.

(b) Class B. The Class B Member shall be the Developer, or the express assigns or successors in interest of Developer. Until conversion of the Class B membership to Class A membership as set forth in Article VI, Section 9(c) of these Bylaws, Developer shall have five (5) votes for each Lot and/or Building Site owned by Developer. As each Lot and Building Site in the Property are conveyed by Developer to a Class A Member, Developer's votes for that Lot and/or Building Site shall automatically terminate.

(c) Conversion of Class B Membership. Developer's Class B membership shall continue in effect during the period from the date of the Declaration until the earlier of the following events:

(1) Three (3) months after ninety percent (90%) of all Lots within the Property have been conveyed or transferred to Owners other than Developer, excluding conveyances and/or transfers to builders, contractors, and/or any others who purchase a Lot for the purpose of constructing improvements on that Lot for resale; or

(2) Ten (10) years after the date on which the Declaration is recorded in the Public Records of St. Johns County, Florida; or

(3) At such earlier time as Developer, in its sole discretion, may so elect by recording a notice of such election in the Public Records of St. Johns County, Florida.

When the earlier of the preceding events occurs, the Class B Member shall call a Special Meeting of the Association's membership to advise of the termination of Class B membership. When the Class B membership terminates, Developer will automatically be converted to Class A membership. Developer shall then retain one (1) vote for each Lot and/or Building Site still owned by Developer. When the Class B membership converts to Class A membership in the Association, Developer may exercise the right to vote any Lot(s) and/or Building Site(s) still owned by Developer in the same manner as any other Class A Member, except Developer cannot exercise its vote(s) for the purposes of reacquiring control of the Association or selecting a majority of the members of the Board of Directors.

(d) No Split Votes. The vote for each Lot must be cast as a single vote, and fractional votes shall not be allowed. The vote for each Building Site must be cast as a single vote, and fractional votes shall not be allowed. If a Lot and/or Building Site is owned by more than one (1) Owner, and the Owners of that Lot and/or Building Site are unable to agree among themselves as to how the vote is to be cast, or if more than one (1) Class A vote is cast for any Lot and/or Building Site, the vote for that Lot and/or Building Site shall not be counted for any purpose except for establishing a quorum. If any Member Eligible To Vote casts a vote on behalf of a Lot and/or Building Site, it shall be conclusively presumed that Member Eligible To Vote was acting with the authority and consent of all other Owners of that Lot and/or Building Site.

(e) No Cumulative Voting. There shall be no cumulative voting on any issue, matter or candidate that is the subject of a vote by the Association's membership.

(f) Percentage of Members. When any reference is made in these Bylaws to a majority, specific percentage or fraction of Members, such reference shall be deemed to be a reference to a majority, specific percentage or fraction of the votes eligible to be cast and not of the Members themselves. As an illustration, but not as a limitation, if there are one hundred twenty-seven (127) Lots within the Property, and all the Lots are owned by Class A Members, then there would be a total of one hundred twenty-seven (127) votes eligible to be cast.

(g) Voting Qualifications. To be qualified to vote, a Class A Member Eligible To Vote must be current in payment of all Assessments and any liens which may have been levied against that Member and/or any Lot and/or Building Site owned by that Member as of the date of the Meeting where the vote is to take place. Any person designated in writing by the Class B Member shall be qualified to cast the votes for each respective Lot and/or Building Site owned by the Class B Member.

Section 10. Proxies. All Members Eligible To Vote by do so either in person or by proxy at any Meeting of the Members of the Association, whether it is an Annual Meeting or a Special Meeting. The proxy must be mailed or hand delivered to the Secretary of the Association's Board of Directors or another authorized person so designated to receive the proxy by the Board of Directors, so that the proxy is received prior to the date of the Meeting for which the proxy is being given. All proxies must contain the date, time and place of the Meeting of the Members for which the proxy is being given. The proxy must be signed and dated by the authorized Member Eligible To Vote who executed the proxy. Any proxy will be effective only for the specific Meeting for which that proxy was originally given, and any reconvening of that Meeting that may have been adjourned. Notwithstanding the foregoing, a proxy shall automatically expire ninety (90) days after the date of the Meeting for which it was originally given, even if that Meeting is adjourned and reconvened at a later date, time and/or place. A proxy is revocable at any time at the pleasure of the Member Eligible To Vote who executes that proxy. If a proxy submitted by a Member Eligible To Vote does not provide a name of a proxy holder, the Secretary of the Board of Directors of the Association or another person designated by the Board of Directors, shall automatically become the proxy holder of that proxy.

Section 11. Recording of Meetings. Any Member may tape record and/or videotape any Meetings of the Members of the Association, whether it is an Annual Meeting or a Special Meeting, subject to the following and such further reasonable rules and restrictions that the Board of Directors may adopt from time to time:

- (a) The only audio equipment, video equipment and other devices which Members are authorized to utilize at any such Meeting is equipment which does not produce distracting sound, light and/or heat emissions;
- (b) All audio equipment and/or video equipment shall be assembled and placed in position in advance of the scheduled time for the start of the meeting;
- (c) Any Member videotaping, audiotaping and/or recording a meeting shall not be permitted to move about the meeting room in order to facilitate the videotaping, audiotaping and/or recording; and
- (d) At least twenty-four (24) hours prior written notice shall be given to the Secretary of the Association's Board of Directors by any Member desiring to audiotape, record and/or videotape the Meeting.

Section 12. Conduct of Meetings. The President of the Board of Directors shall preside at all Meetings of the Members of the Association. If the President is unable to preside at a Meeting, or if the office of President is vacant when that Meeting occurs, the Board of Directors may designate another person to preside at that Meeting of the Members.

ARTICLE VII

BOARD OF DIRECTORS

Section 1. Board of Directors; Selection; Terms of Office. The affairs of the Association shall be managed and administered by a Board of Directors consisting of either three (3), five (5) or seven (7) members, as may be determined from time to time by the Association's membership. While Developer's Class B membership exists and until changed by a vote of the Association's membership, the Board of Directors shall consist of three (3) members. Each member of the Board of Directors shall have one (1) equal vote.

All Directors, except those designated or appointed by the Developer, shall be Members of the Association. A Member must be current in the payment of all Association Assessments to be eligible to run for and hold the position of Director. Directors must be natural persons who are eighteen (18) years of age or older.

In the event a Member is not a natural person (including but not limited to, corporations, partnerships, limited liability companies, limited liability partnerships and trusts), any person appointed by or who is an officer, director, partner, manager or trust officer of that Member shall be eligible to serve as a Director of the Association unless specific written notice to the contrary is signed and provided to the Association by that Member.

The Developer shall have the right to appoint and remove any member(s) of the Board of Directors of the Association while Class B membership exists. When Class B membership terminates, the Class A Members shall elect Directors by written ballot at a Special Meeting of the Association's membership. Each Member Eligible To Vote shall be entitled to cast that Member Eligible To Vote's vote(s) for each of as many nominees as there are vacancies to be filled. There shall be no cumulative voting for any Director(s). All Directors elected by the Class A Members at this Special Meeting shall serve until the first Annual Meeting of the Association to be held after that Special Meeting, unless the Director resigns, dies, is recalled or is otherwise removed prior to the Annual Meeting of the Association, in which case the vacancy will be filled pursuant to these Bylaws.

All subsequent elections of Directors shall occur at the Annual Meeting of the Association's Members. Each Member Eligible To Vote shall be entitled to cast that Member Eligible To Vote's vote(s) for each of an many nominees as there are vacancies to be filled on the Board of Directors at the Annual Meeting. There shall be no cumulative voting for any Director(s). All Directors elected by the Class A Members at an Annual Meeting of the Association shall serve until the date of the next Annual Meeting of the Association, unless the Director resigns, dies, is recalled or is otherwise removed prior to the next Annual Meeting of the Association, in which case the vacancy will be filled pursuant to these Bylaws.

Section 2. Vacancies in the Board of Directors. Vacancies in the Board of Directors caused by any reason other than the removal of a Director by a vote of the Members Eligible To Vote (“recall”) shall be filled by a majority vote of the remaining Directors, even though they may constitute less than a quorum of the Board. Each person elected to fill a vacancy on the Board of Directors shall serve until a successor is elected at the next Annual Meeting of the Association. A vacancy or vacancies shall be deemed to exist in the case of death, resignation, removal of any Director, judicial adjudication of mental incompetence of any Director, increases in the size of the Board, or in the event the Members Eligible To Vote fail to elect the full number of authorized Directors at any meeting at which such election is to take place.

Section 3. Recall of Directors. Any one (1) or more of the Directors (other than those appointed by Developer) may be recalled with or without cause by a majority vote of the Members Eligible To Vote, provided the following procedures are followed:

(a) Directors may be recalled by an agreement in writing or by written ballot without a meeting of the Association’s membership. The agreement in writing, the written ballots, a copy of the agreement in writing or a copy of the written ballots must be served on the Association by certified mail or by personal service by a process server. When at least a majority of the Board of Directors is sought to be recalled, the agreement in writing or written ballots shall list at least as many possible replacement Directors as there are Directors subject to the recall. The Members Eligible To Vote may vote for as many replacement candidates as there are Directors subject to the recall. When the recall of more than one (1) Director is sought, the agreement in writing or written ballots shall provide the Members Eligible To Vote a separate vote for each Director sought to be recalled. The agreement in writing and all written ballots must comply with the requirements of Florida law.

(b) The Board of Directors shall duly notice and hold a meeting of the Board no later than five (5) full business days after receipt of the agreement in writing or written ballots. At this Board meeting, the Board shall either:

- (1) Certify the written ballots or written agreement to recall a Director or Directors of the Board. If so certified, the Director or Directors shall be recalled effective immediately and the recalled Director(s) shall turn over to the Board within five (5) full business days any and all records and property of the Association in the possession of the Director(s); or
- (2) Not certify the written ballots or written agreement to recall a Director or Directors of the Board. The Board shall then, within five (5) full business days after the Board meeting, file a petition for arbitration with the appropriate agency of the State of Florida. The Members who executed the agreement in writing or written ballots shall constitute one party under the petition for arbitration. If, as a result of the arbitration, the arbitrator certifies the recall as to any Director or Directors of the Board, the recall of the Director or Directors will be effective upon mailing of the final order of

arbitration to the Association. The Director or Directors so recalled shall deliver to the Board any and all records and property of the Association in the possession of the recalled Director(s) within five (5) full business days after the effective date of the recall.

(c) At the Board meeting held pursuant to Article VII, Section 3(b) of these Bylaws, minutes must be taken and those minutes must: record the date and time of the meeting; record the decision of the Board whether or not to certify the recall; and the vote count taken on each Director subject to the recall. If the Board of Directors decides not to certify the recall, in addition to the other requirements, the minutes must also identify each vote that was rejected, the parcel number of each rejected vote and the specific reason that each vote was rejected. The minutes of this Board meeting are an official record of the Association.

(d) If the Board of Directors fails to duly notice and hold a Board meeting within five (5) full business days after service of an agreement in writing or written ballots on the Association, the recall shall be deemed effective and the Director(s) so recalled shall immediately turn over to the Board all records and property of the Association in the possession of the Director(s).

(e) If it is determined by the applicable agency of the State of Florida, during the arbitration process described in Article VII, Section 3(b)(2) of these Bylaws, that a first recall effort was defective for any reason, the written agreements or written ballots used in that first recall effort which were not found to be defective may be reused in one (1) subsequent recall effort. In no event shall a written agreement or written ballot be valid for more than one hundred twenty (120) days after it has been signed by the Member.

(f) A Member Eligible To Vote can revoke or rescind that Member Eligible To Vote's written ballot or written agreement. The revocation or rescission must be in writing and delivered to the Association before the Association is served with the written agreement or written ballots.

(g) If any vacancy occurs on the Board as a result of a recall, and less than a majority of the Directors are removed, the vacancy may be filled by a majority vote of the remaining Directors. If any vacancy occurs on the Board as a result of a recall and a majority or more of the Directors are removed, those vacancies shall be filled by the Members Eligible To Vote who voted in favor of the recall. The Members Eligible To Vote may vote for replacement Directors in the written agreement or written ballots. The written agreement and all written ballots must comply with the requirements of Florida law. Any person elected to fill a vacancy on the Board that results from a recall shall serve until a successor is elected at the next Annual Meeting of the Association.

Section 4. Meetings. Meetings of the Board of Directors may be held at such times and places as shall be determined, from time to time, by a majority of the Directors. Special meetings of the Directors may be called by the President of the Board, and must be called by the President or Secretary of the Board at the written request of one-third (1/3) of the Directors. Notice of all Board meetings shall be given to each Director, personally or by mail, telephone,

facsimile or by electronic transmission, and shall be provided at least three (3) days prior to the meeting. Notice of Board meetings, which notice shall specifically include an identification of agenda items, shall be posted in a conspicuous place in the community at least forty-eight (48) hours preceding the date and time of the Board meeting, except in the event of an emergency as defined in Article VII, Section 15 of these Bylaws. A meeting of the Board of Directors occurs whenever a quorum of the Board gathers to conduct Association business. Board meetings shall be open to all Members, except for: meetings between the Board and the Association's attorney with respect to proposed or pending litigation where the content of the discussion would be protected by the attorney-client privilege; and meetings between the Board and the Association's attorney held for the purpose of discussing personnel matters. The right of Members to attend Board meetings includes the right to speak for three (3) minutes at such meetings with respect to all designated agenda items. The Association may adopt additional reasonable rules governing the frequency, duration and manner of Member statements. The Board shall adopt by rule, and give notice to the Members of, a specific location in the community upon which all notices of Board and/or Committee meetings shall be posted. Directors may not vote at Board meetings by proxy or by secret ballot, except a secret ballot may be used by Directors only for the election of officers. All meetings of the Board of Directors shall be conducted, to the extent practicable, in accordance with the latest published edition of Robert's Rules of Order (Revised). However, Robert's Rules of Order shall not be used in such a way to frustrate the proceedings or to unnecessarily delay the proceedings.

Section 5. Notice of Certain Board Meetings.

(a) Notwithstanding the notice requirement contained in Article VII, Section 4 of these Bylaws, if any meeting of the Board of Directors includes:

- (1) Consideration of Assessments (Annual Assessments, Special Assessments, Initiation Assessments or Individual Assessments); or
- (2) Levy or adoption of Assessments (Annual Assessments, Special Assessments, Initiation Assessments or Individual Assessments)

then notice of that Board meeting must be mailed or personally delivered to all Members not less than thirty (30) days before that Board meeting and no more than sixty (60) days before that Board meeting. In addition, the notice of that Board meeting must be posted in a conspicuous place in the community not less than fourteen (14) days before that Board meeting. The notice of that Board meeting must include a statement that assessments will be considered at the Board meeting and the notice must describe the nature of the assessments.

(b) Notwithstanding the notice requirement contained in Article VII, Section 4 of these Bylaws, if any meeting of the Board of Directors includes:

- (1) Adoption of, Amendments to and/or Revocations of the Governing Documents regarding use of Lots;

- (2) Adoption of, Amendments to and/or Revocation of the Association rules and regulations regarding use of Lots; or
- (3) Adoption of, Amendments to and/or Revocation of the Affirmative and Restrictive Covenants (Article IX of the Declaration)

then notice of that Board meeting must be mailed or personally delivered to all Members not less than fourteen (14) days before that Board meeting. In addition, the notice of that Board meeting must be posted in a conspicuous place in the community not less than fourteen (14) days before that Board meeting. The notice of that Board meeting must include a statement that changes to the Governing Documents (and/or Association rules and regulations) will be considered at the Board meeting.

(c) Notwithstanding the notice requirement contained in Article VII, Section 4 of these Bylaws, if any meeting of the Board of Directors includes an item of business which is placed on the Board's agenda upon petition by Members pursuant to Article VII, Section 6 of these Bylaws, then notice of that Board meeting must be mailed or personally delivered to all Members no less than fourteen (14) days before that Board meeting. In addition, the notice of that Board meeting must be posted in a conspicuous place in the community not less than fourteen (14) days before that Board meeting.

Section 6. Agenda Items Through Member Petition. If at least twenty percent (20%) of the Members petition the Board of Directors in writing to take up or address an item of business, the Board shall place that item of business on an agenda of the Board for the next regular meeting of the Board, but no later than sixty (60) days after the Association receives the petition with the required percentage of Members. Other than addressing the item(s) of business placed on the Board's agenda through the written petition, the Board is not obligated or required to take any other action on the item(s) at that Board meeting. Each Member of the Association shall have the right to speak for three (3) minutes on each item of business placed on the Board's agenda through written petition, and will be subject to any other reasonable rules that have been adopted by the Board governing the frequency, duration and manner of Member statements. In order to speak on any item, a Member must either sign a sign-up sheet if one is provided at the Board meeting or submit to the Association a written request to speak before that Board meeting begins.

Section 7. Waiver of Notice. Any Director may waive notice of a Board meeting before or after the Board meeting and that waiver shall be deemed equivalent to the due receipt by that Director of notice. Attendance by any Director at a Board meeting shall constitute a waiver of notice of such Board meeting, and a waiver of any and all objections to the place of the meeting, to the time of the meeting or the manner in which it has been called or convened, except when a Director states at the beginning of the meeting, or promptly upon arrival at the meeting, any objection to the transaction of affairs because the meeting has not been lawfully called or convened. The transactions at any meeting of the Board, however called and noticed or wherever held, shall be as valid as though they were made at a Board meeting duly held after regular call and notice, if a quorum is present, and if, either before or after the Board meeting, each of the Directors not present signs such written waiver of notice, a consent to holding such

Board meeting, or an approval of the minutes of that Board meeting. All such waivers, consents and approvals shall be filed with the official records of the Association or made a part of the minutes of the Board meeting.

Section 8. Quorum. A quorum for any meeting of the Board of Directors shall consist of a majority of the entire Board. The acts approved by a majority of those Directors present at a Board meeting at which a quorum is present shall constitute the acts of the Board of Directors, except when approval by a greater number of Directors is specifically required by the Governing Documents.

Section 9. Adjourned Meetings. If, at any proposed meeting of the Board of Directors, there is less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present, provided notice of such newly scheduled meeting is given as required by Article VII, Section 4 or Article VII, Section 5 of these Bylaws. At any newly scheduled meeting, any business that might have been transacted at the meeting as originally called may be transacted as long as notice of such business to be conducted at the rescheduled meeting is given.

Section 10. Joinder in Meeting by Approval of Minutes. The joinder of a Director in the action of a Board meeting by signing and concurring in the minutes of that Board meeting shall constitute the approval of that Director of the business conducted at the Board meeting, but such joinder shall not allow the applicable Director to be counted as being present for purposes of quorum.

Section 11. Presiding Officer. The presiding officer at any meeting of the Board of Directors shall be the President (who may, however, designate any other officer to preside). If the President is absent or if the office of President is vacant, the Vice President shall preside at that Board meeting.

Section 12. Action Without Meeting. The Directors shall have the right to take any action in the absence of a Board meeting which they could take at a Board meeting by obtaining the vote or written consent of all Directors. Any action so approved shall have the same effect as though taken at a duly constituted meeting of the Directors.

Section 13. Committees. The Board may by resolution create Committees, appoint persons to such Committees, and vest in such Committees such powers and responsibilities as the Board shall deem advisable. The resolution establishing a Committee may also appoint its members, as well as a chair, state the purposes of the Committee, and provide for reports and other administrative matters as deemed appropriate by the Board. The Board may at any time dissolve, terminate or expand any Committee that has been created. All persons appointed to serve on any Committee (including, without limitation, the Architectural Review Board) serve at the pleasure of the Board of Directors and may be removed at any time by the Board with or without cause. Meetings of any Committee established by the Board of Directors at which a quorum of the members of that Committee is present shall be open to all Members, except for: meetings between any Committee and the Association's attorney with respect to proposed or pending litigation and/or adversarial administrative proceedings where the content of the

discussion would be protected by the attorney-client privilege; and meetings between any Committee and the Association's attorney held for the purpose of discussing personnel matters.

If any Committee created by the Board of Directors meets to make a final decision regarding any expenditure of Association funds, notice of that Committee meeting must be posted in a conspicuous place in the Community at least forty-eight (48) hours preceding the date and time of the Committee meeting.

Notice of any meeting of the Association's Architectural Review Board must be posted in a conspicuous place in the community at least forty-eight (48) hours preceding the date and time of the Architectural Review Board meeting.

Section 14. Minutes of Meetings. The minutes of all meetings of the Board of Directors shall be kept in written form or in another form that can be converted into written form within a reasonable time. The Association shall retain these minutes for a period of not less than seven (7) years.

Section 15. Emergency Bylaws and Powers . In the event of an "emergency" as defined in Article VII, Section 15(a) of these Bylaws, the Board of Directors of the Association may exercise the emergency powers described in this Section, and any other emergency powers granted to a not for profit corporation under then-existing Florida law.

(a) An "emergency" exists for purposes of this Section 15 during the time a quorum of the Association's Directors cannot readily be assembled because of a catastrophic event, which includes without limitation, a hurricane, earthquake, act of war, civil unrest, domestic terrorism, or other similar occurrence. An "emergency" also exists during any period of time that local civil authorities have declared that a state of emergency exists in, or have ordered the mandatory evacuation of, the area in which the Palencia North community is located. A determination by any two (2) Directors that an emergency exists shall have presumptive validity.

(b) The Board of Directors may name as assistant officers persons who are not Directors, and these assistant officers shall have the same authority as the executive officers of whom they are the designated assistant during the period of the emergency, in the event of the incapacity of any officer of the Association.

(c) The Board of Directors may relocate the principal office during the period of the emergency, or designate alternative principal offices, or authorize the officers to do so.

(d) During any emergency the Board of Directors may hold Board meetings with notice given only to those Directors with whom it is practicable to communicate, and the notice of that Board meeting may be given in any reasonable manner, including but not limited to, publication, radio and television. The Director or Directors in attendance at such a Board meeting shall constitute a quorum of the Board.

(e) Corporate action taken in good faith during the period of an emergency under this Section 15 to further the ordinary affairs of the Association shall bind the Association,

and that corporate action shall have the rebuttable presumption of being reasonable and necessary.

(f) Any officer, Director, agent of the Association and/or employee of the Association acting with a reasonable belief that his or her actions are lawful in accordance with these emergency Bylaws shall incur no liability for doing so, except in the case of willful misconduct and/or gross negligence.

(g) The provisions of these emergency Bylaws shall supersede any inconsistent or contrary provisions of the Bylaws during the period of an emergency. However, all provisions of the Bylaws that do not conflict with the emergency Bylaws remain effective during the period of an emergency.

(h) The provisions of these emergency Bylaws shall cease to be effective once the reason for the emergency ends.

Section 16. Execution of Documents. The Board of Directors, except as otherwise provided in these Bylaws, hereby authorizes the President or, if the President is unavailable for a period greater than two (2) full business days, the Vice President to enter into any contract or agreement and/or to execute any instrument in the name and on behalf of the Association.

Section 17. Recording of Board Meetings. Any Member may tape record and/or videotape any meeting of the Board of Directors of the Association, subject to the following and such further reasonable rules and restrictions that the Board of Directors may adopt from time to time:

- (a) The only audio equipment, video equipment and/or other devices which Members are authorized to utilize at any such Meeting is equipment which does not produce distracting sound, light and/or heat emissions;
- (b) All audio equipment and/or video equipment shall be assembled and placed in position in advance of the scheduled time for the start of the meeting;
- (c) Anyone videotaping, audiotaping and/or recording a meeting shall not be permitted to move about the meeting room in order to facilitate the videotaping, audiotaping and/or recording; and
- (d) At least twenty-four (24) hours prior written notice shall be given to the Secretary of the Association's Board of Directors by any Member desiring to audiotape, record and/or videotape the Board Meeting.

ARTICLE VIII

POWERS AND AUTHORITY OF THE BOARD OF DIRECTORS

All of the duties, power and authority of the Association existing under Florida law or the Governing Documents shall be exercised exclusively by the Board of Directors, subject to approval by the Members only when specifically required. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association. Such powers and duties of the Board of Directors shall include, without limitation (except as limited elsewhere herein), the following:

- (a) Operating and maintaining all Common Area and Association property.
- (b) Determining the Common Expense, Assessments, and any other financial obligations of the Association.
- (c) Maintaining bank accounts on behalf of the Association and designating the signatories required therefore.
- (d) Creation and maintenance of reserve accounts on behalf of the Association.
- (e) Purchasing, leasing or otherwise acquiring title to, or an interest in, property in the name of the Association, or its designee, for the use and benefit of its members. The power to acquire personal property shall be exercised by the Board and the power to acquire real property shall also be exercised by the Board.
- (f) Purchasing, leasing or otherwise acquiring property, including, without limitation, Lots, Residential Dwelling Units, Building Sites, Commercial Improvements and/or other property within the Property at foreclosure or other judicial sales, all in the name of the Association, or its designee.
- (g) Making repairs, replacements, additions and improvements to, or alterations of, Common Area with the provisions of the Declaration after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings or otherwise.
- (h) Allocating income and expenses and taking such other actions as shall be deemed necessary and proper for the sound management of the Association.
- (i) Levying fines against Members, any tenants, any lessees, any guests, any occupants, any licensee and/or any invitees for any violation(s) of the Governing Documents and/or the rules and regulations established by the Association to govern the conduct of Members, tenants, occupants, visitors, employees, lessees, contractors, subcontractors, guests, licensees and/or invitees. No fine shall be levied except after giving reasonable notice and opportunity for a hearing to the affected Member and, if applicable, his or her tenant(s), guest(s), occupant(s), visitor(s), contractor(s), employee(s), subcontractor(s), lessee(s), licensee(s) and/or invitee(s).
- (j) Suspending, for a reasonable period of time, the rights of any Member, any tenant, any lessee, any occupant, any visitor, any employee, any contractor, any subcontractor, any guest, any licensee and/or any invitee to use the Common Area, any recreational facilities and any amenities located on the Common Area for any violation(s) of the Governing

Documents and/or the rules and regulations established by the Association to govern the conduct of Members, tenants, lessees, occupants, visitors, contractors, employees, subcontractors, guests, licensees and/or invitees. No suspension shall be imposed except after giving reasonable notice of at least fourteen (14) days and an opportunity for a hearing to the affected Member and, if applicable, that Member's tenant(s), guest(s), lessee(s), licensee(s) and/or invitee(s).

(k) Borrowing money on behalf of the Association when required in connection with the operation, care, upkeep and maintenance of Common Area or the acquisition of real property, and granting mortgages on and/or security interests in Association-owned property or the Association's assessment authority.

(l) Contracting and paying for the management, maintenance, repair and replacement of the Common Area and authorizing a management agent (who may be an affiliate of Developer) to assist the Association in carrying out its powers and duties by performing such functions as the submission of proposals, collection of Assessments, preparation of records, preparation of financial records, maintenance of financial records, maintenance of the Association's official records, enforcement of the Governing Documents and maintenance, repair, and replacement of the Common Area with such funds as shall be made available by the Association for such purposes. The Association and its officers shall, however, retain at all times the powers and duties granted by the Governing Documents, including, but not limited to, the making of any Assessments, promulgation of rules, amendment of the Governing Documents and execution of contracts on behalf of the Association.

(m) At its discretion, authorizing Members or other Persons to use portions of the Common Area for private parties and gatherings and imposing reasonable charges for such private use.

(n) Exercising: (1) all powers specifically set forth in the Governing Documents; (2) all powers incidental thereto; and (3) all other powers not prohibited to a Florida not for profit corporation or a Florida "homeowners' association" as defined under Florida law.

(o) Contracting with and creating or joining in the creation of special taxing districts, joint councils and the like.

(p) Selecting, appointing and removing all officers, Committee members, agents, contractors, vendors and/or employees of the Association, prescribing such powers and duties for them as may be consistent with law and the Governing Documents, and fixing their compensation, if any.

(q) Changing the principal office for the transaction of the business of the Association; designating any place for the holding of any Annual or Special Meeting of the Association's Members consistent with the provisions of the Governing Documents; and designating any place for the holding of any Board meeting consistent with the provisions of the Governing Documents.

(r) Fixing and levying from time to time Assessments upon the Owners, as provided in the Governing Documents; setting the due date for the payment of such Assessments and the date upon which the same shall become delinquent. Assessments shall be fixed and levied to provide for the payment of the expenses of the Association, for the operation, maintenance, repair and replacement of the Common Area (including, without limitation, any facilities and/or amenities constructed on the Common Area), Master Drainage System and/or Association property, to pay any service provider, for the costs of cable television that may be uniformly provided to all Lots, Building Sites, Residential Dwelling Units and/or Commercial Improvements, and for taxes and/or governmental assessments upon real or personal property owned, leased, controlled and/or occupied by the Association, or for the payment of expenses for labor rendered or materials or supplies used and consumed, or equipment and appliances furnished for the maintenance, improvement or development of such property or for the payment of any and all obligations in relation thereto, or in performing or causing to be performed any of the purposes of the Association for the general benefit and welfare of its Members, all in accordance with the provisions of the Governing Documents. Should any Owner fail to pay such Assessments before delinquency, the Board of Directors in its discretion is authorized to enforce the payment of such delinquent Assessments as provided in the Governing Documents.

(s) Enforcing the provisions of the Governing Documents and other agreements of the Association. To enforce any provision of the Governing Documents, the Board may take and/or seek any remedy at law, equitable remedy, administrative remedy, self-help, or any combination of these available to the Board.

(t) Contracting and paying for fire, casualty, errors and omissions, blanket liability, malicious mischief, vandalism, and any other insurance, insuring the Members, the Association, the Board of Directors and other interested parties, in accordance with the provisions of the Governing Documents, covering and protecting against such damages or injuries as the Board deems advisable, which may include, without limitation, medical expenses of persons injured on the Common Area and/or Association property and to bond the agents and employees of any management body, if deemed advisable by the Board. The Board of Directors shall review at least once each calendar year all insurance policies and bonds obtained by the Board on behalf of the Association.

(u) Employing personnel and/or professional services necessary for the operation of the Common Area, Association property, and the Association, including legal and accounting services, and contracting and paying for improvements to the Common Area.

(v) Contracting and paying for maintenance, gardening, landscaping, materials, supplies and services relating to the Common Area and/or Master Drainage System.

(w) Delegating its powers according to law and the Governing Documents.

(x) Granting easements where necessary for utilities, telecommunications, cable television, water facilities, sewer facilities and any other services or utilities over the Common Area and/or any other portion of the Property.

(y) Fixing, determining and naming from time to time, if necessary or advisable, the public agency, fund, foundation or not for profit corporation or association, which is then organized, to which the Assessments of this Association shall be distributed upon liquidation or dissolution, according to the Association's Governing Documents. The assets so distributed shall be those remaining after satisfaction of all just debts and obligations of the Association, and after distribution of all property held or acquired by the Association under the terms of a specific trust or trusts.

(z) Adopting such rules and regulations as the Board may deem necessary for the operation and/or management of the Property, Residential Dwelling Units, Lots, Common Area, Building Sites, Commercial Improvements and/or Association property, which rules and regulations shall become effective and binding after (1) they are adopted by a majority of the Board at a duly noticed Board meeting held pursuant to these Bylaws, and (2) the rules and regulations are mailed or personally delivered to all Members of the Association within ten (10) business days following the adoption of the rules and regulations. Such rules and regulations shall not materially adversely affect the rights, privileges or preferences of Developer as established by the Governing Documents without the prior written approval of Developer. Such rules and regulations may concern, without limitation, use of the Common Area, use of Association property, signs, parking restrictions, use of Lots, maintenance of Lots, appearance of Lots, use of Residential Dwelling Units, maintenance of Residential Dwelling Units, appearance of Residential Dwelling Units, use of Building Sites, maintenance of Building Sites, appearance of Building Sites, use of Commercial Improvements, appearance of Commercial Improvements, maintenance of Commercial Improvements and any other matter within the jurisdiction of the Association as provided in the Governing Documents. However, any rules and regulations shall be enforceable only to the extent that they are consistent with the Governing Documents.

ARTICLE IX

OFFICERS

Section 1. Designation. The principal officers of the Association may include a President, a Vice President, a Secretary, and a Treasurer, all of whom shall be elected by the Board of Directors. The Board of Directors may appoint an Assistant Treasurer and an Assistant Secretary, and such other officers as in the Board's judgment may be necessary. Officers must be Directors. Any two offices may be held by the same person, however the offices of President and Secretary may not be held by the same person.

Section 2. Election of Officers. The officers of the Association shall be elected annually by the Board of Directors at the Annual Meeting, following the election of Directors. Notwithstanding the foregoing, officers shall be elected at the Special Meeting of the Association held when Directors are to be elected by the Class A Members Eligible To Vote for the first time following termination of the Class B membership. Each officer shall hold his or her office at the pleasure of the Board of Directors, until he or she has resigned, is removed, is recalled or is otherwise disqualified to serve.

Section 3. Removal of Officers. Upon an affirmative vote of a majority of the entire Board of Directors, any officer may be removed, with or without cause, and his or her successor elected at any duly noticed meeting of the Board of Directors.

Section 4. President. The President shall be the chief executive officer of the Association. The President shall preside at all meetings of the Association and of the Board of Directors. The President shall have all of the general powers and duties which are usually vested in the office of the President of a corporation. The President shall, subject to the control of the Board of Directors, have general supervision, direction and control of the business of the Association. The President shall be ex officio a member of all standing committees established by the Board, and he or she shall have such other powers and duties as may be prescribed by the Board of Directors or these Bylaws.

Section 5. Vice President. The Vice President shall take the place of the President and perform his or her duties whenever the President shall be absent, disabled, refuses to act or is unable to act. If neither the President nor the Vice President is able to act, the Board of Directors shall appoint some other member of the Board to do so on an interim basis. The Vice President shall also perform such other duties as may be prescribed by the Board of Directors or these Bylaws.

Section 6. Secretary. The Secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the Members of the Association at the principal office of the Association or at such other place as the Board of Directors may order. The Secretary shall keep the seal of the Association in safe custody and shall have charge of such books and papers as the Board of Directors may direct; and the Secretary shall, in general, perform all of the duties incident to the office of Secretary. The Secretary shall give, or cause to be given, notices of meetings of the Members of the Association and of the Board of Directors required by the Governing Documents, these Bylaws or by law to be given. The Secretary shall maintain a list of Members, listing the names and addresses of the Members as furnished to the Association, and such list shall be changed only at such time as satisfactory evidence of a change in ownership is presented to the Secretary. The Secretary shall perform such other duties as may be prescribed by the Board of Directors or these Bylaws.

Section 7. Treasurer. The Treasurer shall have responsibility for the Association funds and securities and shall be responsible for keeping, or causing to be kept, full and accurate accounts, financial statements, financial records, tax records and other records of business transactions of the Association, including accounts of all assets, liabilities, receipts and disbursements in books belonging to the Association. The Treasurer shall be responsible for the deposit of all monies and other valuable effects in the name, and to the credit, of the Association in such depositories as may from time to time be designated by the Board of Directors. The Treasurer shall disburse the funds of the Association as may be ordered by the Board of Directors in accordance with the Governing Documents, shall render to the President and Directors, upon request, an account of all of his or her transactions as Treasurer and of the financial condition of the Association, and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or these Bylaws.

ARTICLE X

COMPENSATION AND RESIGNATION

Section 1. Compensation. No Director or officer shall receive compensation for their services as such, but this provision shall not preclude the Board of Directors from employing a Director or officer as an employee of the Association, or from contracting with a Director or officer for any other service to be supplied by such Director or officer. Directors and officers shall be compensated for all actual and proper out-of-pocket expenses relating to the proper discharge of their respective duties.

Section 2. Resignation. Any Director or officer may resign his or her post at any time by written resignation delivered to the Board, to the President of the Association, or to the Secretary of the Association. Any such resignation shall take effect upon its receipt unless a later date is specified in the resignation, in which event the resignation shall be effective from such date unless the resignation is withdrawn prior to that later date. The acceptance of a resignation shall not be required to make it effective. The conveyance, sale or transfer of all Lots owned by any Director (other than appointees of the Developer) shall constitute an immediate written resignation of that Director, and that Director's position on the Board may then be filled pursuant to these Bylaws.

ARTICLE XI

ASSOCIATION FINANCES

Section 1. Use and Consumption Fees; Licenses and Royalties.

The Board may charge use and consumption fees to any Person using Association services and/or facilities and may, in its discretion, determine the amount and method of determining such fees. Different fees may be charged to different classes of users (for example, Owners and non-Owners). Any such fees charged to Owners shall be considered an Individual Assessment against the Lots of such Owners to be levied and collected pursuant to the terms of the Declaration.

As set forth in the Governing Documents, the Association may enter into license agreements with Developer or other parties to permit the Association's use of trade names or service marks, such as the use of the name "**Palencia North**". To the extent permitted by such license agreements, the Board may enter into sub-license agreements, under negotiated terms, which permit others within the Property to use such trade names and/or service marks. The Association may charge fees and collect royalties in connection with such sub-license agreements; provided, Developer and any Developer Affiliate shall retain the absolute right to use such trade names and service marks without payment of any license fees. Any such fees and royalties shall be considered an Individual Assessment to be levied and collected pursuant to the terms of the Declaration.

Section 2. Depository. The depository of the Association shall be such bank or banks in the State of Florida as shall be designated from time to time by the Board of Directors and in

which the monies of the Association shall be deposited. Any and all banks utilized by the Board of Directors and the Association shall be federally insured. Withdrawal of monies from those accounts may be made by either: (a) checks signed by such person or persons as are authorized by the Board of Directors; or (b) electronic fund transfers by such person or persons as are authorized or under the direction of the Board of Directors. All reserve and operating funds collected by the Association from Assessments or otherwise shall not be commingled in a single account and shall be divided into more than one (1) account as determined by a majority of the Board of Directors. In addition, a separate reserve account may be established for the Association in such a depository for monies specifically designated as reserves for capital expenditures, deferred maintenance and/or any other item or expense in the sole discretion of the Board of Directors.

Section 3. Fidelity Bonds. Fidelity bonds may be required, in the discretion of the Board of Directors, for all Persons handling or responsible for Association funds in such amounts as shall be determined by a majority of the Board, but in no event less than the greater of One Hundred Thousand Dollars (\$100,000) or the maximum amount that will be in the custody or control of the Association or any persons handling or responsible for Association funds at any one time. The premiums on such bonds shall be paid by the Association as a Common Expense.

Section 4. Accounting Records and Reports. The Association shall maintain accounting records in the State of Florida, according to accounting practices normally used by similar associations. All financial and accounting records must be kept by the Association for a period of at least seven (7) years. The records shall include, but not be limited to: (a) accurate, itemized and detailed records of all receipts and expenditures; (b) a current account and periodic statement of the account of each Member, designating the name and current mailing address of each Member, the amount of each Assessment, the dates and amounts in which the Assessments come due, the amount paid upon the account and the dates so paid, and the balance due; (c) all tax returns, financial statements and financial reports of the Association; and (d) any other Association records that identify, measure, record or communicate financial information.

Within sixty (60) days following the end of each Fiscal Year, the Association shall prepare, or have prepared, a complete annual financial report. The annual financial report will consist of a complete set of financial statements that were prepared in accordance with generally accepted accounting principles, and with such other requirements established by Florida law for a homeowners' association with total annual revenue of the Association. When the Board of Directors completes or receives this annual financial report, the Association shall within ten (10) business days either: mail or deliver a copy of the annual financial report to each Member; or mail or deliver a written notice to each Member that a copy of the annual financial report is available upon request at no charge to the Member.

ARTICLE XII AMENDMENTS TO THE BYLAWS

These Bylaws may be amended, altered, modified, repealed and/or rescinded in the following manner:

Section 1. Notice. Notice of the subject matter of a proposed amendment, alteration, rescission, and/or modification to these Bylaws shall be included in the notice of the meeting of the Association's Board of Directors at which a proposed amendment, alteration, rescission and/or modification to these Bylaws is to be considered.

Section 2. Adoption. An amendment, alteration, modification and/or rescission of these Bylaws may be made upon the approval of a majority of the entire Board of Directors at a duly noticed meeting of the Board.

Section 3. Effective Date. The effective date for any amendment, alteration, modification and/or rescission of these Bylaws shall be when a Certificate of Amendment is signed by an officer of the Association and filed in the Public Records of St. Johns County, Florida along with a copy of the text of the amendment, alteration, modification and/or rescission.

ARTICLE XIII

CONFLICTING PROVISIONS

Section 1. Conflicting Provisions. In case any of these Bylaws conflict with any provisions of the laws of the State of Florida, such conflicting Bylaws shall be null and void, but all other provisions of these Bylaws shall remain in full force and effect. In case of any conflict between the Articles and these Bylaws, the Articles shall control. In the case of any conflict between the Declaration and these Bylaws, the Declaration shall control. In the case of any conflict between any rules and regulations adopted by the Association and these Bylaws, these Bylaws shall control.

Section 2. Waiver. No provision of these Bylaws or any regulation promulgated by the Board of Directors pursuant hereto shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, regardless of the number of violations or breaches which may have occurred.

Section 3. Severability. The provisions of these Bylaws are severable, and the invalidity of one or more provisions hereof shall not be deemed to impair or affect in any manner the enforceability or effect of the remainder.

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

Section 5. Gender and Number. All nouns and pronouns used herein shall be deemed to include the masculine, the feminine, and the neuter, and the singular shall include the plural and the plural shall include the singular whenever the context requires or permits.

IN WITNESS WHEREOF, the members of the Board of Directors have adopted these Bylaws of Palencia North Homeowners Association, Inc. effective as of this _____ day of _____, 2007.

Signature

Print Name:_____

Title: President

Attest:_____
Signature

Print Name:_____

Title: Secretary

PALENCIA NORTH ARCHITECTURAL DESIGN GUIDELINES

I. Introduction

A. Intent of Design Guidelines

1. The Architectural Design Guidelines consist of established minimum requirements, which will be used to regulate the construction of homes and other properties at Palencia North and to ensure a level of high quality and maintain consistency with the primary objective of the overall development plan for the community. All developers, contractors, architects, engineers, and property owners must adhere to (1) the Design Guidelines in conjunction with future design criteria for specific neighborhoods, (2) all applicable building codes, (3) the Americans with Disabilities Act, (4) the terms and conditions of the Palencia North Property Owners Association, (5) Sweetwater Creek DRI Development Order (“Development Order”), (6) Sweetwater Creek Planned Unit Development Zoning Ordinance (“PUD”), (7) all contractual requirements, (8) Declaration of Covenants and Restrictions for Palencia North Residential Lots, (9) Residential Structured Wiring Specifications, and (10) Declaration of Covenants and Restrictions for Palencia North.
2. The purpose of the Design Guidelines is to describe aspects of the site design, architectural delineation and landscaping, which are desired to be utilized throughout the entire design and construction process for each improvement.
3. The criteria set forth in the Design Guidelines are supported by the Developer, Sweetwater Creek Community Development District (“CDD”) and the Palencia North Property Owners Association (“POA”) and will be used throughout the review process as criteria for objectively reviewing all construction plans/procedures for any and all proposed improvements.
4. The Palencia North Property Owners Association, Inc. (“POA”) shall be the controlling agent for review, enforcement and modification of these Design Guidelines. The POA will appoint individual committees for review and enforcement.

B. Organization

1. Architectural Review Board

The Board of Directors of the Palencia North Property Owners Association, Inc. shall appoint members for the Architectural Review Board. The Architectural Review Board (“ARB”) will consist of a minimum of three (3) members. Each person will hold office until such times as they have resigned, are removed, or a successor has been appointed. Members shall serve staggered two-year terms. There is no limit to the number of consecutive terms, which can be served by any member.

Any member of the ARB may resign from the ARB at any time upon written notice stating the effective date of the member’s resignation to the Association. The Executive Committee of the POA with or without cause may remove any member at any time.

The POA may hire and/or appoint a secretary for the ARB, and shall provide appropriate compensation for any such secretarial services. The ARB shall have the right to establish one or more sub-committees to perform one or more of the functions of the ARB.

The general organization of the Palencia North Property Owners Association, Inc. (“POA”) and its related committees are depicted in Exhibit I-A.

2. ARB Purpose and Function

- a. ARB will be evaluating the application for proposed improvement from any Property Owner, Builder, and/or Agent (“Applicant”). The application will be evaluated for total effect, including the manner in which the Property is developed.
- b. These criteria set forth in the Design Guidelines address a broad range of exterior building and site conditions. The ARB will employ these guidelines in reviewing applications. They are not intended to be all-inclusive. Additional provisions of the Design Guidelines also describe, limit, restrict, and otherwise set forth additional design criteria. However, the respective ARB committee will also review proposed new construction or modifications not covered by these guidelines.
- c. The ARB will consult the Design Guidelines to evaluate all applications. The Design Guidelines, with exception to those noted as requirements, are written as relatively broad standards and the interpretation of these standards is left up to the discretion of the ARB. As this evaluation relates to matters of

judgment and taste, which cannot be reduced to a simple list of measurable criteria. It is possible that a proposed improvement might meet the individual criteria delineated in the Design Guidelines and still not receive approval, if in the sole judgment of the ARB, its overall aesthetic impact is unacceptable.

- d. Certain development standards, noted as requirements, within the Design Guidelines have definitive or absolute design parameters and it is the intention of this design review process to ensure that all improvements comply with these absolute standards.
- e. The ARB will consider and act upon such proposals or plans submitted to it in accordance with the Architectural Review Procedures established in Section II of these Design Guidelines.
- f. The ARB will amend the Design Guidelines as deemed appropriate with final approval of amendments contingent upon the POA Executives' Board's concurrence.

3. ARB Meeting

- a. The ARB meets as needed to properly perform its duties. The ARB actions on matters will be by a majority vote of the ARB members present at the meeting. Any action required to be taken by the ARB may be taken without a meeting if consent in writing, setting for the action so taken is signed by a majority of the ARB members.
- b. The ARB will keep and maintain a record of all actions taken. The powers of this ARB relating to design review will be in addition to all design review requirements imposed by St. Johns County and local authorities.

4. ARB Compensation

The POA has the right to set compensation for the members of the ARB. Compensation may be revoked or changed at any time with or without cause. Professional consultants retained by the ARB to assist them in carrying out their responsibilities may be paid such compensation as the POA determines appropriate.

5. Design Guidelines Amendment

The members of the ARB may, from time to time and in its sole discretion, adopt, amend and repeal by unanimous vote, rules and regulations to be incorporated into, or amendments of the Design Guidelines which, among other things, interpret, supplement, or

implement the provisions of the Design Guidelines. All such rules and regulations or amendments, as they may from time to time be adopted, amended or repealed, will be appended to and made a part of the Design Guidelines. Each Applicant is responsible for obtaining from the POA a copy of the most recently revised Design Guidelines.

6. Waiver of Design Guidelines

The Design Guidelines set forth herein are intended as guidelines to which adherence shall be required of each Applicant in the community, provided, however, the ARB shall have the express authority to waive any requirement set forth herein if, in its sole opinion, it deems such waiver in the best interest of the property and the deviation requested is compatible with the character of the property. A waiver shall be evidenced by an instrument signed and executed by the ARB upon approval by a majority of its members.

7. ARB Non-Liability

Neither the ARB nor any member will be liable to the Palencia North Property Owners Association, any Applicant or any other person for damage, loss or prejudice suffered or claimed on account of:

- a. Approving or disapproving any plans, specifications and other materials, whether or not defective;
- b. Constructing or performing any work, whether or not pursuant to approved plans, specifications and other materials;
- c. The development or manner of development land within Palencia North;
- d. Executing and recording a form of approval or disapproval, whether or not the facts stated therein are correct; and
- e. Performing any other function pursuant to the provisions of the Design Guidelines or the Declarations of Covenants and Restrictions.

In connection with all reviews, acceptances, inspections, permissions, consents or required approvals by or from the Developer or the POA or the ARB, contemplated under this Article, neither the Developer, the ARB nor the POA shall be liable to an Applicant or to any other person on account of any claim, liability, damage, or expense suffered or incurred by or threatened against an Applicant or such other person arising out of or in any way related to the subject matter of any such reviews, acceptances, inspections, permissions, consents or required approvals, whether given, granted, or withheld by the Developer, the Association or the ARB.

Approval of any plans by the ARB does not in any way warrant that the proposed improvements are structurally sound or in compliance with applicable codes, nor does it eliminate the need for approval from the St. Johns County Building Department or any other applicable agency.

The approval of an application for one proposed improvement shall not be construed as creating any obligation on the part of the ARB to approve applications involving similar designs pertaining to different portions of Palencia North.

II. Architectural Review Board Procedures

This section provides a guide to the design review process for the Palencia North community. The process involves a series of meetings between the Applicant, their design professionals and the Architectural Review Board (ARB). It begins with an informal introductory meeting and concludes with the completion of construction. Along the way are a series of meetings, or checkpoints, designed to ensure a smooth and efficient review of the proposed improvement.

The ARB will assist the Applicant through the design review process and has a variety of educational and guidance materials available to assist them. As opposed to a regulatory review agency, the ARB should be thought of as a member of the Applicant's design team.

A. Improvements Requiring Design Review and ARB approval

1. ARB approval must be obtained for any of the following improvements:
 - a. Construction of all new homes, structures, or buildings;
 - b. The renovation, expansion or refinishing of the exterior of existing buildings;
 - c. Major site and/or landscape improvements;
 - d. Swimming pools, yard recreational equipment, play houses, gazebos, spas, storage buildings, and playgrounds;
 - e. Fences, gates and other ancillary site structures;
 - f. Landscaping, trellis and shade structures, and site lighting;
 - g. Tree removal or major trimming of hardwoods;
 - h. Irrigation wells; and
 - i. Changes to exterior colors or changes in building materials.

Exceptions to Design Review and ARB Approval: Normal property maintenance, replacement of plant material with similar species to previously approved by the ARB, and repainting with the same color as previously approved by the ARB.

B. The Design Review Process

1. The design review process is systematically designed to facilitate the review and approval of ARB applications. The review process includes an optimal preliminary design conference, a preliminary design review, a final design review and final inspection.
2. The Applicant is required to retain assistance from licensed design professionals in preparing the required submittal package. Additional assistance from other licensed design professionals such as a civil engineer and a landscape architect is also recommended. The Applicant and their chosen consultants should also carefully review the Palencia North Architectural Design Guidelines and the Declaration of Covenants and Restrictions (“CC&R’s”) prior to commencing the design review process. The submittal package that is presented for final ARB approval shall be stamped by the Applicant’s or Builder’s architect.
3. The ARB will make every reasonable effort to comply with monthly meetings and review periods as outlined below in each step. However, the ARB will not be liable for delays that are caused by circumstances beyond their control. The ARB meets each month as deemed appropriate. The Four Step Review Process is as follows:

Step 1: Preliminary Design Conference: (Optional) Prior to the preparation of any materials for formal ARB review, the Applicant and the Applicant’s consultant(s) may elect to meet with a representative of the ARB for a Preliminary Design Conference. If requested, the conference meeting will be scheduled within ten (10) business days of receipt of written request. The purpose of the design conference will be:

- a. To discuss the particular characteristics and any restrictions on development of the property;
- b. To provide a general overview of the design guidelines and approved process; and
- c. To ensure that the Applicant understands the requirements, fees, and schedule of the design review process.

This informal review is intended to offer guidance prior to initiating any investment in preliminary design, and is a very important step in the overall process.

Step 2: Preliminary Design Review: (Recommended) The Applicant is encouraged to submit preliminary plans for a Preliminary

Design Review to avert wasted time and professional fees that result from pursuing a design solution which is in conflict with the standards contained in these Design Guidelines.

Upon receipt of the required design documents the ARB will review the preliminary design documents. The ARB will provide comments on the Application at the meeting and subsequently provide the Applicant with a written record of the meeting comments and notes. The comments of the ARB on the preliminary submittal shall be advisory only, and shall not be binding upon either the Applicant or the ARB. Additional review meetings may be necessary to review corrected and/or new materials.

Step 3: Final Design Review: (Required) Prior to any commencement of construction or improvement the Applicant must obtain approval through the Final Design Review Process. The Final Design Review Process occurs when the Applicant submits a COMPLETE APPLICATION together with the required Final Design Documents, including site plan, building plans, landscape plans, construction deposit and the review fee.

Step 4: Inspections: (Recommended) During construction, the ARB's Enforcement Committee or its authorized representative has the right to check construction to ensure compliance with approved final design documents and Palencia North requirements. These Scope of Work Inspections are specified but not limited to the following:

- a. Site Inspection/Lot Walk: Prior to clearing, grubbing or any vegetation removal on a property, the Applicant shall submit a written application for an ARB representative to inspect and approve proposed building location, clearing and tree preservation. An ARB representative will inspect the lot within ten (10) business days of receipt of request. Prior to the site inspection/lot walk, Applicant shall stake the location of the proposed corners of the building(s), flag all trees to be preserved and all other major improvements. **No trees or vegetation shall be removed until inspection is complete.**
- b. Certificate of Compliance: Upon completion of all improvements, the Applicant must request a Certificate of Compliance from the ARB. The ARB will make a final inspection of the property within ten (10) business days of a written request. If the ARB determines that the improvements have been completed in accordance with the ARB requirements, a Certificate of Compliance will be issued within ten (10) business days of inspection and the refundable construction deposit for the specific job site will be returned. If

it is found that the work was not done in compliance with the approved final design documents, the ARB will issue a Notice to Comply within five (5) business days of inspection. If the non-compliant work is not corrected within thirty (30) days of written notice then the Applicant will forfeit the construction deposit for that specific job site. The Developer reserves the right to use the construction deposit to correct non-compliant work. Refundable construction deposits for specific construction sites will only be returned when the ARB has issued a Certificate of Compliance.

4. ARB Comment: Upon receipt of the required design documents for each step, the ARB will review the application and related documents. The ARB will provide the applicant a written response within fourteen (14) business days of the ARB members' decision.

Decisions and approvals are site specific, and should not be construed to establish precedent for other sites. Additional review meetings may be necessary to review corrected and/or new materials.

If the decision of the ARB is to disapprove the submission, the ARB shall provide the Applicant with a written statement of the basis for such disapproval to assist the Applicant in modifying the application for a resubmittal.

5. Resubmittal of Design Plans: In the event that the ARB does not approve the final submittal, the Applicant will follow the same procedures for a resubmission as for original submittal. An additional design review fee may be required for resubmission. The ARB will, based upon ARB comments; allow two resubmissions with no additional fee required. Exception to this rule includes relocation of a building to another property, changing of building type or style, adding of additional site items not included within original submittal.
6. Appeals Procedure: The Applicant has the right to appeal decisions made by the ARB. The Applicant can initiate such an appeal procedure by submitting in writing to the ARB a document stating the reason for the appeal. Within ten (10) business days of receipt of appeal request, the Applicant will be notified to schedule a time to meet with the ARB.
7. Building Permits/St. Johns County Approvals: In addition to securing final design approval from the ARB, the Applicant will also have to meet all the submittal and approval requirements of St. Johns County and all governmental agencies as required to obtain construction or building permits. The Applicant may apply for all applicable building

permits from St. Johns County only after receiving Final Design Approval from the ARB.

8. Subsequent Changes: Additional construction, landscaping or other changes in the improvements that differ from the approved final design documents that must be submitted in writing to the ARB for review and approval prior to making field changes. Failure to do so may result in removal of existing non-compliant improvement or fine.
9. Separate Landscape Plan Submittals: The ARB prefers to receive a complete Final Design Review application that includes the Landscape Plan; however, in consideration for Applicants whose philosophy is to prepare the Landscape Plans after the commencement of construction and clearing the property, separate landscape plans will be accepted under the following conditions:
 - a. The Applicant shall submit a completed Separate Landscape Plan Application together with the required landscape plan and appropriate review fee.
 - b. The application is submitted prior to framing. Failure to submit application will result in fine and possible suspension of work.

C. Application Format & Forms

All application forms are available from the ARB for each required in the Four (4) Step Design Review process. Each COMPLETE submission must be accompanied by the required information, specified in the Application Instructions, in order to be scheduled for review. (Sample Applications are included in Appendix A.)

D. ARB Fee Schedule

In order to defray the expense of reviewing plans/related documents and to compensate any consulting Architects, Landscape Architects and other professionals, the Palencia North Design Guidelines establish a fee schedule for Design Reviews and Construction Compliance Reviews. Please refer to Appendix I.

E. Construction Deposit

Prior to beginning any site or construction work the Applicant shall submit to the POA a construction deposit in the amount identified in Appendix I. The construction deposit will be returned upon completion of the improvements and Final Inspection process and issuance of Notice of Compliance.

F. Notice to Comply

When the ARB identifies changes and/or alterations, which have not been approved, the ARB will notify the Applicant describing the specific instances of non-compliance and will require the Applicant to comply or resolve the discrepancies. Failure by the ARB to provide the Notice to Comply shall not be deemed a waiver or release of the ARB right to enforce any provisions of these Design Guidelines.

G. Non-Liability

Neither the ARB nor any member or employee will be liable to any party for any action, or failure to act with respect to any matter if such action or failure to act was in good faith and without malice.

H. Builder Approval Process

All builders must be approved by the ARB prior to beginning any construction within Palencia North.

III. Site Design

All proposed development within Palencia North is required to obtain approval from the ARB for any proposed site improvement. A site plan shall be submitted by the Applicant in accordance with the requirements of the Final Design Application. The site plan shall depict the location of all proposed site improvements including but not limited to the following: building and ancillary structures, existing trees, fences, walls and gates, sidewalks, swimming pools, mail boxes and other such site related features. The plan will also identify preserve areas, proposed grading and drainage solutions and proposed finish floor elevations.

A. Site Plan Submittal Requirements

1. Title Block: The plan shall have a Title Block containing the following minimum information:
 - a. Parcel community name, address and lot number
 - b. Date
 - c. Scale: Minimum requirement 1"=20' or larger
 - d. North Arrow
 - e. Name, Address and phone number of responsible professional.

2. Plan Requirements: The plan shall depict the following information:
 - a. All pertinent existing or proposed information including but not limited to: property lines, easement lines, buildings, sidewalks, driveways, mailbox, decks, pools, services yards, pool equipment, A/C compressors, steps, retaining walls, fences, etc.
 - b. Building setbacks and easements in accordance with minimum neighborhood requirements.
 - c. Proposed building location with ingress/egress locations shown.
 - d. Proposed finish floor elevations and site grading, in accordance with St. Johns County approved engineering plans.
 - e. Location of erosion control and any proposed drainage improvements.
 - f. Location of proposed tree/vegetation preserves and tree protection barricades.
 - g. Lots adjacent to isolated or contiguous wetland (Intracoastal Waterway, Stokes Creek, or other tributaries) shall illustrate their jurisdictional line and required buffer area.
 - h. The location, size and type of all existing trees exceeding (4") in diameter. All existing trees to be removed shall be marked with an "X"; all trees that are to remain shall be so noted.
 - i. The plan shall have Tree Credit Compliance information located on plan, see Exhibit III-B for example.
 - j. The plan shall demonstrate compliance with 50% natural preservation area requirement.

B. Site Layout, Lot Specifications and Setbacks

1. Site Layout: It is a priority of the Palencia North community to design site improvements to be compatible with the natural environment and overall Palencia North community theme. Issues that will be reviewed by the ARB will include tree preservation, building locations and setbacks, street appeal, minimum site requirements and any other related site issues. Specifics are as follows:
 - a. Applicant shall show proposed building location on the site plan. Building plan shall match architectural floor plans.
 - b. Each site plan shall be designed to provide a logical, safe and harmonious system of roadways, sidewalks and building facades.
 - c. All buildings shall be positioned perpendicular and parallel to streets except for buildings on large corner lots, which may be positioned diagonally across lots. The ARB may, in cases of odd-shaped lots, grant variances to this requirement.

2. **Lot Specifications and Setbacks:** All minimum setback requirements for each neighborhood parcel and individual lots shall adhere to the setbacks pursuant to the PUD as approved or amended or plat for each neighborhood parcel. Additional setbacks may be established by deed restrictions made applicable to specific subdivisions. The ARB may, in special cases, grant variances to building lines not specifically determined by the Development Order, PUD subdivision plats and by the local ordinances of St. Johns County. A variance may be allowed if it can be demonstrated by the designers of the particular building that the variance will allow a significant positive contribution to the building design or more importantly, to site design of the community as a whole.
 - a. A dwelling unit may be located upon a single platted lot or combination of platted lots and in such event the setback lines shall be measured from the outermost lot boundaries.
 - b. Each neighborhood parcel has distinct lot dimensions and setback requirements.
 - c. The ARB and its Design Guidelines may set more restrictive provisions than those indicated on the plat or permitting by zoning. The ARB may establish a more restrictive site plan within the building envelope to preserve a view corridor for example, or to protect a significant natural feature.
3. **Building Staking/Lot Walk Approval:** The ARB requires, unless approved to the contrary, that buildings, driveways and garages are staked out and that such siting is approved by the ARB before any tree cutting or clearing is done or any construction site work is begun. Before clearing or construction can commence on any lot the Applicant must:
 - a. Obtain an approved site plan from ARB
 - b. Complete lot walk application form
 - c. Flag property corner pins and string property lines
 - d. Stake and string the outline of the dwelling in its proposed location
 - e. Establish the proposed elevation of the first floor
 - f. Arrange a lot walk inspection with the ARB representative to verify that the staking is in conformance with the approved site plan.

C. Natural Vegetation Protection/Wetlands & Buffers

1. The preservation of existing vegetation is a development priority for Palencia North and a part of the development requirements. Natural areas that include large and small trees, shrubs and groundcovers

should be preserved whenever possible to maintain ecological continuity and increase aesthetic quality for the community.

The following guidelines are to protect existing single trees, tree groupings or natural areas of only shrubs or groundcovers:

- a. The Applicant will take extreme care during excavation to assure that the trees not authorized for removal are not damaged. Barricade fencing installed at the drip line of the tree and constructed with wood 2x4's must protect trees not authorized for removal located within an approved construction area. Please refer to Exhibit III-C for the Standard Tree Protection Detail.
 - b. All trees remaining within an approved construction area must be properly tagged and protected prior to the commencement of any grading operations.
 - c. The removal of any tree, beyond those approved to be removed by the ARB, shall be subject to a fine in accordance with the fee schedule in Appendix I.
 - d. Every effort must be made to reduce compaction and/or disturbance within the drip line of all trees located within and outside an approved construction area. Any fill under the drip line must have ARB approval.
 - e. When possible, shrubs and groundcovers within the drip line area of protected trees should be preserved rather than cleared.
 - f. The Applicant shall comply with all applicable local building codes related to tree protection and clearing.
 - g. Certain lots in hardwood demographic areas may be designated as entity protection zone. Such zones have been established to ensure preservation of hardwood entity. Refer to the Exhibit III-A and approved construction civil engineering plans for additional information.
2. Wetland Protection & Buffers: The Palencia North master plan has been designed to minimize both direct and indirect impacts to wetland areas within the property. Applicants are responsible to assist in the protection of preserved wetlands and preserved upland buffers adjacent to wetlands. Preserved wetlands and upland buffers are noted or referenced on the respective subdivision plats and approved construction plans and will be protected by conservation easements. Disturbance or removal of natural vegetation within the wetland areas is strictly prohibited and subject to penalty including ARB fines. Exhibit III-A depicts the general location of significant wetlands and buffer areas and should be consulted prior to preparing site plans.

Limited trimming of natural vegetation to enhance views is permissible within certain upland buffers only specifically designated

areas as Hand Trimming Areas on recorded plats, or on an approved engineering/site plans. Exhibit III-A is the approved Hand Trimming Guide and shall be consulted prior to trimming any buffer areas. Herbicides and pesticides are not permitted within the wetlands or upland buffers.

D. Site Grading and Drainage

Developing a proper drainage plan will be the responsibility of the Applicant. Approval of the drainage plan by the ARB does not make the Property Owners Association or the ARB committee liable or responsible to the Applicant of the property, adjacent property or any others with respect to the adequacy of the engineering or otherwise, but merely implies compliance with the intent of the guidelines and with design aesthetics.

The site shall be graded to provide adequate positive drainage. All drainage improvements to the site must comply with the applicable approved subdivision construction/engineering/grading plans on files at St. Johns County. Other guidelines are as follows:

- a. Surface drainage shall not drain to adjoining home sites, properties or open spaces except as established patterns maintained.
- b. Wherever practical, natural drainage courses should be protected and existing drainage patterns maintained.
- c. Impervious surfaces are to be minimized and excessive cut and fill is discouraged.
- d. Grading is not permitted outside property line.
- e. Disturbed areas are to be re-vegetated and blended into the surrounding environment. Watering must control blowing dust resulting from grading operations. During construction, erosion must be minimized on exposed cut and/or fill slopes through proper soil stabilization, silt fencing, water control and re-vegetation.
- f. The ARB may suspend grading operations during periods of heavy rains or high winds.
- g. All grades shall consider preservation of existing trees.

E. Erosion Control

The Applicant is responsible for the implementation of all erosion control techniques as may be required by State and local agencies. At a minimum, silt fencing must be provided along jurisdictional wetland perimeters within the construction limits and around all existing storm water inlet structures. A silt fence detail drawing is provided in Exhibit III-D.

- a. Every Applicant must comply with any applicable stormwater pollution prevention plan (as referenced in the Palencia North NPDES {National Pollutant Discharge Elimination System} permit) measures required within the Development Order, PUD and subdivision construction permits.
- b. All erosion control measures must comply with all state and local county codes and protect the building envelope from erosion and minimize the level of sediments in stormwater runoff.
- c. Minimum silt fence requirements shall include adjacent wetland buffers and all other areas where site drainage impacts adjacent properties or roadways.
- d. The ARB has the right to request additional silt fence and erosion control based upon actual field conditions.

F. Easements

Various easements (conservation, drainage, maintenance, view corridor, golf course, signage access, bike path, cart and trail, etc.) are located throughout the community. Applicant shall review all appropriate documents, including but not limited to, the Sweetwater Creek Development Regional Impact (“Development Order”), the Sweetwater Creek Planned Unit Development Zoning (“PUD Zoning”), and Declaration of Covenants and Restrictions and subdivision plats for more detailed descriptions and information.

G. Vehicle Access and Driveways

To ensure minimal visual impact and disturbance, the alignment of residential driveways shall follow the contours of the land and avoid to the greatest extent possible the removal of distinctive natural features such as specimen trees and shrubs, unless the Applicant has prior ARB approval. The maximum driveway width is 30 feet except as approved for parking and turn around areas.

Driveway paving materials may vary as they relate to the individual architecture, but should always maintain a finished purposeful quality material. Acceptable driveway finish materials include concrete, colored concrete, brick, pavers, stamped concrete and flagstone. Featured strips and aprons of separate material and special aggregates in exposed aggregate concrete will be reviewed by the ARB on a case by case basis. Other guidelines are as follows:

- a. Driveways shall be constructed so as not to impede the design flow of drainage water.

- b. The driveway access is preferred from the secondary street to the homesites located at the corner of a primary collector street and a secondary street.
- c. Where space permits, curving driveway alignments are favored over linear alignments.
- d. Black asphalt and loose aggregate driveways require special permission of the ARB prior to installation.
- e. Circular drives and motor courts require special permission of St. Johns County and the ARB prior to installation.
- f. All concrete driveways shall have a minimum 4" picture frame finish.
- g. Certain neighborhoods require a 12-foot deep decorative paver apron. Any damage done to the landscaping, irrigation and utilities in the right of way that may occur during the construction of the driveway must be repaired by the Applicant.
- h. PODS (Portable On Demand Storage) containers may be kept in driveways for a maximum of 7 days.

H. Sidewalks

It is the responsibility of the Applicant to install a sidewalk within R.O.W. in front of the Applicant's lot provided that the approved subdivision plans indicate a sidewalk in front of the lot. Sidewalk widths vary from 48" to 60" and are generally located 7 feet from the back of the curb. Corner lots shall also have sidewalks along the side of the lot, as well as the front, with handicap access ramps per the approved subdivision plans.

- a. Throughout the neighborhood, sidewalks are to be natural gray concrete expansion joints.
- b. Where the sidewalk intersects with the bike path, the Applicant shall abut the sidewalk to the edge of the bike path and create a flush transition.
- c. Where sidewalk intersects or overlaps water or irrigation meters, the builder is required to meander walk to avoid obstruction.
- d. Applicant is responsible for repair and condition of sidewalk from ARB Certificate of Compliance.

I. Street Trees

The Applicant will install the street trees according to a neighborhood engineering plan approved by St. Johns County, the maintenance will also be the responsibility of the property owner. Once installed and in the event the street tree(s) dies, the property owner will replace and install a similar tree(s) within thirty (30) days or upon notification from the Property Owners Association.

J. Fences, Walls and Gates

Fences, walls and gates must compliment the architecture of the house or building they are associated with. The use of low fences and walls (maximum height of three (3) feet above grade) to segregate private yard spaces from the public area along the sidewalk is encouraged. Prior to installation, the ARB must approve site walls, privacy fences or screen walls that are a visual extension of the architectural design of the residence. Refer to Appendix H for recommended fence details for various applications including rear yards, front yards, side yards and privacy fences.

- a. Colors:. Where masonry columns are utilized, colors must be natural, muted and complement the building architecture. Picket fences below 3 feet in height must be black or white aluminum. Fencing above 3 feet must be either white or tan vinyl.
- b. Fencing types not allowed: chain link, rough hewn or bark-on fencing, stone walls, nautical rope, chains or any other fence deemed inappropriate for Palencia North. Wood and front yard fencing are not allowed.

K. Exterior Lawn Ornaments

Lawn ornaments, sculptures, topiaries and fountains, and their associated site lighting, that are not in private areas immediately adjacent to the residence will be subject to the approval of the ARB prior to installation. Any exterior ornament seen from the street over six inches (6") tall or six inches (6") wide, or if a residence displays more that three (3) ornaments, regardless of size, will be subject to the approval of the ARB prior to installation. Proposed lawn ornaments shall be depicted on the site or landscape plan.

L. Flagpoles

Flagpoles and similar structures that are visible to the public will be subject to the approval of the ARB. Flags may be hung on structures mounted to the residence with a flag no greater than 3' x 5'. See Exhibit III-D-a, Palencia North ARB Flagpole Display Policy memo dated September 29, 2005.

M. Other Structures

All structures including, but not limited to: yard recreational equipment, play houses, gazebos, pools, spas, storage buildings, trellis and shade structures (including free-standing screened enclosures) must be submitted to the ARB for specific approval prior to construction and may require screening from public view. Screen enclosures must be charcoal or bronze in color. Typically, the ARB will approve those structures that are located behind the front plan of the residence and are not obtrusive to adjacent properties, the street or other community amenity areas.

N. Swimming Pools

All swimming pools, hot tubs and spas require ARB approval and should be designed to be visually connected to the residence through the use of privacy fences, walls or courtyards. All supporting equipment must be screened from public view. Pools, hot tubs and spas must be constructed and fenced according to all applicable State and local laws and regulations. Pool screen enclosures require ARB approval; see Pool Screen Enclosures Requirements and examples Exhibit III-G.

O. Signage

All signage must comply with all applicable requirements of the St. Johns County sign ordinance regulations and approved unified sign plan for Palencia North. Other sign requirements are as follows:

- a. Only approved builders may install builder information (a permit box) on the site.
- b. Subcontractor/supplies/service provider signs will not be allowed.
- c. For Sale/For Rent signs shall meet the design criteria shown in Exhibit III-E and III-E-a and shall not include the word “foreclosure” or other distressed language.
- d. All For Sale/For Rent signs shall be professionally manufactured for the specific purpose of real estate availability only and must comply with the requirements in the CC&R’s.
- e. Flyer boxes shall have a dimension of 12” tall, 9” wide, and 3” deep and be made of white or clear acrylic or metal. Tube dispensers/holders are strictly prohibited.
- f. Political and/or campaign signs are strictly prohibited.
- g. Business and vendor signs are strictly prohibited.

P. Mailboxes

As required by the USPO, mailboxes will be lockboxes and will be installed strategically throughout the community based on agreement between the developer and the USPO.

Q. Mechanical Equipment

1. Irrigation Systems

- a. Each residence is required to install and maintain an underground electrically controlled irrigation system.
- b. Each irrigation system must include separate zones for the front, sides and rear of the house and turf grass areas and shrub planting areas.

- c. Each system must also include an electronic panel located in the garage that controls the frequency and duration of watering times of each hydrozone and a rain gauge control switch.
- d. Irrigation wells and meters will be permitted provided the necessary permits are obtained from the local authorities, and ARB approval. Residents owning wells are responsible for preventing and/or cleaning iron staining of sidewalks, driveways and curbs.

2. Exterior Lighting

- a. All exterior lighting fixtures visible from any street light must be approved by the ARB.
- b. Where possible, decorative uplighting should compliment the architectural features of the residence.
- c. The use of pole-mounted or building-mounted high intensity area lighting is highly discouraged.
- d. Floodlighting fixtures must be attached to the building or other architectural elements.
- e. Gas or electric lanterns at the edge of the sidewalk and driveway are encouraged.

All air conditioning compressors, generators, pool equipment shall be completely screened from public view. Screening may consist of architectural or planting elements to be provided by the ARB. Planting elements require routine maintenance and/or replacement in perpetuity.

Generators – Should be aware of County Noise Ordinance #88-37.

IV. Architectural Design

All proposed vertical improvements (buildings, homes, etc.) within Palencia North are required to obtain approval from the ARB. The Architectural design submittal shall be submitted by the Applicant in accordance with the requirements for the Final Design Application. The building plans shall depict floor plans, elevations, building materials, dimensions and any other information necessary to communicate the design intent.

A. Building Plan Submittal Requirements

- 1. Title Block: The plan shall have a Title Block containing the following minimum information:
 - a. Parcel community name, address and lot number
 - b. Date

- c. Scale: Minimum requirement $\frac{1}{4}''=1'$ or larger
 - d. North Arrow
 - e. Name, address and phone of responsible professional
2. Plan & Material Requirements: The plan shall depict the following information:
- a. Floor plans, elevations, sections and details necessary to communicate the design. Plans shall clearly identify materials, dimensions, roof pitches, building height, window & door locations, etc.
 - b. Details/specifications for doors, windows, garages, railings, etc.
 - c. Material submittals for roofs, exterior wall finishes and proposed colors.
 - d. Identification of gas package.

B. Architectural Style - Theme and Character

Although there is no specific architectural style that is required in Palencia North, the Design Guidelines have been developed to encourage a mixture of residential styles. It is the intent of Palencia North to build upon the architectural style of the area and allow diversity of individual architectural expression within an overall unity that characterizes a distinctive community. The following are recommended styles to be referenced for establishing the architectural concept and design:

1. Southeastern/Coastal

Produced from environmental conditions of the low country and coastal regions of the South, this style is based on both the French Colonial and Low Country traditions. Simple, large houses have one and two story wrap-around porches. Typically, these houses are divided into four equal-sized rooms flanking a wide, central hallway. Windows, sometimes reaching to the floor, may have different spacing than columns and roof dormers. Roofs are steeply pitched gables, which shelter the house and the porches. The character is stately and relaxed.

2. Arts & Crafts/Bungalow

Typically, the bungalow has widely overhanging gables forming a porch at the front, supported by heavy battered piers. The natural quality of the materials is emphasized; stone as cobble or boulder, wood in stained earth tones for its stick quality; shingle or stucco for tactile richness. Strong corner piers also exploit structure for

decorative effect. Windows are framed in novel and simple fashion and colored. Colored or leaded glass is not uncommon.

3. Spanish Colonial

Spanish Colonial houses are generally constructed of thick, solid masonry and covered with a stucco finish. These houses are typically one to two stories and utilize a pitched or flat roof with parapet. Historically, they were constructed with fewer, smaller windows with no glass but heavy plank shutters that opened inwards and wrought iron coverings. The houses had multiple doorways with heavy wooden doors. Second story balconies of unpainted wood are cantilevered over the front façade and may be small or extend the length of the house.

4. Mediterranean

The Florida Mediterranean is a unique adaptation of Spanish and Moorish architecture. The open construction, materials and colors make this style well suited to the Florida coastal climate. Simple stucco forms with asymmetrically placed windows, doors and arcades. Porches face the street and tiles roofs provide color and character. Interiors often incorporate tiled floors and exposed ceiling beams. Floor plans traditionally incorporate an interior courtyard.

C. Residential Building Requirements

1. General

a. Generally all buildings and architectural elements along a street or within a given area shall be unified in theme and character. Recommended style options are as follows:

1. Each home or building should be unique and designed to blend in with the natural character and layout of Palencia North.
2. At no time shall any builder permit any two (2) adjacent lots or two (2) lots across the street from one another to have the same floor plan with the same elevation. Each builder shall also insure that there shall be at least four (4) lots between any lots either on the same side of the street or across the street with the same elevation.

2. Square Footage

The minimum living areas of the residence (exclusive for all non-heated and cooled space) including, but not limited to: open porches, loggias, patios and garages are described in the Covenants and Restrictions for each neighborhood

3. Building Height

- a. The maximum building height for detached residential is 40 feet calculated above the lowest point of the finished grade, per approved site plan, of the perimeter of the main structure.
- b. Maximum three stories (including attic rooms)
- c. All structures greater than 35 feet in height (excluding chimneys only) shall have automatic sprinkler protection, designed in accordance with all applicable National Fire Protection Association (NFPA) standards.
- d. The intent of the maximum building heights of detached residential structures is based on providing additional roof design flexibility for roof pitch and detailing.

4. Building Form

- a. Residential buildings may be one, two or three stories.
- b. All buildings shall be residential in scale and in form.
- c. Each residential building shall have an enclosed garage large enough to accommodate not less than two or more than four full sized automobiles plus a single golf cart, unless otherwise approved by the ARB prior to construction.

5. Building Projections

- a. Porches, courtyards, lanais and patios (loggias) for outdoor living and circulation are encouraged.
- b. Porch roofs must remain within the building envelope.
- c. All ancillary structures such as garages, storage sheds, guest cottages, garage apartments, etc. are to be designed as integral parts or extensions of the main building in terms of material and color, even if they are not physically separated.
- d. Freestanding external pad-mounted equipment such as those required for A/C units, pools and spas, or garbage can storage areas, must be integrated into the building design through the use of ventilated walled or fenced enclosures or be enclosed by landscaping that creates an opaque barrier so as not to be visible from adjoining properties and the street.
 - Design: The enclosure design must provide screening from street views as well as adjacent lots. It is permissible to

construct the enclosure with an open side for access, provided the opening is not in direct view of a street or neighboring lot.

- Gate: A gate at least 3 feet wide should be provided to allow for service access.
- Service Access: A service access at least 3 feet wide must be maintained within the enclosure.
- Height Requirement: Enclosures must be at least four feet in height.
- Materials: Enclosure construction materials should complement the ARB architecture of the house and be of the similar form and material.
- Surfaces: Enclosure floors may be paved with concrete or utilized unit pavers, crushed stone, shell, gravel, or mulch to create a durable, stable and low maintenance surface. Grass or dirt interiors are not permitted.
- Screening: Enclosure walls or fences must provide at least 80 percent opacity at the time of installation.
- Plantings: Plantings may be utilized in lieu of a wall or fence structure. However, plant materials must be evergreen, hardy and sized to provide 80 percent opacity at the time of installation. Plant materials must be selected from the master plant list and should blend with other plantings selected for the site. The owner agrees to maintain and replace screen plantings in perpetuity.

6. Foundations

- a. Single-Family residential slab-on-grade (monolithic) foundations will be permitted. Unless stipulated to the contrary, concrete block “Stem Wall” foundations are approved.
- b. The minimum floor elevation for any residence shall meet the minimum floor elevation indicated on the final engineering plan, as amended, subdivision plat or approved construction/engineering plans. The Property Owners Association may identify in the Declaration of Covenants and Restrictions for each neighborhood parcel additional requirements for the foundation. This standard is enforced for aesthetic reasons. The required steps at the front entry of each residence serve to develop a sense of graciousness in the relationship between yard and residence. Moreover, the scale of the residence, especially at the first level, is augmented, allowing the use of taller windows in the first floor rooms as well as space for generous planting along the front façade.
- c. All concrete and concrete block foundation work above grade shall be finished with the predominant exterior material of each residence with brick, stone, stucco, or a material to compliment the

predominant exterior material. Site grading or landscaping may be used to screen the foundation, provided that such grading or landscaping has been reviewed and had prior approval by the ARB.

7. Exterior Wall Finishes

Acceptable exterior wall finishes include, but are not limited to: stucco, brick, limestone, coquina or coral, natural stone, wood siding, fiber cement siding or wood shingles.

Aluminum siding, vinyl siding, metal siding, Masonite, exposed concrete, Norwegian brick and E.F.I.S. are not permitted for use as exterior wall finishes.

- a. The exterior wall treatment can be a combination of approved all finishes; however, there shall be at least 50% of the predominant exterior material. Other requirements are as follows:
 1. Fiber cement siding (or equal product) is the recommended choice of lapped board siding material.
 2. Wood siding should only be used as a compliment material and not a major component.
- b. All concrete block must be covered with stucco or other approved material.
- c. The ARB has the right to require that stucco be painted if it is not uniform in color.
- d. Changes in Material – The location of exterior wall material changes (e.g. brick to wood siding) should reflect the style of the design and have a logical relationship to changes in the form of the house and not be dictated by simple economy. Material changes in the same wall plane must be approved by the ARB.
- e. At no time may any two (2) adjacent lots have the same exterior color and material wall finish unless specifically approved by the ARB. Each builder/owner is responsible for insuring the variety of exterior color and wall finish and must specifically identify and request a policy deviation during the Final Review Process.

8. Exterior Color Scheme

- a. The ARB shall review and approve all exterior colors proposed for the exterior façade and roof.
- b. The palette of exterior paints and stains for each residence shall be selected to compliment, coordinate or harmonize with the colors of

building materials which are used in their “natural” state, such as brick, stucco, stone, copper, etc.

- c. The ARB may require the exterior colors of an application to be modified or changed to harmonize with the existing color palettes of existing or proposed residences adjacent to Applicant’s residence.

9. Window and Door Treatments

- a. Windows and doors play a major role in determining the level of visual quality which a residence projects.
- b. All windows and doors should be carefully proportioned and located to enhance both the exterior appearance and special views.
- c. Acceptable window construction materials include wood, wood-clad or metal.
- d. Insulated true divided-light windows are preferred. Single-pane glazing will not be permissible unless approved by the ARB. Fixed glass windows are permissible.
- e. No reflective glazing will be allowed on any exterior elevation.
- f. All exterior doors (except for garage doors) shall be solid wood, metal, decorative glass or fiberglass and may be single or paired.
- g. All windows and doorframes are to have colored anodized aluminum, vinyl or painted/stained finishes. Natural color finishes must be approved by the ARB.
- h. All residences must comply with the local and state authorities energy requirements.
- i. Glass block is discouraged and may not be used where facing a R.O.W. or other public area. Glass block may be used in other areas and shall be specifically noted and approval requested during the ARB submittal process. It is the burden of the Applicant to identify the location of glass block and insure it is not visible from the R.O.W. or other public area.

10. Window Ornamentation

- a. Exterior shutters must be appropriate for the style of residence and must meet all code requirements. The use of burglar bars on any window is discouraged and requires special approval by the ARB prior to installation.
- b. Ornamental window features (i.e. awnings, planter boxes, etc.) must be appropriate for the style of house and must be approved by the ARB prior to installation.
- c. Any type of signage in windows is strictly prohibited.

11. Garage Doors

- a. Metal garage doors are recommended. Wood doors are discouraged because of the local climate.
- b. Eight-foot, nine-foot, sixteen-foot and eighteen-foot doors are allowed.
- c. Raised panel doors or equivalent with or without glass panels will be allowed.
- d. Side entry garages and garages set back from the building lines of the main portion of the house are preferred. However, in the event of front door entry garage designs, unique architectural detail surrounding the garage door is encouraged.
- e. Front entry garages must complement the architectural style of the home.
- f. The design of all garage doors must meet all applicable local building codes.
- g. Complete garage door details must be submitted with the final ARB submittal and require ARB approval prior to installation.

12. Roof Treatment

- a. Material: Roof materials may be clay or concrete tile, treated wood shingles, slate or asphalt/fiberglass grade with at least a 25-year warranty. All asphalt shingle roofs shall have closed valleys. Standing seam metal roofs (factory finished steel, turned metal or copper) and metal shingle roofs require special consent of the ARB. -
- b. Form: Roofs may take a variety of forms; gabled and hipped roofs of uniform pitch throughout the residence are preferred. The minimum allowable roof pitch shall be 6 in 12, except where appropriate for the architectural style or where a roof garden or deck is designed. Mansard roofs and other types of “exotic” roof forms are discouraged, and may only be used with special permission of the ARB. The minimum depth roof overhang shall be 12” with a minimum gable end overhang of 4”. Flat roofing is not acceptable except in only minor areas or certain Mediterranean style homes. All flat roofing must have approval from the ARB.
- c. Chimneys: All fireplace chimneys shall harmonize with the exterior wall finishes. Prefabricated metal fireplaces and metal flues may be used, but the chimney above the roof must have painted metal chimney cap or “shroud”.
- d. All exposed metal roofing shall reasonably match roofing material color.

13. Skylights and Solar Collectors

- a. The location and design of all skylights and solar collectors shall be approved by the ARB.
- b. Except by special approval of the ARB prior to installation, no skylights or solar collectors shall be allowed on the front slope of any roof.

14. Screen Enclosures

- a. The design of all screen enclosures, including but not limited to pool screens, lanai screens, etc, must be approved by the ARB. Before construction, submittals must include a rear elevation and section of the home depicting the proposed screen enclosure. Screen enclosures must be charcoal or bronze in color.

15. Porches and Handrails

- a. Porches are recommended. Their use should be considered on all faces of the building.
- b. The suggested minimum depth for exterior porches is six (6) feet. All porches under six (6) feet must have specific ARB approval.
- c. Acceptable floor finishes include brick pavers, tile, concrete, spraycrete or treated wood. ARB approval will depend on the overall architecture of the home.
- d. Acceptable ceiling finishes include wood, plywood, vinyl or sheetrock. All ceiling finishes shall be painted to compliment the exterior trim color of the home.
- e. Acceptable handrail options include treated wood, metal, wrought iron or limestone. Other handrail material not mentioned must have approval of the ARB prior to installation.
- f. All handrail material and color shall compliment the architecture of the porch elevation.
- g. All treated wood material must be painted or stained and its color and design must be approved by the ARB prior to installation.

16. Exterior Soffit, Fascia and Gutters

- a. Wood or vinyl soffit and fascia will be accepted.
- b. All soffit, fascia and gutter/seamless downspouts material and color must compliment the architecture of the building. Frieze board must be a 4" minimum at front. Vinyl seams shall not be visible or noticeable from the street.
- d. Seamless gutters and downspouts are encouraged and may be required in certain applications to comply with local drainage requirements.

17. Structured Wiring

- a. Every residence within Palencia North shall include a basic wiring system package that complies with or exceeds the requirements of the Palencia North Wiring Specification as described in Appendix F. The basic package shall consist of the specified cable, wire and minimum required accessories to deliver incoming services, such as telecommunications, cable TV, high-speed data, digital satellite services, broadcast television, home computer network and community network services (“intranet”) into a centralized home wiring distribution panel. Approval of submitted wiring plans and specifications shall not constitute any warranty or representation for any purpose by the ARB, the Property Owners Association and/or the developer.
- b. All structured wiring providers must be approved by the ARB.

18. Natural Gas Service

- a. Palencia North may provide each residence access to natural gas through a central loop system. The connection for natural gas shall be at the curb within the right of way.
- b. Residents that choose natural gas service must pay for the installation and service.

19. Security Systems and General Maintenance

- a. All residences shall include a standard security system. Activation of security system is not required. Each residence shall be maintained in a neat, clean and orderly condition by the Homeowner. Periodic repairs shall be made to correct broken shingles, peeling paint, broken brick and any other condition, which suggests visual deterioration of a residence.

20. Antenna and Satellite Dishes

- a. Placement of Satellite dishes must be specifically approved by the ARB prior to installation, especially visible to the public from street, public areas or the golf course.
- b. No exterior antenna, receiving dish or similar apparatus of any kind for receiving or transmitting or radio or video signals shall be placed, allowed or maintained upon any residential parcel or affixed in any manner to the exterior of any building in the community without prior written approval of the ARB. Installation of small satellite dishes must receive written ARB approval and be properly screened from the road and adjacent neighbor’s view.

V. Landscape Design

All proposed buildings or homes and other property improvements within Palencia North are required to install and maintain landscaping. A landscape plan shall be prepared by the Applicant in accordance with the Final Design Application. The landscape plans shall depict proposed plantings, natural areas, plant list, calculations and any other information necessary to communicate the design intent.

A. General Design Vision

1. **Creation:** The creation of a distinct landscaped environment is critical to the establishment of a unique and upscale community image for Palencia North. The layout and the design of the landscape surrounding them are as critical as the architecture of the buildings themselves; unique design solutions such as the use of traditional low fences and hedge rows is encouraged.
2. **Preservation:** The preservation and enhancement of existing natural landscape vegetation is encouraged whenever possible to limit the overall disruption to the site and provide for species diversity and habitat protection. Also, consistent preservation of existing vegetated areas provides aesthetic continuity throughout the development, independent of individual preferences.
3. **Restoration:** In identifying plant materials appropriate and suitable for Palencia North, the goal is to create a landscape that allows for restoration of as many elements of native Pine Flatwoods. Other ecosystems typical of this area are Wetland Forest and Coastal Saltwater Marsh. In order to effectively regenerate these natural ecosystems, zones have been designated within the development that mimics their natural patterns. Neighborhoods within these plant zones are required to use the associated plant palettes as identified in Appendix C. Consistent use of these plants will aid greatly in creating a visually unified development with a characteristic appearance. However, the remaining plants on the list are acceptable and can add diversity and interest.

B. Landscape Plan Presentation Requirements

1. **Title Block:** The plan shall have a Title Block that contains the following minimum information:
 - a. Parcel community name, address and lot number.
 - b. Date
 - c. Scale: Minimum requirement 1"=20' or larger
 - d. North Arrow
 - e. Name, address and phone of responsible professional

2. Plan Requirements: The plan shall depict the following information:
 - a. All pertinent existing or proposed information including but not limited to: property lines, easement lines, sidewalks, driveways, mailbox, decks, pools, service yards, pool equipment, A/C compressors, steps, retaining walls, fences, etc.
 - b. Lots adjacent to isolated or contiguous wetland (ICW, Stokes Creek or other tributaries) shall illustrate their jurisdictional line and required buffer area.
 - c. The location, size, and type of all existing trees exceeding (4”) in diameter. All existing trees to be removed shall be marked with an “X”; all trees to remain shall be so noted.
 - d. The plan will show the location of proposed preserved vegetation areas; this shall match the site plan or be noted for differences in plans.
 - e. The plan shall show the type, size, quantity and location of all proposed plant material including but not limited to: trees, shrubs, ground cover, vines and grasses.
 - f. The plan shall have the following noted information:
 - i. A plant schedule showing botanical name, common name, quantities, size and quality specification, plant zone identification indicator and xeriscape plan compliance indicator, see Exhibits V-A and V-B for example.
 - ii. A xeriscape area compliance calculation, see Exhibit V-B for example.
 - iii. A St. Johns County compliance calculation for tree credit minimum, see Exhibit III-B for example.

C. Landscape Design Requirements

1. Xeriscape Requirements: A minimum xeriscaping requirement for each lot has been established. At least 50 percent of the area of each lot, less all buildings and paved areas, shall meet xeriscape requirements. Xeriscape guidelines and a plant material are provided in Appendix C & D. To encourage natural area preservation, credit will be given on a one to one basis: one square foot of natural area preserved may be substituted for one square foot of the 50 percent xeriscape area requirement.
2. Plant Zone Requirements: In accordance with the approved master plant list and neighborhood plant zone designation a minimum of one tree, shrub and groundcover must be utilized in the landscape plan. These planting requirements apply primarily to front yards. Front yard plantings must utilize at least one underlined plant for each type

planting as listed. In other words, if a front yard ground cover is desired, then at least one of the highlighted groundcover species for the selected zone must be used.

3. Landscape Design: The planting design of each residence shall blend with the overall theme and character of the neighborhood within Palencia North. The following are minimum design standards:
 - a. The front yard landscape design should provide continuity along the streetscape, compliment the vegetation in the right of way and form a welcoming entrance to the residence. Minimum requirements are a 2-layered foundation planting, street trees, shade and flowering trees as required per individual neighborhood guides, grass, mulch and irrigation. Note that front yard landscape for corner lots are considered to have two front yards.
 - b. The side yard landscape design should provide privacy and screening between adjacent residences. Minimum requirements are a single layer foundation planting on corner lots.
 - c. The back yard landscape design should provide private outdoor spaces and continuity with adjacent uses such as golf course rough, park areas, or undisturbed native areas. Minimum requirements are 1-layer planting design at foundations, screening and buffering from adjacent properties, foundation plantings at screen enclosures, fences and other similar items. *Exhibit III-G shows the minimum requirements for pool type enclosures.*
 - d. Subject to their contract, each property is required to install within the R.O.W. and per the approved St. Johns County engineering plans, a street tree. f. Plant material types shall be selected in accordance with section IV-A of these guidelines.
 - e. of trees used for landscape shall be shade trees.
 - f. All plants used for screening shall have adequate size and density to form an opaque screen within one year.
 - g. No landscape materials shall encroach upon any conservation easement, wetland area, the golf course property or other restricted area at any time.
 - h. The entire site must be fully landscaped according to the landscape plan approved as a component of the original ARB submission. All deviations from the original landscape submittal and approved landscape plans must be approved prior to any field changes and installation.
 - i. No landscape plant materials may obstruct areas of pedestrian or vehicular access.
 - j. A minimum landscape budget is established for each neighborhood and shall be adhered to.
 - k. Appendix C contains a list of approved plants by zone, and also prohibited plants that may not be utilized.

4. Plant Material Requirement

- a. Minimum size for shade tree credit is 4.5” caliper, 14’ ht- 6’ sp.
- b. Minimum size for flowering tree is 205” caliper, 12’ ht-5’ sp.
- c. Minimum size for street tree is per individual neighborhood requirements.
- d. Minimum size for shrub is 3 gallon; height and space shall be determined by species to be installed.
- e. Minimum size for ground cover is 1 gallon; height and space shall be determined by species to be installed.
- f. ARB may waiver minimum sizes based upon plant species or plant market circumstance.
- g. Acceptable turf grasses for the yard include St. Augustine, Zoysia Paspalum and Bermuda. Seeding or sprigging is prohibited.

5. Right of Way Improvements (“R.O.W.”)

- a. Landscaping installed in the R.O.W. by the Sweetwater Creek Community Development District (“CDD”) or the Developer generally consists of sod, shrubs and trees planted along the street and medians.
- b. Irrigation systems, driveways, sidewalks and paths may also be present within the R.O.W. area.
- c. Applicants are not allowed to install, with exception to required street trees, or alter the landscaping and or any improvements within the R.O.W.
- d. Unless otherwise improved by the Developer, Applicants are required to provide sod from the edge of the R.O.W. to the back of the curb within the R.O.W. in an area bounded by the perpendicular extension of the lot lines to the back of the curb.
- e. The Applicant utilizing materials and construction techniques to match existing system shall repair damage to any right of way improvements caused by Applicant or Applicant’s operators immediately. The Applicant shall notify the ARB immediately of any damage that has occurred.

6. Irrigation Systems

- a. Each residence is required to install and maintain an underground electrically controlled irrigation system.
- b. Each irrigation system must provide 100% coverage for new plantings and include separate zones for the front, sides and rear of the house and turf grass areas and shrub planting areas.

- c. Each system must also include an electronic panel located in the garage that controls the frequency and duration of watering times of each hydrozone and a rain gauge control switch.
- d. Irrigation wells and meters will be permitted provided the necessary permits are obtained from the local authorities. Deep wells are not permitted.

7. Exterior Lighting

- a. All exterior lighting fixtures visible from any street must be approved by the ARB.
- b. Where possible, decorative uplighting should complement the architectural features of the residence.
- c. The use of pole-mounted or building-mounted high intensity area lighting is highly discouraged.
- d. Floodlighting fixtures shall not illuminate adjacent public or private property.
- e. Floodlighting fixtures must be attached to the building or other architectural elements.
- f. Gas or electric lanterns at the edge of the sidewalk and driveway are encouraged.

8. Installation and Maintenance

- a. Installation of landscaping and site improvements is to be executed in a high quality manner, consistent of the image of Palencia North.
- b. Specific deviation from individual neighborhood landscape requirements as amended must be approved by the ARB.
- c. The ARB may reject any improvement where the material or workmanship fails to meet acceptable industry standards.
- d. Upon occupancy of the house or thirty (30) days after the completion of construction (whichever occurs first), trees, lawn and hedges visible to the public must be completely installed and routinely maintained.
- e. All dead or dying plant material must be replaced immediately.
- f. The use of fertilizers, herbicides and pesticides are limited to products that are consistent with the ISDA-NRCS Soil Rating for Selecting Pesticides, have a minimum potential for leaching or loss from run-off, and EPA approved chemicals with a half-life of seventy (70) days or less.

VI. Construction Guidelines

A. Introduction

To assure that the construction of any improvements on a property will occur in a safe and timely manner without damaging the natural landscape or common improvements of Palencia North or disrupting residents or guests, these procedures are required and will be enforced during the construction period. Commencement of Work will not begin until Final Plan Approvals have been issued for the ARB, a building permit has been obtained from St. Johns County Building Department, or after applicable governmental agency permits have been obtained and a Lot Security Deposit has been placed with the Property Owners Association. The ARB enforcement committee makes frequent site drives of the community and will issue a Notice of Construction Site Violation to communicate deficiencies with builders. See Exhibit VI-A, Notice of Construction Site Violation form.

B. Construction Trailers/Temporary Structures

Any Builder who desires to utilize a construction trailer or temporary office facility on-site must obtain written approval from the ARB. The ARB will work closely with the Applicant to site the trailer in the best possible location to minimize impacts to the site and adjacent property owners. All such facilities must be removed within thirty (30) days from the site upon written notification from the ARB.

C. Hours of Construction Operation

The time of construction will be limited to the period from 7:00 AM until 7:00 PM Monday through Friday, 10:00 AM until 6:00 PM on Saturdays, Sundays and national holidays. Work on Saturdays, Sundays, and national holidays will be limited as not to disturb the peaceful enjoyment of the Palencia North community. Specific activities or all activities performed on Saturdays, Sundays and national holidays may be curtailed at any time based on the sole discretion of the Property Owners Association. Builders are subject to Violation Charges for working outside of the aforementioned hours.

St. Johns County Ordinance 88-37 prohibits the operation of any construction tools and equipment (including vehicles) in residential areas between the hours of 7:00 PM and 7:00 AM on weekdays and between 6:00 PM and 10:00 AM on weekends or holidays. Each violation of this ordinance may be subject the firm and person involved to prosecution as a misdemeanor, a fine of up to \$500 and/or imprisonment in the county jail for up to 60 days.

Palencia North's management team strongly supports this St. Johns County ordinance and will report any violators to the Sheriff's Department for prosecution. Please bring these regulation requirements to the immediate attention of your subcontractors, especially those requiring large trucks. We greatly appreciate your assistance in this matter.

D. Business Signs

Subcontractors, architects, vendors, agents or miscellaneous contractors will not be permitted to display any signs on any properties within Palencia North without written consent from the ARB.

E. Lot Boundaries

Prior to the commencement of any construction activity the Builder will provide the ARB with a detailed plan of the proposed "Construction Area" showing the area in which all of the builder's construction activities will be confined, and how the remaining portions of the individual property will be protected.

The construction area plan will designate the location work area, parking areas and the locations of the port-a-let and dumpster. The plan should clearly identify the methods proposed for the protection of the adjacent areas, such as fencing, flagging, rope barricades, materials, dumpsters, parking, streets, sidewalks and any other means to be set up prior to construction.

F. Access to Construction Areas

Access to the construction site for all vehicles will be limited to the route established by Property Owners Association and or ARB prior to the commencement of any construction activity. If such route is violated, the offending Builder will be subject to being fined in accordance with the Covenants and Restrictions of Palencia North.

G. Vehicles and Parking Areas

Parking for construction personnel vehicles or construction machinery other than within the ARB approved construction area on-site, will occur only in specific areas designated by the Property Owners Association and or the ARB so as to minimize damage to the existing landscape, wetlands and adjacent properties. Construction personnel will not be permitted to park on adjacent properties. Construction personnel will not be permitted to park on adjacent homesites (without written approval from the homesite

owner) or any other unapproved areas. **All builders and contractors must observe the posted speed limits.**

H. Material and Equipment Storage

All construction materials, equipment and vehicles must be stored within the fenced boundary of the ARB approved construction area, and outside any tree protection fencing located within the approved construction area. Equipment and machinery is to be stored on-site only while needed for activities specific to the development of the homesites.

I. Sanitary Facilities

Sanitary facilities must be provided for construction personnel on-site in a location approved by the ARB. Reasonable efforts taken to ensure the facility is screened from view from adjacent residences and roads and maintained regularly.

J. Construction Debris and Trash Removal

Builder/Contractors must clean up all exterior and interior trash and debris on the construction site at the end of each day. Trash and debris must be removed from each construction site at least once a week and transported to an authorized disposal site. Lightweight material, packaging and other items must be covered or weighted down to prevent wind from blowing such materials off the construction site.

Builder/Contractors are prohibited from dumping, burying or burning trash anywhere on the homesite or elsewhere in Palencia North.

During the construction period, each construction site must be kept neat and tidy to prevent it from becoming a public eyesore, or affecting adjacent homesites. Dirt, mud or debris resulting from activity on each construction site must be promptly removed from roads, open spaces and driveways or other portions of Palencia North. Any clean-up costs incurred by the ARB, Palencia North Community Development District or the Property Owners Association in enforcing these requirements will be billed to the Property Owner.

K. Damage Repair and Restoration

Damage and scarring to other property, including open space, adjacent homesites, roads, driveways and/or other improvements will not be permitted. If any such damage occurs, it must be repaired and/or restored promptly at the expense of the person causing the damage or the Owner of the homesite. Upon completion of construction, each Applicant and

Builder will be responsible for cleaning up the construction site and the repair of all property which was damaged, including but not limited to restoring grades, planting shrubs and trees as approved or required by the ARB, and repair of streets, driveways, pathways, drains, culverts, ditches, signs, lighting and fencing. Any property repair costs as mentioned above, incurred by the ARB, Sweetwater Creek Community Development District or the Property Owners Association will be billed to the Owner. Failure to remedy damage as directed by the ARB may result in a registered or approved builder being suspended from the Palencia North Builder program or deducted from the construction deposit posted by the Applicant.

L. Pets

Construction personnel are not allowed to bring pets within Palencia North.

M. Security

Security precautions at the construction site may include temporary fencing approved by the ARB. Security lights (except those with motion detectors), audible alarms and guard animals will not be permitted.

N. Noise

Builder/Contractors will make every effort to keep noise to a minimum. Radio sound will be kept at a low level to minimize disturbance to neighbors and wildlife.

St. Johns County Ordinance 88-37 prohibits the operation of any construction tools and equipment (including vehicles) in residential areas between the hours of 7:00 PM and 7:00 AM on weekdays and between 6:00 PM and 10:00 AM on weekends or holidays. Each violation of this ordinance may subject the firm and person involved to prosecution as a misdemeanor, a fine of up to \$500 and/or imprisonment in the county jail for up to 60 days.

Palencia North's management team strongly supports this St. Johns County ordinance and will report any violators to the Sheriffs Department for prosecution. Please bring these regulation requirements to the immediate attention to your subcontractors, especially those requiring large trucks. We greatly appreciate your assistance in this matter.

O. Temporary Power

Builder/Contractors shall utilize temporary underground (“TUG”) electrical service for construction. No overhead or other type of service will be allowed. See Exhibit VI-B for acceptable temporary underground service connection details.

P. Things to Remember

- a. One site access per lot. All subcontractors and supplies use one site access for all construction activities, including site clearing and filling.
- b. Stay off adjacent lots. Keep portable restrooms, materials, dumpsters and subcontractor parking on the construction site lot.
- c. Insure the mandatory continuous silt fence barrier along lake banks, preservation edges and site lot line.
- d. Manage dumpsters. Pick up construction trash everyday. Dumpsters should be emptied at least weekly.
- e. No “open fires” without ARB approval and appropriate burning permits.
- f. No loud music.
- g. Specimen trees identified by the ARB must be protected. Builder/contractor is responsible for the protection and replacement of any specimen tree.
- h. Take all necessary precautions to guard against any dirt, oil, gas, paint, mortar, concrete or other spillage on streets, sidewalks, curbs and gutters.
- i. Sweep and clean all streets and gutters on a daily basis.
- j. Builder/Contractor is responsible for maintaining a clean and orderly construction site.
- k. Carefully and routinely manage the worksite hours.

VII. Definitions

For the purpose of these guidelines, regulations and enforcement, the following terms shall apply in the administration of these guidelines. Where words or terms are not defined, they shall have their ordinary meaning.

Ancillary Structure: A subordinate use or building incidental and subordinate to the principle use or Structure and on the same property.

Antenna: Any exterior apparatus, designed to transmit and/or receive communications authorized by the Declaration of Covenants and Restrictions (“CCR’s”) see section 5.8.

Applicant: Property Owner, Builder or Agent applying to the ARB for approval on property improvement.

Association: Palencia North Property Owners Association, Inc., a Florida not-for-Profit Corporation.

Architectural Design Guidelines (“Design Guidelines”): The Architectural Design Guidelines consist of established minimum requirements, which will be used to regulate the construction of homes and other properties at Palencia North and to ensure a level of high quality and maintain consistency with the primary objective of the overall development plan for the community.

Architectural Review Board (“ARB”): A committee established by the Board of Directors, of the Palencia North Property Owners Association (“POA”), for the purpose of reviewing and approving proposed improvements on private property, within the Sweetwater Creek Community Development District’s (“CDD”) boundaries.

Board: The Board of Directors of the Association.

Building: Any structure having a roof supported by columns or walls.

Building Front: The front of a building shall be that which faces the street on which the mailbox is located.

Building Height: The vertical distance measured from the lowest point of established grade level surrounding the perimeter of the building to the highest point of the roof or parapet.

Building Square Footage: Interior area exclusive of non-heated/air conditioned spaces such as porches and garages.

Building Restriction Line (“BRL”): A line offset a prescribed distance within a property line beyond which construction is not permitted unless written authorization is obtained by the ARB.

Building Site: Each separate parcel of land within the Property, other than the Lots, as hereafter conveyed or designated by the Developer, consisting of an integral unit of land suitable for development of construction of improvements designed for office, retail, wholesale, hotel, motel, restaurant, warehouse, entertainment, recreational, service, industrial, multi-family or other similar use. No building site shall include any portion of the Common Area or any other portion of the Property owned by the Association or the CDD (see CCR section 2.3).

Construction Inspections: Inspections include Site Inspection/Lot Walk prior to commencement of construction and a final inspection prior to being granted a Certificate of Compliance, which releases the construction deposit. For more information, refer to Section II, Architectural Review Board Procedures.

Declaration of Covenants and Restrictions (“CCR’s”): As recorded in the public records of St. Johns County Clerk #01-055069, O.R. 1666, Pages 803 and 831 or as amended from time to time.

Developer: Lennar Homes, LLC and its successors and such of its assigns as to which the rights of the Developer hereunder are specifically assigned. Developer may assign all or only a portion of the rights in connection with portions of the Property. In the event of such a partial assignment, the assignee may exercise such rights of the Developer as are specifically assigned to it. Any such assignment may be made on a non-exclusive basis. Reference in this Declaration to Lennar Homes, LLC as the Developer of the Property is not intended and shall not be construed, to impose upon Lennar Homes, LLC. any obligations, legal or otherwise, for the acts or omissions of third parties who purchase Lots or parcels within the Property from Lennar Homes, LLC and develop and resell the same (see CCR section 2.7).

Dwelling: A residence for one (1) or more family units.

Dwelling, Multi-Family: A building or portion thereof used or designated as a residence for two or more families living independently of each other.

Enforcement Committee: A board established by the Board of Directors, of the Palencia North Property Owners Association (“POA”), for the purpose of enforcing the rules and regulations as set by the CCR’s and ARB Design Guidelines.

Sweetwater Creek Community Development District (“CDD”): The Sweetwater Creek Community Development District (“CDD”) as authorized by the Board of County Commissioners of St. Johns County, Florida by Resolution No. 2000-01 or as amended from time to time.

Owner: The record owner or owners of any Lot or Building Site (see CCR’s for Palencia North, section 2.11).

PUD: Planned Unit Development Ordinance Number 98-64 and 98-220, as enacted by the Board of County Commissioners of St. Johns County, Florida, as the same may be amended from time to time (see CCR’s for Palencia North, section 2.13).

Right of Way (“R.O.W.”): A strip of land which is used as a roadbed, either for a street or railway. The land is set aside as an easement or in fee, either by agreement or condemnation.