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**DECLARATION OF COVENANTS AND RESTRICTIONS
FOR
VILLAGES OF VILANO**

THIS DECLARATION OF COVENANTS AND RESTRICTIONS FOR VILLAGES OF VILANO is made by VILANO VENTURE, INC., a Florida corporation, (the "Developer"), this 15 day of JANUARY, 1987.

W I T N E S S E T H :

WHEREAS, Developer is the owner of real property located in St. Johns County, Florida, more particularly described on Exhibit "A" attached hereto and incorporated herein (the "Property"), subject to those matters described on Exhibit "A". Developer has caused said real property to be surveyed and platted as VILLAGES OF VILANO, UNIT ONE, in accordance with said plat, and

WHEREAS, Developer is the owner of contiguous land which may, in the Developer's discretion, be encumbered by this Declaration, on which a condominium, marina or additional lots may be developed.

NOW, THEREFORE, Developer hereby restricts the use of the property as hereinafter provided, and declares the property and all portions thereof, including any Condominium developed on land made subject to this Declaration, (except to the extent specifically exempted herein), shall be held, occupied, sold and transferred subject to the easements, restrictions, charges, liens and covenants of this Declaration, which Developer is imposing for the benefit of all owners of the property or portions thereof for the purpose of preserving the value and maintaining the desirability of same.

ARTICLE I

DEFINITIONS

Unless the context expressly requires otherwise, the words defined below, whenever used in the Declaration and in the Legal Documents, shall have the following meanings:

1.1 **"Association"** means Villages of Vilano Homeowners' Association, Inc., a corporation not-for-profit organized pursuant to Chapter 617, Florida Statutes, its successors and assigns.

1.2 **"Board of Directors"** means the Association's Board of Directors.

1.3 **"Condominium Association"** means the Condominium Association formed to manage the Condominium which Developer may develop on the Property.

1.4 **"Common Area"** means all property from time to time owned by the Association for the common use and enjoyment of all Owners. The Common Area initially consists of the lands designated on the Plat of Villages of Vilano Unit One as Tracts A, B, C, D and E, together with all improvements, fixtures, and tangible personal property now or hereafter situated thereon and all appurtenant easements.

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1.5 **"Developer"** means Vilano Ventures, Inc., a Florida corporation, its successors and assigns with respect to the property, and all other persons who acquire an interest in more than one lot or any other portion of the Property for the purpose of development of the Property or of completing the work.

1.6 **"Law"** includes, without limitation, any statute, ordinance, rule, regulation, or order validly created, promulgated, adopted, or enforced by the United States of America, or any agency, officer, or instrumentality thereof, or by the State of Florida, or any agency, officer, municipality, or political subdivision thereof, or by any officer, agency or instrumentality of any such municipality or subdivision, and from time to time applicable to the Property or to any and all activities on or about the Property. As the context may admit, such term also includes the general principles of decisional law.

1.7 **"Legal Documents"** means this Declaration, the Association's Articles of Incorporation, the Association's By-Laws, and all amendments to any of the foregoing now or hereafter made. The foregoing are individually and collectively called Legal Documents in this Declaration. Unless the context expressly requires otherwise, the words defined below, whenever used in any of the foregoing, in any corporate resolutions and other instruments of the Association, shall have the following meanings.

(a) **"Declaration"** means this Declaration of Covenants and Restrictions for Villages of Vilano and any supplemental declarations made in accordance herewith, as amended from time to time.

(b) **"Articles"** means the Articles of Incorporation of the Association, as amended from time to time.

(c) **"By-Laws"** means the By-Laws of the Association, as amended from time to time.

1.8 **"Lot"** means any plot of land shown on the plat or any subsequently recorded subdivision plat of the property, which is designated thereon as a lot or which is or intended to be improved with a residential patio home, but excluding the Common Area and any areas dedicated to public use.

1.9 **"Member"** means each Owner as provided in Article V hereof.

1.10 **"Mortgage"** means any mortgage, deed of trust, or other instrument validly transferring any interest in any Lot, or creating a lien upon any Lot, in either case as security for performance of an obligation. The term "Mortgage" does not include judgment, involuntary liens, or liens arising by operation of law. "First Mortgage" means any mortgage constituting a lien prior in dignity to all other mortgages encumbering the same property.

1.11 **"Mortgagee"** means the person(s) named as the obligee under any Mortgage, or the successor in interest to any such person.

1.12 **"Owner"** means the record owner, whether one or more persons, of the fee simple title to any Lot or Unit developed on the Property which may be encumbered by this Declaration, including contract sellers, but excluding contract buyers and any other person holding such fee simple title merely as security for the performance of an obligation. Developer is an owner to the extent of each Lot or Unit from time to time owned by Developer.

1.13 **"Person"** means any natural person or artificial entity having legal capacity.

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1.14 **"Plat"** means that subdivision plat of Villages of Vilano Unit One, recorded in Plat Book _____, Pages _____ through _____, inclusive, of the Official Public Records of St. Johns County, Florida, and the recorded plat of any lands made subject to the provisions of this Declaration pursuant to the provisions hereof, and any amendments thereto.

1.15 **"Property"** means the lands in St. Johns County, Florida, described on Exhibit "A" attached to this Declaration, and all other lands that hereafter may be made subject to the provisions of this Declaration or any supplementary declaration, in the manner provided in Article 12.9, below.

1.16 **"Recorded"** means filed for record in the Public Records of St. Johns County, Florida.

1.17 **"Regulations"** means any rules and regulations regarding the use of the Property or any part thereof, duly adopted by the Association in accordance with the Legal Documents.

1.18 **"The Work"** means the initial development of all or any portion of the Property as a residential community by the construction and installation of streets, buildings, and other improvements, and the sale, lease, or other disposition of the Property in parcels. Such term is to be broadly construed to include any and all activities, uses, structures, and improvements necessary convenient, or desirable to accomplish such construction and disposition.

1.19 **"Unit"** means a single family dwelling located on a Lot as shown on the plat or a Condominium Unit located in a Condominium developed on the Property which hereafter may be made subject to the provisions of this Declaration.

1.20 **Interpretation.** Unless the context expressly requires otherwise, the use of the singular includes the plural and vice versa; the use of one gender includes all genders; the use of the terms "including" or "include" is without limitation; and the use of the terms "will", "must" and "should" has the same effect as the use of the term "shall". Wherever any time period is measured in days, "days" means consecutive calendar days; and, if any such time period expires on a Saturday, Sunday, or legal holiday, it shall be extended to the next succeeding calendar day that is not a Saturday, Sunday, or legal holiday. Unless the context expressly requires otherwise, the terms "Common Area", "Lot" and "Property" mean all or any portion applicable to the context and include any and all improvements, fixtures, trees, vegetation and other property from time to time situated thereon, and the benefit of all appurtenant easements. This Declaration shall be construed liberally in favor of the party seeking to enforce its provisions to effectuate its purpose of protecting and enhancing the value, marketability, and desirability of the property by providing a common plan for the development and enjoyment thereof. Headings and other textual divisions are for indexing purposes only and are not to be used to interpret, construe, apply or enforce any substantive provisions. The provisions of this subparagraph apply to the interpretation, construction, application, and enforcement of all the Legal Documents.

ARTICLE II

PROPERTY RIGHTS

2.1 **Title to Common Areas and Owner's Easements of Enjoyment.** The Developer will convey or cause to be conveyed to the Association, prior to the conveyance of the first lot, the title to roads and other common areas, excepting the property to be dedicated to St. Johns County, subject to taxes for the year of conveyance, restrictions, conditions, and limitations of record, easements for

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drainage and public utilities. Every Owner has a non-exclusive right and easement of enjoyment in and to the Common Area that is appurtenant to, and passes with, the title to every Lot and Unit developed on the Property, subject to the easements and other property rights granted in this Article and to the following:

(a) **Fees.** The Association's right to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area.

(b) **Suspension.** The Association's right: (i) to suspend the voting rights of any Owner for any period during which any assessment against such Owner's Lot or Unit remains unpaid; (ii) to suspend such Owner's right to use any recreational facility owned or controlled by the Association, or provided for its exclusive or non-exclusive benefit, for the same period; and (iii) to suspend any Owner's right to the use of any such recreational facility for a period not to exceed sixty (60) days for any material infractions of the Association's rules and regulations.

(c) **Dedication.** The Association's right to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purpose and subject to such conditions as may be agreed to by the Members. Such dedication or transfer must be approved by the Homeowners' Association and at least two-thirds (2/3) of each class of those members present in person or by proxy and voting at a meeting duly convened for such purpose, and as evidenced by a recorded certificate of the Association executed by the Association with the formalities from time to time required for a deed under the laws of the State of Florida.

(d) **ALA Walkover.** The Association shall accept title to the ALA Walkover subject to an agreement with the Florida Department of Transportation which agreement imposes certain financial responsibilities upon the Association, including, but not limited to, responsibility for maintenance and insurance costs and the potential cost of removing said walkover.

(e) **Rules and Regulations.** The Association's right to adopt, alter, amend, rescind and enforce reasonable regulations governing the use of the Common Area, as provided below.

(f) **Legal Documents.** The provisions of the Legal Documents and all matters shown on any plat of all or part of the Property.

(g) **General.** Real estate taxes and special assessments levied by governmental authorities having jurisdiction over the Common Area and restrictions, limitations, easements and other Recorded documents.

The foregoing easement is limited to using the Common Area for its intended purposes in a reasonable manner; and, with respect to any particular use or activity, it is limited to those portions of the Common Area from time to time improved or otherwise suitable for such use or activity.

2.2 **Villages of Vilano Roadways.** The roadways and rights-of-ways and Tracts D and E, as designated on the plat, shall constitute part of the Common Area. Each Owner, their guests, invitees, all delivery, pick-up and fire protection services, police, mail carriers, representatives of utilities authorized by the Developer, or the Association, to serve the Property, the holders of Mortgages, and such other persons as Developer or the Association has designated or may designate, shall have the non-exclusive and perpetual right of ingress and egress over and across Tracts D and E, subject to the terms and conditions of the Legal Documents.

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2.3 Sidewalks. Each Owner shall have an easement for the use and enjoyment of the paths and sidewalks, if any, located within the Property for ingress and egress throughout the Property. No improvements of any kind will be constructed or placed upon sidewalks, paths, or easement areas shown on the plat and no vehicles will be parked upon the sidewalks at any time without the written approval of the Association.

2.4 Easements. The Developer hereby establishes perpetual easements over all portions of a Lot for the maintenance, repair and reconstruction of lawns and landscaped areas for the benefit of those persons, including the Association, responsible for or permitted to perform such maintenance, repair and reconstruction as provided in this Declaration.

2.5 Plat Easements. Reference is made to the utilities, drainage, ingress and egress, and other easements shown on the plat. The Developer shall have the unrestricted right, without the approval or joinder of any other person or entity, to designate the use and to alienate, release or otherwise assign the easements shown on the plat unless such easements have been previously conveyed or dedicated. The easements may be used to construct, maintain and operate water mains, drainage ditches, sewer lines, and other suitable installations for drainage and sewage disposal, or for the installation, maintenance, transmission and use of electricity, gas, telephone, water and other utilities, whether or not the easements are shown on the plat to be for drainage, utilities, or other purposes. The Owners of the Lots subject to easements shown on the plat shall acquire no right, title or interest in any of the cables, conduits, pipes, mains, lines or other equipment or facilities placed on, over or under the property subject to the easements. The Owner of any Lot subject to any easement or easements shall not construct any improvements or structures upon the easement areas nor alter the flow of drainage nor landscape such areas with hedges, trees or other landscape items that might interfere with the exercise of the easement rights. If any Owner constructs any improvements or structures on the easement areas shown on the plat or landscapes such areas as aforesaid, the Owner of the Lot shall remove the improvements or structures or landscape items upon written request of Developer, the Association or the grantee of the easement. Subsequent to Developer's conveyance of the Common Area, additional easements may be granted by the Association for utility purposes as provided in Paragraph 2.1(c) of this Article.

2.6 Future Easements. Developer reserves the right to impose further restrictions and to grant or dedicate additional easements and rights-of-way on any Lots within the property owned by Developer. In addition, Developer hereby expressly reserves the right to grant easements and rights-of-way over, under and through the Common Area so long as Developer shall own any portion of the Property. The easements granted by Developer shall not materially adversely affect any improvements or unreasonably interfere with the enjoyment of the Common Area.

2.7 Delegation of Use. Any Owner may delegate his right of enjoyment and other rights in the Common Area to any and all persons from time to time lawfully occupying such Owner's Lot or Unit. Any delegation to invitees is subject to the Association's rules and regulations.

2.8 All Rights and Easements Appurtenant. The benefit of all rights and easements granted by this Article constitute a permanent appurtenance to, and pass with, the title to every Lot and Unit enjoying such benefit. Whenever any such right or easement is described as non-exclusive by this Article, its benefit, nevertheless, is exclusive to all Lots or Units granted such benefit by this Article unless this Article expressly grants such benefit to additional persons. In no event does the benefit of any such easement extend to the general public.

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2.9 Ownership Rights Limited to Those Enumerated. No transfer of title to any Lot or Unit passes any rights in and to the Common Area, except as expressly enumerated in this Declaration. Without limitation, no provision in any deed or other instrument of conveyance of any interest in any Lot or Unit shall be construed as passing any such right, title, and interest except as expressly provided in this Declaration.

2.10 Platting and Subdivision Restrictions. Developer may, from time to time, plat or replat all or any part of the property, and may file subdivision restrictions and amendments thereto with respect to any undeveloped portion of the Property.

ARTICLE III

USE RESTRICTIONS

3.1 Residential Use. The Lots and Units subject to this Declaration may be used for residential living units and for no other purpose except that one or more Lots or Units may be used as model homes or temporary constructions/sales offices by the Developer during the development and sale of Villages of Vilano and adjacent properties. No business or commercial building may be erected on any Lot and no business may be conducted on any part thereof.

3.2 No Detached Buildings. No garage, tool or storage shed may be constructed separately and apart from a residence unless approved by the Association. No tents, trailers, tanks, shacks, temporary or accessory buildings or structures shall be erected or permitted to remain on any Lot without the written consent of the Developer and Association.

3.3 Landscaping. The native vegetation and natural style landscaping performed by Developer as part of the Work shall be retained and nurtured. No significant additional planting or significant removal of the lawn or natural vegetation is permitted that will alter the natural style of landscaping installed by the Developer. No living trees measuring four (4) inches or more in diameter at a point two (2) feet above the ground may be removed without the written approval of the Association. No artificial grass, plants or other vegetation shall be placed or maintained on any Lot. No weeds, underbrush or other unsightly vegetation shall be permitted to grow or remain on any Lot.

3.4 Fences. Except as originally provided by the Developer, or as approved by the Developer or the Association, to provide visual and accoustical privacy, no fence, wall or other barrier shall be constructed upon any Lot. All fences and/or gates installed by Developer on side lot lines and between units as part of the Work, shall be maintained jointly by the owners of the lots situated on either side of the fence and/or gate.

3.5 Set-Back Lines. Developer has established a set-back line of 20 feet in front from edge of pavement. To assure that location of dwellings will be staggered where practical and appropriate, so that the maximum amount of view and breeze will be available to each dwelling and that the structures will be located with regard to the topography of each Lot, the Developer reserves unto itself the right to control and decide the precise site and location of any dwelling or other structure upon all Lots.

Except as provided below, although one wall of each structure to be constructed in Villages of Vilano Unit One may be located on or near a side lot line, each structure in Villages of Vilano Unit One shall be setback at least five (5) feet from an adjoining structure. This restriction shall not prohibit construction by the Developer of fences or privacy walls connecting dwelling units nor shall this restriction apply to any portion of the subdivision

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within which Zero Lot Line Walls are required to be one (1) hour or greater fire walls. The Owner of each lot is hereby granted an easement over the area lying between his structure and the adjoining structure for purposes of recreation and maintenance. Notwithstanding the easement granted herein, no owner may construct any permanent structures, patios or swimming pools on any portion of an adjoining owner's lot.

3.6 Motor Vehicles and Boats. No boats, recreational vehicles, or other motor vehicles, except four wheel passenger vehicles, shall be placed, parked or stored upon any Lot except within a garage isolated from public view, unless approved by the Board of Directors, nor shall any maintenance or repair be performed upon any boat or motor vehicle upon any Lot, except within a building where totally isolated from public view. All motor vehicles must be parked in garages from the end of each day until the following morning. Commercial vehicles shall not be parked within public view on a regular basis. Construction trailers may be parked during construction phases only with the express written consent of the Developer and in an area designated by the Developer.

3.7 Unit Restrictions. Following completion of the Work, an Owner may not cause or permit, without the prior written approval of the Architectural Control Committee, any additional alteration, modification, renovation or reconstruction (including the installation of window air conditioners) to be made to the structural components, roof or exterior of his Unit, including fences, driveways and parking areas except as provided in this Declaration. Notwithstanding the foregoing, an Owner shall replace broken windows, screens and doors as originally installed as part of the Work. No garage shall be permanently enclosed or converted to another use without the written approval of the Architectural Control Committee. All garages must have doors which shall be maintained in a useful condition and shall be kept closed when not in use.

3.8 Antennas. No aerial, antenna, satellite dish or other device utilized for radio or television transmission or reception shall be placed or erected upon any Lot, or affixed in any manner to the exterior of any building in Villages of Vilano. Antennas, if any, shall be built into the attic space of the home.

3.9 Enclosures. So as not to interfere with other unit owners' views, all enclosures, including, but not limited to, patios, pools or hot tubs located in the rear yard of a lot shall be screen enclosures, including roofs.

3.10 Animals and Rubbish. No animals, livestock, reptiles or poultry shall be raised, bred or kept anywhere within the Property, except that not more than two (2) dogs, two (2) cats or two (2) caged birds (or any combination thereof not exceeding two (2) animals) may be kept on Lots subject to the Association's regulations, provided such pets are not kept, bred or maintained for any commercial purpose and, provided further that such pets are neither dangerous nor a nuisance to the residents of the Property. All pets are prohibited from the recreational facilities, if any, located on the Common Area. Dogs must be leashed at all times. Except for regular collection and disposal, no rubbish, trash, garbage or other waste material or accumulations shall be kept, stored, or permitted anywhere within the property, except inside the Unit or in sanitary containers concealed from view, and in accordance with the Association's Regulations.

3.11 Sewage Disposal and Water Service. All water and sewage facilities and service to the property shall be supplied by means of the central water supply and sewage system providing service to the property. No well of any kind shall be dug or drilled on the property to provide potable water for use within any structures to be built. No septic tank may be constructed on any Lot. No sewage may be discharged on the open ground or into the marshlands or lakes. No water from air conditioning systems or swimming pools shall be

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disposed of into the marshlands or lakes. North Beach Utilities, Inc., or its successors or assigns, has a non-exclusive perpetual easement in, over and under the areas described on the Plat as "Easement for Utilities" or similar wording for the purpose of installation, maintenance and operation of water and sewage facilities. Notwithstanding the provisions of this paragraph, the Developer or Association may drill deep wells on the Property to provide water for irrigation of lawns and landscaped areas.

3.12 Signs. No sign of any kind shall be displayed to the public view on any Lot except as may be approved as to size and design in accordance with criteria established by the Architectural Control Committee.

3.13 Wetlands; Maintenance Easement. Only the Developer or the Association shall have the right to pump or otherwise remove any water from any lake or other wetlands, if any, within the Property for the purpose of irrigation or other use. The Developer, and Association after assignment of such right to same, shall have the sole and absolute right to control the water level of such lake or lakes and to control the growth and irratication of plants, fowl, reptiles, animals, fish and fungi in any such lake. The Association is solely responsible for preserving the water quality of the lake. No gas or diesel driven boat shall be permitted to be operated on any such lake. Lots which now are, or may hereafter be, adjacent to a lake, (the "Lake Parcels") shall be maintained so that the grass, planting or other lateral support shall prevent erosion of the embankment adjacent to the lake. The height, grade and contour of the embankment shall not be changed without the prior written consent of the Association. If the Owner of any Lake Parcel fails to maintain the embankment as part of his landscape maintenance obligations in accordance with the foregoing, the Association shall have the right, but no obligation, to enter upon any such Lake Parcel to perform such maintenance work which may reasonably be required, all at the expense of the Owner of such Lake Parcel. Title to any Lake Parcel does not include ownership of any portion of any lake bed or surface waters which shall remain the property of the Developer until such time as they shall be conveyed to the Association. No docks or other structures shall be constructed on such embankments unless and until same shall have been approved by the Association. No bulkheads shall be permitted to be constructed without the prior written consent of the Association. The Association shall have the right to adopt reasonable rules and regulations from time to time in connection with the use of the surface waters of any lake within Villages of Vilano, by Owners or other members of the Association, subject to the requirements of the Department of Environmental Regulation. The Association shall have the right to deny such use to any person who, in the opinion of the Association, may create or participate in a disturbance or nuisance on any part of the surface waters of any such lake.

3.14 Leasing of Units. No owner shall lease his unit for a term less than six (6) months. All such leases shall be in writing and shall specify that same are subject to the Legal Documents and Rules and Regulations of the Association. If any owner shall lease his unit he shall remain liable for the performance of all Rules and Regulations and provisions of the Legal Documents and shall be liable for any violations of same by his lessee.

3.15 General Restrictions. Except with the Association's prior written consent or in accordance with the Association's rules and regulations:

(a) Obstructions. There shall be no obstruction of the Common Area, nor shall anything be kept or stored on the Common Area.

(b) Alterations. Nothing shall be altered, constructed upon or removed from the Common Area.

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(c) **Activities.** No activity is permitted in or upon the Common Area, except those for which the Common Area is from time to time suitably improved.

(d) **Wetlands.** No swimming, bathing, fishing, canoeing, boating, or other recreational activity of any nature is permitted in, about or upon any stream, pond, lake, marsh or other wetlands situated upon the Property, except as permitted by the Association. In the event boating, fishing or some other recreational activity is permitted, the Association may adopt rules and regulations concerning said recreational activity. Without limitation, the Association from time to time may prohibit any and all uses and activities in, upon and about any such wetland.

3.16 **Rules and Regulations.** No Owner or other person occupying any Unit or any invitee shall violate the Association's Regulations for the use of the Property. All Owners and other persons occupying any Unit or their invitees, at all times shall do all things reasonably necessary to comply with the Regulations. Without limitation, any rule or regulation will be deemed "issued" when posted conspicuously at such convenient location within the Property as the Association may from time to time designate.

3.17 **Casualty Damage.** In the event of damage or destruction by fire or other casualty to all or any of the improvements on any Lot, the Owner shall repair or rebuild such damaged or destroyed improvements in a good and workmanlike manner within a reasonable time not to exceed one (1) year, in accordance with the provisions of this Declaration. The improvements shall be reconstructed in accordance with the original plans and specifications, including color scheme, placement on Lot and materials. In all cases, all debris must be removed and the Lot restored to an orderly condition as soon as possible, but not to exceed sixty (60) days after such damage or destruction.

During reconstruction upon any Lot after destruction of the original improvements installed by Developer, any and all vehicles involved in the construction or delivery of materials and supplies to the site shall enter and exit the site only over the driveway or driveway subsurface and shall not park on any roadway or any property other than the Lot on which construction is proceeding. During construction of the dwelling or other improvements, the Owner will be required to maintain his Lot in a clean condition, providing for trash and rubbish receptacles and disposal, and construction debris shall not be permitted to remain upon any Lot.

3.18 **Lighting.** No external lighting shall be installed without the prior approval of the Architectural Control Committee. No lighting shall be permitted which alters the residential character of the Property.

3.19 **Maintenance of Driveways.** Each Lot Owner shall be responsible for maintenance of the driveway serving his Lot.

ARTICLE IV**MEMBERSHIP AND VOTING RIGHTS**

4.1 **Membership.** Every Owner of a Lot or Unit is a member of the Association. An Owner of more than one Lot or Unit is entitled to one membership for each Lot or Unit owned. Each membership is appurtenant to the Lot or Unit upon which it is based and is transferred automatically by conveyance of title to that Lot or Unit. The membership of the previous Owner automatically terminates upon conveyance of the Lot or Unit. Except for the Developer, no person other than an Owner may be a member of the Association, and membership in the Association may not be transferred or encumbered except by the transfer of title to a Lot or Unit; provided, however,

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the foregoing does not prohibit the assignment of membership and voting rights by an Owner who is a contract seller to his vendee in possession.

4.2 Classification. The Association has two (2) classes of voting membership:

(a) **Class A.** So long as there is Class B membership, Class A members are all Owners except Developer and are entitled to one (1) vote for each Lot or Unit owned. Upon termination of Class B membership, Class A members are all Owners, including Developer, so long as Developer is an Owner. In the event Developer develops a condominium on the Property which hereafter may be made subject to the provisions this Declaration, the Owners of said Units shall be entitled to one (1) vote per unit.

(b) **Class B.** The Class B member(s) is the Developer and is entitled to three (3) votes for each Lot or Unit owned. The Class B membership will cease and be converted to Class A membership upon the happening of either of the following events, whichever occurs first: (i) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership; or (ii) five (5) years following the covenance of the first lot or unit.

4.3 Co-Ownership. If more than one person holds the record title to any Lot or Unit, all such persons are members, but there may be only one vote cast with respect to such Lot or Unit. Such vote may be exercised as the co-owners determine among themselves; but no split vote is permitted. Before any meeting at which a vote is to be taken, each co-owner must file the name of the voting co-owner with the secretary of the Association to be entitled to vote at such meeting, unless co-owners have filed a general voting authority with the secretary applicable to all votes until rescinded. Notwithstanding the foregoing, if title to any Lot or Unit is held by husband and wife, either co-owner is entitled to cast the vote for such Lot or Unit unless and until the Association is otherwise notified in writing. If title is held by a corporation, the secretary of the corporation shall file with the Association a certificate designating the authorized voting representative of the corporation, which shall be effective until rescinded by the corporation.

4.4 Board of Directors, By-Laws, and Rules and Regulations. All of the affairs, policies, regulations and property of the Association shall be controlled and governed by the Board of Directors thereof, which Board shall consist of no fewer than three (3) nor more than five (5) members, the exact number to be determined by the members of the Association prior to the vote therefor. Such directors shall be elected annually by all of the members entitled to vote. After Class B membership ceases, each director shall be the Owner of a Lot or Unit (or partial owner of a Lot or Unit where such Lot or Unit is owned by more than one individual), (or if a Lot or Unit is owned by a corporation or partnership, including Developer, any duly elected officer or director of an owner corporation, or general partner of an owner partnership, may be elected a director or directors).

4.5 Amplification. The provisions of this Article are amplified by the Association's Articles and By-Laws; but no such amplification shall alter or amend substantially any of the rights or obligations of the Owners set forth in this Article. Developer intends that the provisions of this Declaration, on the one hand, and the Articles and By-Laws, on the other, be interpreted, construed, applied, and enforced to avoid inconsistencies or conflicting results. If any such conflict necessarily results, however, Developer intends that the provisions of this Declaration control over the Articles or By-Laws.

ARTICLE V

RIGHTS AND OBLIGATIONS OF THE ASSOCIATION

O.R. 731 PG 1996**5.1 The Common Area.**

(a) **Maintenance and Repair.** Subject to the rights of the Developer and the Owners as set forth in this Declaration, the Association has exclusive management and control of the Common Area, and all of the improvements, fixtures, furnishings, equipment and other related personal property. The Association shall keep the foregoing in a clean, attractive, sanitary, and serviceable condition, and in good order and repair. The Association's duties with respect to the Common Area include the management, operation, maintenance, repair, servicing, replacement and renewal of all improvements, private road-ways, equipment, and tangible personal property installed by Developer.

(b) **Insurance.** The Association shall keep the improvements located on the Common Area, including fixtures and personal property of the Association, insured to the maximum insurable replacement value, excluding foundation and excavation costs, as determined by the Board of Directors. The insurance shall provide coverage against loss or damage by fire or other hazards covered by a standard extended coverage endorsement and such other risks as from time to time are customarily covered with respect to improvements similar in construction, location and use, including, but not limited to, vandalism and malicious mischief, and flood and water damage, if applicable. The Association shall also carry public liability insurance in amounts and with coverage as determined by the Board of Directors.

5.2 Exterior Lot Maintenance.

(a) **Landscaping Maintenance.** The Association shall provide lawn and landscaping maintenance, including mowing, fertilizing and pest control for all grassed and landscaped areas as originally installed by Developer located on each Lot within the Property. The Association shall perform same in a manner that will preserve the natural style of landscaping originally installed by Developer. The Association and its employees, contractors or agents shall have an easement over and across all Lots as shall be necessary or convenient to provide the landscaping maintenance herein described. Provided, however, the Association may elect to discontinue said maintenance at any time after January 1, 1988.

(b) **Irrigation Systems.** Developer shall install a central irrigation system on each Lot for the purpose of lawn and landscaping maintenance. Such system shall be hooked-up to either the central water system or a deep well installed by the Association or Developer. The Association shall maintain said central irrigation system so installed on each Lot within the Property. The Association, its employees, contractors or agents, shall have an easement over and across all Lots for the installation and maintenance of said system.

5.3 Services. The Association may obtain and pay for the services of any person to manage its affairs to the extent it deems advisable and may contract for such other personnel as the Association determines are necessary, convenient, or desirable for the proper operation of the property or the performance of the Association's responsibilities hereunder, whether such personnel are furnished or employed directly by the Association or by any person with whom it contracts. Without limitation, the Association may obtain and pay for legal and accounting services necessary or desirable in connection with the operation of the Property or the enforcement of the Legal Documents or the Association's Regulations. The Association may contract with others to furnish insurance coverage, building maintenance, termite and pest control or any other services or materials to all Lots or Units, or to any group of Lots or Units that are otherwise herein required to be performed or provided by the Owners; provided, however, (i) only those Lots or Units whose Owners have requested such service shall be assessed for their cost; and (ii) each such Owner's prior written consent is obtained. Nothing

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herein shall be deemed to require the Association to provide such services.

5.4 Personal Property. The Association may acquire, hold and dispose of tangible and intangible personal property, subject to such restrictions as from time to time may be contained in the Association's Articles and By-Laws.

5.5 Rules and Regulations. The Association from time to time may adopt, alter, amend, rescind, and enforce reasonable rules and regulations governing the use of the Lots, Units and Common Area, or any combination, so long as such rules and regulations are consistent with the rights and duties established by the Legal Documents as they, from time to time, may be amended. The validity of the Association's rules and regulations, and their enforcement shall be determined by a standard of reasonableness for the purpose of protecting the value and desirability of the property as a residential community. The rules and regulations initially shall be promulgated by the Board of Directors and may be amended by a majority vote of the Board of Directors, or may be amended or rescinded by a majority vote of both Classes of membership present and voting at any regular or special meeting convened for such purpose.

5.6 Implied Rights. The Association may exercise any other right, power or privilege given to it expressly by the Legal Documents and every other right, power or privilege so granted or reasonably necessary, convenient or desirable to effectuate the exercise of any right, power or privilege so granted.

5.7 Restriction on Capital Improvements. All capital improvements to the Common Area except for replacement or repair of those items installed by Developer and except for personal property related to the Common Area, must be approved by two-thirds (2/3) of each Class of those members present in person or by proxy and voting at a meeting duly convened for such purpose.

5.8 Access by Association. The Association has a right of entry on to the exterior of each Lot and Unit located thereon to the extent reasonably necessary to discharge its duties of exterior maintenance, or for any purpose reasonably related to the performance of any duty imposed or exercise of any right granted by the Legal Documents. Such right of entry must be exercised in a peaceful and reasonable manner at a reasonable time and upon reasonable notice whenever circumstances permit. Entry into a Unit may not be made without the consent of its Owner or occupant, except pursuant to court order or other authority granted by Law, except in the event of an emergency and only then to the extent necessary to prevent personal injury or property damage to the Common Area or any Unit.

ARTICLE VI

COVENANTS FOR ASSESSMENTS

6.1 Assessments Established. For each Lot and Unit owned within the Property, Developer covenants, and each Owner of any Lot or Unit by acceptance of a deed or other conveyance of record title to such Lot or Unit, whether or not it is so expressed in such deed or conveyance, is deemed to covenant and agree to pay the Association:

(a) An Annual Assessment as defined in paragraph 6.2 of this Article;

(b) Special Common Area Assessments as defined in paragraph 6.5 of this Article;

(c) Special Assessments for property taxes levied and assessed against the Common Area as defined in paragraph 6.4 of this Article;

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(d) Specific Assessments against any particular Lot or Unit that are established pursuant to any provision of the Legal Documents as provided in paragraph 6.7 of this Article; and

(e) All excise taxes, if any, that, from time to time, may be imposed upon all or any portion of the assessments established by this Article.

Further, for each Lot within the property, Developer covenants, and each owner of any Lot by acceptance of a deed or other conveyance of record title to such Lot, whether or not it is so expressed in such deed or conveyance, is deemed to covenant and agree to pay the Association an annual assessment for maintenance of the Lots and Lake system as specified in paragraph 6.6 of this Article.

All of the foregoing, together with interest and all costs and expenses of collection, including reasonable attorneys' fees, are a continuing charge on the land, secured by a continuing lien upon the Lot or Unit against which each assessment is made. Each such assessment, together with interest at the maximum rate allowed by law and all costs and expenses of collection, including reasonable attorneys' fees, is the personal obligation of the person who was the Owner of such Lot or Unit when such assessment became due. Such personal obligation for delinquent assessments does not pass to an Owner's successor in title, unless expressly assumed by such successor in writing.

The assessments referred to herein shall be in addition to all assessments levied pursuant to Chapter 718, Florida Statutes, by any Condominium Association formed to manage a condominium constructed within the Property.

6.2 Purpose of Assessments. The annual assessments levied by the Association must be used exclusively to promote the recreation, health, safety, and welfare of the residents and occupants within the Property and for the operation, management, maintenance, repair, servicing, renewal, replacement, and improvement of the Common Area. To effectuate the foregoing, the Association shall levy an Annual Assessment and shall maintain adequate reserves to provide and be used for:

(a) the operation, management, maintenance, repair, servicing, renewal, replacement and improvement of the Property, excepting the grassed and landscaped areas on each Lot within the Property, services and facilities related to the use and enjoyment of the Common Area and of the Units within the Property, including, but not limited to, the payment of taxes and insurance on the Common Area and personal property situated thereon, and the cost of labor, equipment, materials, management and supervision thereof;

(b) all general activities and expenses of the Association incurred in the administration of the powers and duties granted hereunder and pursuant to Law; and

(c) reserves for capital expenditures of the Association as described in paragraph 6.5 of this Article.

6.3 Amount.

(a) Until January 1, 1988, the maximum annual Assessment as specified in paragraph 6.2 shall be \$500.00, for each fully accessible Lot or Unit. The Board of Directors may fix the Annual Assessment at an amount not in excess of said maximum amount during this period. Provided, the Developer, in its sole discretion, may extend the time period during which the maximum annual maintenance assessment shall be \$500.00 for each Lot or Unit.

(b) Commencing on the first day of December of the year during which the first Lot or Unit is conveyed to an Owner, and

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each December 1st thereafter, the Board of Directors, at its annual meeting to be held during said month, may set the amount of the maximum Annual Assessment for the following year for each Lot or Unit. Provided, the maximum Annual Assessment may not be increased more than fifteen percent (15%) above the maximum Annual Assessment for the previous year unless otherwise approved by two-thirds (2/3) of each Class of those members present in person or by proxy and voting at a meeting duly convened as provided hereunder.

(c) The amount of the Annual Assessment shall be fixed by the Board of Directors at least thirty (30) days before the beginning of each fiscal year and shall be payable, without interest, so long as the payment is not more than fifteen (15) days delinquent, in one or more installments as determined by the Board of Directors. Written notice of such Assessment shall be given to every Owner, but the failure to give such notice will not invalidate any otherwise proper Assessment. Unless the Board of Directors takes contrary action at least thirty (30) days before the beginning of any fiscal year, the Annual Assessment then in effect will continue for such fiscal year.

6.4 Property Taxes. The Association shall timely pay all ad valorem real estate taxes, special assessments and other taxes levied on the Common Area, and shall assess each Owner for the cost thereof provided in paragraph 6.1 hereof. The amount of the assessment shall be determined by dividing the amount of such taxes by the number of Lots and Units within the property. At the Board of Directors' discretion, such assessment may be payable in a lump sum within thirty (30) days after notice, or all or any portion thereof may be assessed as a part of the Annual Assessment described above. Each year the Board of Directors shall determine, within forty-five (45) days after receiving notice of the taxes due, whether such Assessments shall be levied, and their amounts.

6.5 Special Assessments for Capital Improvements. In addition to the Annual Assessment, the Association may levy in any assessment year, a Special Assessment applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any purchase of additional real property for the use and benefit of Owners, or construction, reconstruction, renewal, repair, or replacement of a capital improvement upon the Common Area, including fixtures and related personal property, provided, such Assessment is approved by two-thirds (2/3) of each Class of those members present in person or by proxy and voting at a meeting duly convened for such purpose.

6.6 Annual Assessments for Lots. In addition to the annual assessment specified in paragraph 6.2, the Association shall levy an annual assessment against all Lots to provide lawn and landscaping maintenance, including, but not limited to, mowing, fertilizing and pest control, for all grassed and landscaped areas as originally installed by Developer, located on each lot, for the maintenance of the Lakes system and for refuse removal for the Lots within the Property.

6.7 Specific Assessments. Any and all accrued indebtedness of any Owner to the Association arising under any provision of the Legal Documents, including any indemnity, or by contract expressed or implied, or because of any act or omission of the Owner or any occupant of such Owner's Lot or Unit, also may be assessed by the Association against such Owner's Lot or Unit after such Owner fails to pay it when due and such default continues for thirty (30) days after written notice.

6.8 Uniformity of Assessments. The Annual Assessment as specified in paragraph 6.2, and any Special Common Area Assessment must be uniform throughout the Property, except that the Annual Assessment against any Lot or Unit in which Developer owns an interest and which is not being occupied as a residence may be fixed by the Board of Directors for so long as there is Class B membership in the

Association in an amount not less than twenty-five percent (25%) nor more than one hundred percent (100%) of the amount of the applicable Annual Assessment against Lots or Units owned by the Class A members of the Association then in effect. Provided, Developer shall fund the deficits, if any, between the aggregate amount assessed Class A members and Developer, and the total expenses of the Association during the applicable period of control. Developer shall be obligated to fund such deficits only as they are actually incurred by the Association. The Developer shall cease to pay any portion of the balance of the annual operating expenses of the Association under the provisions of this paragraph when Developer is no longer entitled to elect a majority of the Board of Directors of the Association. Thereafter, the Developer shall pay an annual assessment amount attributable to any Lots and Units then owned by Developer and which are not being occupied as a residence, at one-half (1/2) the rate assessed against Lots or Units owned by Owners other than Developer. This provision is not and shall not be construed as a guaranty or representation as to the level of assessment imposed under the provisions of this Article. Upon transfer of title of a Developer owned Lot or Unit, such Lot or Unit shall be assessed in the applicable amount established against Lots or Units owned by the Class A members of the Association, prorated as of and commencing with, the month following the date of transfer of title.

6.9 Commencement of Annual Assessment. The Annual Assessment begins as to all Lots and Units within the Property on the first day of the month following the recording of the first transfer of title by Developer of any Lot or Unit therein, to an Owner other than Developer. The first Annual Assessment against any Lot or Unit shall be prorated according to the number of months then remaining in the fiscal year. The Association shall furnish to any interested person a certificate signed by an officer of the Association setting forth whether the Annual Assessment against a specific Lot or Unit has been paid and, if not, its balance. To defray its costs, the Association may impose a reasonable uniform charge for issuing such certificates. A properly executed certificate of the Association as to the status of assessments on a Lot or Unit is binding on the Association as of the date of issuance.

6.10 Lien for Assessments. All sums assessed to any Lot or Unit, together with interest and all costs and expenses of collection, including reasonable attorneys' fees, are secured by a lien on such Lot or Unit in favor of the Association. Such lien is subject and inferior to the lien for all sums secured by any First Mortgage encumbering such Lot or Unit. Except for liens for all sums secured by such First Mortgage, all other lienors acquiring liens on any Lot or Unit after this Declaration is recorded are deemed to consent that such liens are inferior to the lien established by this Declaration, whether or not such consent is specifically set forth in the instrument creating such lien. The recordation of this Declaration constitutes constructive notice to all subsequent purchasers and creditors of the existence of the Association's lien and its priority. The Association shall Record a claim of lien to further evidence the lien established by this Declaration as to any Lot or Unit against which the Annual Assessment is more than thirty (30) days delinquent.

6.11 Remedies of the Association. Any Assessment not paid within thirty (30) days after its due date, bears interest at the maximum lawful rate from time to time permitted under the Laws of the State of Florida. The Association may bring an action at law against any Owner personally obligated to pay such Assessment or foreclose its lien against such Owner's Lot or Unit. No Owner may waive or otherwise escape liability for the Association's Assessments by non-use of the Common Area, or by abandonment of such Owner's Lot or Unit. A suit to recover a money judgment for unpaid Assessments may be maintained without foreclosing, waiving, or otherwise impairing the security of the Association's lien or its priority.

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6.12 Foreclosure. The lien for sums assessed pursuant to this Article may be enforced by judicial foreclosure by the Association in the same manner in which mortgages on real property from time to time may be foreclosed in the State of Florida. In any such foreclosure the Owner is required to pay all costs and expenses of foreclosure, including reasonable attorneys' fees. All such costs and expenses are secured by the lien foreclosed. Such Owner also is required to pay to the Association any Assessments against the Lot or Unit that become due during the period of foreclosure, which are also secured by the lien foreclosed and shall be accounted and paid as of the date the Owners title is divested by foreclosure. The Association has the right and power to bid at the foreclosure or other legal sale to acquire the Lot or Unit foreclosed, or to acquire such Lot or Unit by deed or other proceeding or conveyance in lieu of foreclosure and thereafter to hold, convey, lease, rent, encumber, use and otherwise deal with such Lot or Unit as an Owner for purposes of resale only.

6.13 Homesteads. By acceptance of a deed or other conveyance of title to any Lot or Unit, the Owner of each Lot or Unit is deemed to acknowledge conclusively that the Annual Assessment established by this Article is for the improvement and maintenance of any homestead thereon and that the Association's lien has priority over any such homestead.

6.14 Subordination of Lien. The lien for the Assessments provided in this Article is subordinate to the lien of any First Mortgage. Sale or transfer of any Lot or Unit does not affect the Assessment lien, except that the sale or transfer pursuant to a First Mortgage Foreclosure or any proceeding or conveyance in lieu thereof, extinguishes the Assessment lien as to payment that became due before such sale or transfer, unless such Assessment was secured by a claim of lien for assessments that is Recorded prior to the recording of said First Mortgage. Any Assessment extinguished by the foreclosure of a First Mortgage or conveyance in lieu thereof, shall be deemed to be an expense of the Association collectible from all Owners (including the foreclosing first mortgagee) in accordance with the Association's normal assessment procedures. No such sale or transfer relieves such Lot or Unit from liability for Assessments thereafter becoming due, or from the Association's lien. The Association shall report to any First Mortgagee of a Lot or Unit any Assessments remaining unpaid for more than thirty (30) days and shall give such First Mortgagee thirty (30) days in which to cure such delinquency before instituting foreclosure proceedings against such Lot or Unit, provided, such First Mortgagee has given the Association written notice of its Mortgage, designating the Lot or Unit encumbered by a proper legal description and stating the address to which notice shall be given.

ARTICLE VII**OBLIGATIONS OF OWNERS****7.1 Exterior Lot Maintenance.**

(a) **Owner Responsibility.** Each Owner shall, at his expense, maintain, repair and replace all portions of the exterior of his Lot, including, without limitation, the roof, gutters, downspouts and exterior building surfaces and their replacements, the privacy fences defining the courtyards of each Unit, all glass surfaces and screening, doors, electric and plumbing equipment, air conditioner and heating units, lawn and landscaping maintenance not performed by the Association, and any other equipment, structures, improvements, additions, or attachments, located on the Lot by Owner or installed by Developer. Provided, fences and/or gates installed by Developer on side lot lines and between units as part of the Work, shall be maintained jointly by the owners of the lots situated on either side of the fence and/or gate as provided in paragraph 3.4 hereof. The foregoing obligation includes any maintenance, repair or replacement

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required because of the occurrence of any fire, wind, vandalism, theft, or other casualty. All maintenance and repair shall be performed by each Owner at regular intervals as shall be necessary to keep his Lot and Unit in an attractive condition and appearance as existed at the time of completion of same, subject to normal wear and tear. Each Owner shall promptly perform any maintenance or repair requested to prevent any damage or loss to other Lots or Units or the Common Area. An Owner shall be liable for all loss or damage sustained by other Owners or the Association caused by reason of his failure to promptly perform any maintenance and repair following written notice to such Owner specifying the items of maintenance or repair.

An Owner may not cause or permit any material alteration in the exterior appearance of his Lot or Unit, including the color of the exterior surfaces of the Unit, without the prior written approval of the Architectural Control Committee. Owners shall use only roof materials, paint and stain colors approved by said Committee when performing repair and maintenance, or when repainting or staining the exterior of their Units.

(b) Association Authority. If (i) any Owner refuses or fails to timely maintain, repair, or replace, as the case may be, any exterior portion of his Lot or Unit after reasonable notice from the Association specifying the maintenance or repair, and (ii) not less than seventy-five percent (75%) of the members of the Association's Board of Directors so find after reasonable notice to, and reasonable opportunity to be heard by the Owner affected, then the Association may maintain, repair, or replace the portion of the Lot or Unit specified in the notice from the Association at such Owner's expense. The cost incurred by the Association shall be specifically assessed against such Owner's Lot as provided in Article VI hereof.

ARTICLE VIII

ARCHITECTURAL CONTROL

8.1 Villages of Vilano Architectural Control Committee. The architectural review and control functions of the Association shall be administered and performed by the Villages of Vilano Architectural Control Committee. The Committee shall consist of either three (3) or five (5) members who shall be appointed by and serve at the pleasure of the Developer so long as Developer owns at least one (1) Lot or Unit within Villages of Vilano or any property within the Planned Unit Development, or until such earlier time as Developer, at its option, assigns the right to appoint the members to the Board of Directors. Thereafter, the Architectural Control Committee shall consist of either three (3) or five (5) members (at the option of the Board of Directors) who shall be appointed by and serve at the pleasure of the Board of Directors. Members need not be members of the Association. A majority of the members shall constitute a quorum to transact business at any meeting and the action of a majority present at a meeting at which a quorum is present shall constitute the action of the Architectural Control Committee. Any vacancy occurring on said Committee shall be filled by an appointee of the Developer so long as Developer owns at least one (1) Unit within Villages of Vilano and by the Board of Directors thereafter.

8.2 Approval Required by Villages of Vilano Architectural Control Committee. Except for the initial construction of improvements upon any Lot by Developer, no landscaping, improvements or structure of any kind, including, without limitation, any building, fence, wall, swimming pool, screen enclosure, sewer, drain disposal system, decorative building, landscaping device or object, or other improvements shall be commenced, erected, placed or maintained upon any Lot, nor shall any addition, change or alteration therein or thereof be made, unless and until the plans, specifications and location of same shall have been submitted to and approved in writing

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by the Committee. All plans and specifications shall be evaluated to (i) assure harmony of external appearance, design, materials and location in relation to surrounding buildings and topography within the Property and to conform with the Architectural Control Criteria; (ii) to protect and conserve the value and desirability of the Property as a residential community; (iii) be consistent with the provisions of the Legal Documents; and (iv) be in the best interests of all Owners in maintaining the value and desirability of the Property as a residential community. It shall be the burden of each Owner to supply four (4) sets of completed plans and specifications for any proposed improvement to the Committee. The Committee shall approve or disapprove plans and specifications, properly submitted, within ten (10) business days of such submission. Any plans or change or modification to approved plans shall not be deemed approved by the Committee unless a written approval is granted by the Committee to the Owner submitting same or unless the Committee fails to approve or disapprove such plans or modifications within ten (10) business days of their proper submission.

8.3 Powers and Duties of the Committee. The Committee shall have the following powers and duties:

(a) To require submission to the Committee of four (4) complete sets of all plans and specifications signed by the Owner for any improvement or structure of any kind, including, without limitation, any building, fence, wall, swimming pool, enclosure, sewer, drain, decorative building, landscaping device or object, or other improvement, the construction or placement of which is proposed upon any Lot. The Committee may also require submission of samples of building materials proposed for use on any Lot, and may require such additional information as reasonably may be necessary for the Committee to completely evaluate the proposed structure or improvement in accordance with the provisions hereof.

(b) To approve or disapprove any improvements or structure of any kind, including, without limitation, any building, fence, wall, swimming pool, screen enclosure, sewer, drain, decorative building, landscape device or object or other improvement or change or modification thereto, the construction, erection, performance or placement of which is proposed upon any Lot and to approve or disapprove any exterior additions, changes, modifications or alterations therein or thereon. All decisions of the Committee shall be submitted to the Board of Directors and evidence thereof may, but need not, be made by a certificate in recordable form executed under seal by the President or any Vice-President of the Association. Any party aggrieved by a decision of the Committee shall have the right to make a written request to the Board of Directors within thirty (30) days of such decision, for review thereof. The determination of the Board of Directors upon review of any such decision shall be dispositive as to Association approval.

(c) To adopt a schedule of reasonable fees for processing requests for Committee approval of proposed improvements. Such fees, if any, shall be payable to the Association, in cash, at the time that plans and specifications are submitted to the Committee.

8.4 Compensation of Committee. Members of the Committee shall serve without compensation so long as the Developer retains the right to appoint the members of the Committee. Thereafter, the Board of Directors is encouraged to appoint professionally qualified persons (architects, landscape architects, etc.) to the Committee, and if it elects to do so, it may, at its option, pay reasonable compensation to such professionally qualified members.

8.5 No Liability. The reviews, acceptances, inspections, permissions and approvals required under this Declaration and made by the Developer, Association, Architectural Control Committee, or by their agents or employees are for the sole purpose of protecting the aesthetic integrity of Villages of Vilano. As a result, neither

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the Developer, Association, Architectural Control Committee nor their agents or employees, express any opinion as to the engineering aspects, structural soundness or advisability of any improvement whether or not approved. Neither the Developer, Association, Architectural Control Committee nor their agents or employees shall be liable to an Owner or any other person on account of any claim, liability, damage or expense suffered or incurred by or threatened against an Owner or such other person arising out of or in any way related to the subject matter of any such review, acceptance, inspection, permission, consent, or approval, whether given, granted or withheld by the Developer, Association, Architectural Control Committee, or their agents or employees.

ARTICLE IX

OPERATION AND EXTENSION

9.1 Effect Upon Platted Lands. From and after the date this Declaration is Recorded, all of the Property shall be held, sold, and conveyed subject to the provisions of this Declaration, which is for the purpose of protecting the value and desirability of, and which shall run with the Property and be binding upon all persons having any right, title or interest therein or any part thereof, their respective heirs, successors and assigns, and shall inure to the benefit of the Association, Developer and each Owner, their respective heirs, successors and assigns.

ARTICLE X

UTILITY PROVISIONS

10.1 Water System. The central water supply system provided for the service of Villages of Vilano shall be used as sole source of potable water for all water spigots and outlets located within or on all buildings and improvements located on each Lot. Each Owner shall pay water meter charges established or approved by Developer or other supplier thereof, and shall maintain and repair all portions of such water lines located within the boundaries of his Lot. No individual water supply system or well for consumption or irrigation purposes shall be permitted on any Lot without prior approval of the Association.

10.2 Irrigation System. Irrigation, if any, for the Common Area shall be provided by Developer and maintained by the Association. Each Lot shall be provided with an irrigation system as part of the original improvements installed by Developer which shall be maintained by the Association.

10.3 Sewage System. The central sewage system provided for the service of Villages of Vilano shall be used as the sole sewage system for each Lot or Unit. Each Owner shall maintain and repair all portions of such sewer lines located within the boundaries of his Lot and shall pay, when due, the periodic charges or rates for the furnishing of such sewage collection and disposal service made by the operator thereof. No sewage shall be discharged onto the open ground or into any marsh, lake, pond, park, ravine, drainage ditch or canal or roadway and no septic tank or drain field shall be placed or allowed within Villages of Vilano.

10.4 Garbage Collection. Garbage, trash and rubbish shall be removed from the Lots and Units only by parties or companies approved by the Association. Each Owner shall pay, when due, the periodic charges or rate for such garbage collection service made by the party or company providing same. No burning of trash or other debris shall be allowed.

10.5 Electrical and Telephone Service. All telephone,

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electric and other utilities lines and connections between the main or primary utilities lines and the residences and other buildings located on each Lot shall be concealed and located underground so as not to be visible and in such a manner as shall be acceptable to the governing utility authority.

ARTICLE XI

RIGHTS AND EASEMENTS RESERVED BY DEVELOPER

11.1 Utilities. Developer reserves for itself, its successors, assigns and designees, a right-of-way and easement to erect, maintain and use utilities, electric, telephone and street lighting poles, wires, cables, conduits, storm sewers, sanitary sewers, water mains, gas, sewer, water lines, drainage ways or other public conveniences or utilities on, in and over any area designated as an easement, private street or right-of-way area, or part of the Common Area on the plat of Villages of Vilano and on, in and over a strip of land within each Lot which is not occupied by a structure.

11.2 Drainage. Drainage flow shall not be obstructed or diverted from drainage easements. Developer or Association may, but shall not be required to, cut drainways for surface water wherever and whenever such action may appear to either of them to be necessary to maintain reasonable standards of health, safety and appearance of the Property and surrounding properties. These easements include the right to cut any trees, bushes or shrubbery, make any grading of the land, or to take any other reasonable action necessary to install utilities and to maintain reasonable standards of health and appearance, but shall not include the right to disturb any permanent improvements erected upon a Lot which are not located within the specific easement area designated on the plat or in this Declaration. Except as provided herein, existing drainage shall not be altered so as to divert the flow of water onto an adjacent Lot or into sanitary sewer lines.

11.3 Cable Television and Radio. Developer reserves for itself, and its successors and assigns, an exclusive easement for the installation, maintenance and supply of radio and television cables within the rights-of-ways and easement areas on the recorded plat of the property.

11.4 Easements for Maintenance Purposes. The Developer reserves for itself and the Association, their agents, employees, successors or assigns, easements in, on, over and upon each Lot and the Common Areas as may be reasonably necessary for the purpose of preserving, maintaining or improving lawns, marsh areas, lakes, hammocks, or other areas, the maintenance of which may be required to be performed by the Developer or Association.

11.5 Roadways and Sidewalks. Developer reserves for itself and the Association, their agents, employees, designees, successors and assignees, an easement for installation and construction of and ingress and egress over and upon all roadways, bike paths and sidewalks located within Villages of Vilano.

11.6 Reservation of Right to Release Restrictions. In each instance where a structure has been erected, or the construction thereof is substantially advanced, in such a manner that some portion of the structure encroaches upon any Lot line or easement area, Developer reserves for itself the right to release the Lot from the encroachment and to grant an exception to permit the encroachment by the structure upon said Lot line, or in the easement area without the consent or joinder of any person, excepting St. Johns County, irrespective of who owns the burdened Lot or easement areas, so long as Developer, in the exercise of its sole discretion, determines that the release or exception will not materially and adversely affect the health and safety of Owners, the value of adjacent Lots and the

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overall appearance of the property.

ARTICLE XII

GENERAL PROVISIONS

12.1 Enforcement. The Developer, the Association, or any Owner has the right to enforce, by any appropriate proceeding, all restrictions, conditions, covenants, easements, reservations, liens, charges, rules, and regulations now or hereafter imposed by, or pursuant to, the provisions of the Legal Documents. In addition, the Association has the right to enforce any right specifically granted to it herein. If the Association or the Developer is the prevailing party in any litigation involving the Legal Documents or any of the Association's Regulations, or if an Owner obtains the enforcement of any provision of the Legal Documents or of any such Rule or Regulation against any Owner, other than Developer, then such party may recover all costs and expenses, including reasonable attorneys' fees, incurred in negotiation, trial and appellate proceedings from such Owner. In no event may such costs and expenses be recovered by an Owner against the Association or Developer, unless otherwise provided by Law. If the Association is such a prevailing party against any Owner, such costs and expenses, including reasonable attorneys' fees, may be assessed against the Owner's Lot or Unit as provided in the Article entitled "Covenant for Assessments". If any Owner or Class of Owners is a prevailing party against any other Owner or Class of Owners, such Owner or Owners may be reimbursed by the Association for all or any part of the costs and expenses incurred, including reasonable attorneys' fees, in the discretion of the Board of Directors. Failure by the Association or by any Owner to enforce any covenant, restriction, rule or regulation will not constitute a waiver of the right to do so at any time.

12.2 Term and Renewal. The grantee of any deed conveying the Property or any portion thereof, shall be deemed, by the acceptance of such deed, to have agreed to observe, comply with and be bound by the provisions of this Declaration. The provisions of this Declaration shall run with and bind the Property, and all other lands to which it may hereafter be extended as provided herein, and shall inure to the benefit of and be enforceable by the Association or any Owner, their respective heirs, successors and assigns, until thirty (30) years from the date this Declaration is Recorded, whereupon, they automatically shall be extended for successive renewal periods of ten (10) years each, unless seventy-five percent (75%) of the then Owners elect not to reimpose them as evidenced by an instrument executed and Recorded during the six (6) months immediately preceding the beginning of any renewal period.

12.3 Amendment.

(a) **Developer.** The Developer reserves and shall have the sole right, without the joinder or consent of any Owner, the Association, or the holder of any mortgage, lien or other encumbrance affecting the Property, or any other person: (i) to amend this Declaration to comply with any requirements of a governmental agency, First Mortgagee, or other person willing to make, insure or purchase mortgage loans secured by a Lot; or (ii) to amend this Declaration to cure any ambiguity or error, in this Declaration, or any inconsistency between these provisions and the other Legal Documents or the Plat. Notwithstanding the above, the Developer may not amend this Declaration without the written consent of its construction lender, The First National Bank of Boston, if such construction lender's mortgage is still of record and the Association if such amendment would have the effect of waiving, lessening, impairing or otherwise interfering with the scope or enforcement of the rights granted the Association by this Declaration. Such consent may not be unreasonably withheld or delayed. Developer shall submit any such amendment to the Association and the Association shall join in such amendment or issue

a written statement explaining the basis of its disapproval within thirty (30) days of receipt of the amendment. If the Association shall fail to respond within said thirty (30) day period, its consent shall be deemed to have been given.

(b) **Owners.** Subject to the provisions of paragraphs 12.3(a) and 12.9, this Declaration may only be amended with the joinder of the Association and: (i) on or before thirty (30) years from the date it is Recorded by an instrument executed by the Association with the formalities from time to time required of a deed under the Laws of the State of Florida and signed by not less than seventy-five percent (75%) of all Owners; and (ii) thereafter, by such instrument signed by not less than sixty percent (60%) of all Owners. No amendment shall be effective until Recorded but the Association's proper execution shall entitle it to Public Records, notwithstanding the informal execution by the requisite percentage of Owners.

12.4 **Other Approvals.** Notwithstanding any provision of the Legal Documents to the contrary, all of the following actions require the prior approval of the Developer (for so long as Developer owns any Lots or Units for sale in the ordinary course of business) and the holders of seventy-five percent (75%) of the First Mortgagees within the property: (i) alienation or encumbrancing of all or any portion of the Common Area, except as expressly permitted under Article II, paragraph 2.1(c), of this Declaration; (ii) amendment of this Declaration, except as expressly provided in the Article entitled "Operation and Extension" and in paragraph 12.9 of this Article; (iii) amendment of Articles of Incorporation of the Association; and the merger, consolidation, or dissolution of the Association.

12.5 **Rights of First Mortgagees.** Any First Mortgagee and insurers or guarantors of First Mortgages have the following rights:

(a) **Inspection.** During normal business hours, and upon reasonable notice and in a reasonable manner, to inspect current copies of the Legal Documents and Regulations and the books, records, and financial statements of the Association.

(b) **Financial Statements.** Upon written request to the Secretary of the Association, to receive copies of the annual financial statements for the immediately preceding fiscal year of the Association, provided, however, the Association may make a reasonable, uniform charge to defray its cost incurred in providing such copies.

(c) **Meetings.** To designate a representative to attend all meetings of the membership of the Association, who is entitled to a reasonable opportunity to be heard in connection with any business brought before such meeting but in no event entitled to vote thereon.

(d) **Notices.** By written notice to the Secretary of the Association, and upon payment to the Association of any reasonable, uniform annual fee that the Association from time to time may establish for the purpose of defraying its costs, any First Mortgagee, insurer or guarantor of a First Mortgage shall be entitled to receive any notice that is required to be given to the Class A members of this Association under any provision of the Legal Documents. Additionally, any such First Mortgagee, insurer or guarantor of a First Mortgage giving notice to the Association shall be entitled to written notice of: (i) any condemnation or casualty loss affecting a material portion of the Property or any Unit encumbered by its First Mortgage; (ii) any sixty (60) day delinquency in the payment of Assessments or charges owed by the Owner of any Unit encumbered by its First Mortgage; (iii) lapse, cancellation or material modification of insurance coverage or fidelity bond maintained by the Association; and (iv) any proposed action requiring the consent of a specified percentage of mortgage holders.

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12.6 Provisions Inoperative as to Initial Construction.

Provided that the Work has been reviewed and approved by the Association, nothing contained in this Declaration shall be interpreted, construed, applied or enforced to prevent Developer, or its contractors, subcontractors, agents, employees, successors or assigns, from doing or performing construction on all or any part of the Property owned or controlled by Developer whenever it or they determine same to be necessary, convenient or desirable to complete the Work, including:

(a) **Structures.** Erecting, constructing and maintaining such structures, including one (1) or more model homes, as may be necessary or convenient for conducting Developer's business of completing the Work, establishing the property as a residential community, and disposing of the same in parcels by sale, lease, or otherwise.

(b) **Business.** Conducting thereon its or their business of completing the Work, establishing the Property as a residential community and disposing of the Property in parcels by sale, lease, or otherwise, and conducting resales of Lots or Units within the Property or construction offices, design centers, model Units or any combination.

(c) **Signs.** Maintaining such sign or signs as are necessary, convenient or desirable in connection with the sale, lease or other transfer of the Property in parcels.

As used in this paragraph, the term "its successors or assigns" specifically does not include purchasers of Lots improved as completed residences. Developer reserves temporary easements over, across and through the Common Area for all uses and activities necessary, convenient or desirable for completing the Work, such easements to be exercised so as not to cause any material damage to the Common Area and to expire only when Developer no longer owns any Lot, Unit or Land within the Property that is offered for sale in the ordinary course of Developer's business.

12.7 Severability. Invalidity of any particular provision of the Legal Documents by judgment or court order will not affect any other provision, all of which will remain in full force and effect; provided, however, any Court of competent jurisdiction is hereby empowered, to the extent practicable, to reform any otherwise invalid provision contained in the Legal Documents when necessary to avoid a finding of invalidity while effectuating Developer's intent of providing a comprehensive plan for the use, development, sale, and beneficial enjoyment of the property.

12.8 Notices. Any notice required to be sent to any member, Owner or the Developer under the provisions of this Declaration shall be deemed to have been properly sent when mailed, postage paid, to the last known address of the person who appears as a member or Owner on either the records of the Association or the Public Records of St. Johns County, Florida, at the time of such mailing. Notices to the Association shall be sent in the manner described above to the registered office of the Association.

12.9 Annexation of Contiguous Land. Notwithstanding any other provision of this Declaration to the contrary, the Developer reserves and shall have the sole right to annex additional contiguous land, on which a condominium, marina or additional lots may be developed, and make same subject to this Declaration without the joinder or consent of any Owner, the Association, the holder of a Mortgage or lien affecting the property or any other person. Notwithstanding, the aforesaid, nothing herein shall be deemed a joinder by the First National Bank of Boston, in this Declaration. The Owners of Units situated on such additional contiguous land shall be members of the Association in accordance with the provisions of this Declaration and shall be subject to all covenants, rules, regulations

and By-Laws in the same manner and with the same effect as the original Unit Owners.

12.10 Required Consents and/or Approvals. Any and all consents and/or approvals required by the terms and provisions of this Declaration may be withheld in the sole and absolute discretion of the party whose consent and/or approval is being requested.

IN WITNESS WHEREOF, Developer has executed this Declaration the date stated above.

Signature witnessed by:

VILANO VENTURE, INC.

Tracy Kitch
John D. Kitch

By: Donald M. Kitch
 Its President
 "Developer"

STATE OF FLORIDA

COUNTY OF ST. JOHNS

The foregoing instrument was acknowledged before me this 15 day of July, 1987, by Donald M. Kitch, known to me to be the President of Vilano Venture, Inc., a Florida corporation.

Donald M. Kitch
 Notary Public, State of Florida

My Commission Expires: 9/20/88

COPY



OFF 731 PAGE 2010
REC.

EXHIBIT "A"

A portion of Government Lot 1, Section 32, Township 6 South, Range 30 East, St. Johns County, Florida, being more particularly described as follows:

Commence at the intersection of the Westerly right-of-way line of State Road No. A-1-A (a 66.0' right-of-way as now established) with the Northerly line of said Government Lot 1; thence S. 16°30'00" E., along said Westerly right-of-way line of State Road No. A-1-A, 454.0' to the Point of Beginning, said Point of Beginning also being a point of curvature of a curve concave Northwesterly and having a radius of 25.0'; thence Southwesterly along and around the arc of said curve an arc distance of 39.27'; said arc being subtended by a chord bearing and distance of S. 28°30'00" W., 35.36' to a point of reverse curve concave Southeasterly and having a radius of 188.56'; thence Southwesterly along and around the arc of said curve, an arc distance of 125.19' said arc being subtended by a chord bearing and distance of S. 54°28'47" W., 122.9' to a point of tangency of said curve; thence S. 35°27'35" W., 6.9' to a point of curvature of a curve concave Northwesterly and having a radius of 174.22'; thence Southwesterly along and around the arc of said curve, an arc distance of 106.55', said arc being subtended by a chord bearing and distance of S. 52°58'47" W., 104.9' to a point of a compound curve, being concave Northwesterly and having a radius of 303.45'; thence Southwesterly along and around the arc of said curve, an arc distance of 22.01', said arc being subtended by a chord bearing and distance of S. 72°34'39" W., 22.0' to a point of a compound curve concave Northeasterly and having a radius of 25.0'; thence Northwesterly along and around the arc of said curve, an arc distance of 43.28', said arc being subtended by a chord bearing and distance of N. 55°10'21" W., 38.4' to a point of tangency of said curve; thence N. 5°00'00" E., 12.95' to a point of curvature of a curve concave Southwesterly and having a radius of 928.72'; thence Northwesterly along and around the arc of said curve, an arc distance of 186.41', said arc being subtended by a chord bearing and distance of N. 10°45'00" W., 186.09' to a point of tangency of said curve; thence N. 16°30'00" W., 415.52' to the Northerly line of said Government Lot 1; thence N. 89°24'25" W., 690.08'; thence S. 42°36'09" W., 78.01'; thence S. 3°25'25" W., 90.0'; thence S. 3°25'26" W., 60.0'; to a point on a curve, said curve being concave Southwesterly and having a radius of 677.74' thence Southeasterly along and around the arc of said curve, an arc distance of 360.06', said arc being subtended by a chord bearing and distance of S. 71°21'24" E., 355.84' to a point of a compound curve, being concave Southwesterly and having a radius of 25.0'; thence Southwesterly along and around the arc of said curve, an arc distance of 31.57', said arc being subtended by a chord bearing and distance of S. 19°57'54" E., 29.51' to a point of reverse curve, said curve being concave Easterly and having a radius of 53.95'; thence Southeasterly along and around the arc of said curve, an arc distance of 56.55', said arc being subtended by a chord bearing and distance of S. 13°49'20" E., 54.0' to a point of tangency of said curve; thence S. 43°51'05" E., 143.73' to a point of curvature of a curve concave Northerly and having a radius of 51.45'; thence Easterly along and around the arc of said curve, an arc distance of 60.78', said arc being subtended by a chord bearing and distance of S. 77°41'53" E., 57.31' to a point of reverse curve of a curve concave Southerly and having a radius of 25.0'; thence Easterly along and around the arc of said curve, an arc distance of 30.94', said arc being subtended by a chord bearing and distance of S. 76°05'20" E., 29.0' to a point of tangency of said curve thence S. 40°38'00" E., 57.12' to a point of curvature of a curve concave Northerly and having a radius of 363.45'; thence Southeasterly and Easterly along and around the arc of said curve, an arc distance 436.85', said arc being subtended by a chord bearing and distance of S. 75°03'59" E., 411.03' to a point of a compound curve, being concave Northwesterly and having a radius of 374.99'; thence Northeasterly along and around the arc of said curve, an arc distance of 99.41', said arc being subtended by a

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EXHIBIT "A", PAGE TWO

chord bearing and distance of N. 62°54'19" E., 99.12' to a point of tangency of said curve; thence N. 55°18'38" E., 22.94' to a point of curvature of a curve concave Southeasterly and having a radius of 312.34'; thence Northerly along and around the arc of said curve, an arc distance of 99.16', said arc being subtended by a chord bearing and distance of N. 64°24'20" E., 98.74' to a point of a compound curve concave Southwesterly and having a radius of 25.0'; thence Southeasterly along and around the arc of said curve, an arc distance of 39.27', said arc being subtended by a chord bearing and distance of S. 61°30'00" E., 35.36' to a point on the Westerly right-of-way line of said State Road No. A-1-A; thence N. 16°30'00" W., along said Westerly right-of-way line, 150.0' to the Point of Beginning.

COPY

REF 731 PAGE 2012

State of Florida



Department of State

I certify that the attached is a true and correct copy of the Articles
of Incorporation of VILLAGES OF VILANO HOMEOWNERS' ASSOCIATION,
INC.

a corporation organized under the Laws of the State of Florida,
filed on October 24, 1986

The document number of this corporation is N17492

Given under my hand and the
Great Seal of the State of Florida,
at Tallahassee, the Capital, this the
24 day of October



CR2E022 (10-85)

George Firestone
Secretary of State

CR2E040 (4-84)

REC 731 PAGE 2013

ARTICLES OF INCORPORATION OF
VILLAGES OF VILANO
HOMEOWNERS' ASSOCIATION, INC.,
A NON-PROFIT CORPORATION

FILED
1955 OCT 24 11 10-3
TALLAHASSEE, FLORIDA

We, the undersigned natural persons competent to contract, associate ourselves for the purpose of forming a corporation not for profit under Chapter 617 of the Florida Statutes, and certify as follows:

I

NAME

The name of the corporation shall be VILLAGES OF VILANO HOMEOWNERS' ASSOCIATION, INC., A NON-PROFIT CORPORATION.

II

PURPOSE

The purpose for which this corporation is organized is to provide for maintenance, preservation and architectural control of the lots, units and common area within that certain tract of property described as:

That certain real property described on Exhibit "A", attached to the Declaration of Covenants and Restrictions for Villages of Vilano, and any and all other lands that hereafter may be made subject to the provisions of said Declaration pursuant to the provisions thereof.

And to promote the health, safety and welfare of the residents within the above-described property and any additions thereto as may hereafter be brought within the jurisdiction of this Association for such purpose.

In furtherance of such purpose, the Association shall have power to:

(a) exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in that certain Declaration of Covenants, and Restrictions for

VILLAGES OF VILANO, hereinafter called the "Declaration", applicable to the property, which shall be recorded in the Public Records of St. Johns County, Florida, and as the same may be amended from time to time as therein provided, said Declaration being incorporated herein as if set forth at length;

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

(c) acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association;

(d) borrow money, and with the assent of two-thirds (2/3) of each class of members, mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;

(e) dedicate, sell or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument has been signed by two-thirds (2/3) of each class of members, agreeing to such dedication, sale or transfer;

(f) participate in mergers and consolidations with other non-profit corporations organized for the same purposes or annex additional residential property and Common Area, provided that any such merger, consolidation or annexation, except for property annexed by the Developer pursuant to Section 12.9 of the Declaration, shall have the assent of two-thirds (2/3) of each class of members; and

(g) have and to exercise any and all powers, rights and privileges which a corporation organized under the Non-Profit Corporation Law of the State of Florida by law may now or hereafter have or exercise.

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III

MEMBERSHIP

Every person or entity who is a record owner of a fee or undivided fee interest in any lot or unit which is subject by covenants of record to assessment by the Association, including contract sellers, but excluding persons or entities holding title merely as security for performance of an obligation, shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any lot or unit which is subject to assessment by the Association.

IV

CLASSES OF MEMBERSHIP

Class A. Class A members shall be all Owners, with the exception of the Developer (as defined in the Declaration). Each Owner shall be entitled to one vote for each unit owned. When more than one person holds an interest in any unit, all such persons shall be members. The vote for such unit shall be exercised as they determine, but in no event shall more than the assigned votes be cast with respect to any lot.

Class B. The Class B member(s) shall be the Developer (as defined in the Declaration), and shall be entitled to three (3) votes for each lot or unit owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs first:

- (a) When the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership; or
- (b) Ten (10) years from the recording date of the Declaration.

V

EXISTENCE

The corporation shall have perpetual existence.

VI

SUBSCRIBERS NAMES AND RESIDENCES

The name and residence of the subscriber to these Articles of Incorporation are:

<u>Name</u>	<u>Address</u>
James Kashou	4492 Southside Boulevard Jacksonville, Florida 32216

VII

BOARD OF DIRECTORS

The affairs of the Association shall be managed by a Board of Directors, a President, Vice President, who shall at all times be members of the Board, and a Secretary/Treasurer. The Board shall consist of no fewer than three (3) nor more than five (5) members. After Class B membership ceases each member shall be the owner of a lot or unit as provided in Section 4.4 of the Declaration. The number of Directors may be changed by amendment of the Bylaws of the Association. The names and addresses of the persons who are to act in the capacity of directors until the selection of their successors are:

<u>Name</u>	<u>Address</u>
James Kashou Director/President	4492 Southside Boulevard Jacksonville, Florida 32216
Tracy Kutz Director/Vice President	4492 Southside Boulevard Jacksonville, Florida 32216
Sharyn Kenson Director/Secretary/Treasurer	4492 Southside Boulevard Jacksonville, Florida 32216

VIII

DISSOLUTION

The Association may be dissolved with the assent given in writing and signed by not less than two-thirds (2/3) of each class of member. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this Association was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization to be devoted to such similar purposes.

IX

AMENDMENT TO THE ARTICLES OF INCORPORATION

Amendments to the Articles of Incorporation may be proposed

by any member of the Association. These Articles may be amended at any annual meeting of the Association, or at any special meeting duly called and held for such purpose, on the affirmative vote of two-thirds (2/3) of each class of members existing at the time of and present at such meeting.

X

AMENDMENTS TO BYLAWS

The Bylaws of the Association may be made, altered, or rescinded at any annual meeting of the Association, or at any special meeting duly called for such purpose, on the affirmative vote of two-thirds (2/3) of each class of members existing at the time of and present at such meeting, except that the initial Bylaws of the Association shall be made and adopted by the Board of Directors.

XI

INDEMNIFICATION

Every director and officer of the Association and every member of the Association serving the Association at its request shall be indemnified by the Association against all expenses and liabilities, including attorneys' fees and appellate attorneys' fees, reasonably incurred by or imposed upon him or her in connection with any proceeding or any settlement of any proceeding to which he or she may be a party, or in which he or she may become involved by reason of his or her being or having been a director or officer of the Association, or by reason of his or her serving or having served the Association at its request, whether or not he or she is a director or officer or is serving at the time the expenses or liabilities are incurred; provided, that in the event of a settlement before entry of judgment, indemnification shall apply unless the Board of Directors in its reasonable judgment determines that the person concerned is guilty of gross negligence or willful misconduct in the performance of his or her duties by the court or jury in any proceeding. The foregoing right of indemnification shall be in addition to and not in lieu of any and all other rights to which that person may be entitled.

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XII

REGISTERED OFFICE AND REGISTERED AGENT

The initial registered office of the corporation is 4492 Southside Boulevard, Jacksonville, Florida, 32216, and the registered agent at such address is JAMES KASHOU.

James Kashou
JAMES KASHOU

STATE OF FLORIDA

COUNTY OF ST. JOHNS

I HEREBY CERTIFY that on this day, before me, a notary public duly authorized in the State and County named above to take acknowledgements, personally appeared JAMES KASHOU, to me well known to be the person described as subscriber in and who executed the foregoing Articles of Incorporation, and he acknowledged before me that he subscribed to those Articles of Incorporation.

WITNESS my hand and official seal in the County and State last aforesaid this 22nd day of October, 1986.

Roberta H. Hein
Notary Public, State of Florida

My Commission Expires: 3/31/90

COPY

AMENDMENT
TO
ARTICLES OF INCORPORATION OF
VILLAGES OF VILANO
HOMEOWNERS' ASSOCIATION, INC.,
A NON-PROFIT CORPORATION

The undersigned officers of VILLAGES OF VILANO HOMEOWNERS' ASSOCIATION, INC., desiring to amend the Articles of Incorporation of said Corporation, do hereby certify as follows:

I

The name of the Corporation is VILLAGES OF VILANO HOMEOWNERS' ASSOCIATION, INC.,

II

Article IV of said Corporation's Articles of Incorporation is hereby amended to read as follows:

ARTICLE IV

CLASSES OF MEMBERSHIP

Class A. Class A member(s) shall be all Owners, with the exception of the Developer (as defined in the Declaration). Each Owner shall be entitled to one vote for each unit owned. When more than one person holds an interest in any unit, all such persons shall be members. The vote for such unit shall be exercised as they determine, but in no event shall more than the assigned votes be cast with respect to any lot.

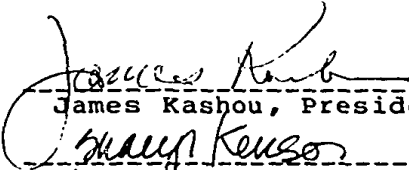
Class B. The Class B member(s) shall be the Developer (as defined in the Declaration), and shall be entitled to three (3) votes for each lot or unit owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs first:

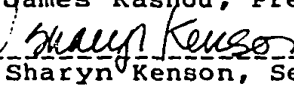
- (a) When the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership; or
- (b) Five (5) years following the conveyance of the first lot or unit.

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III

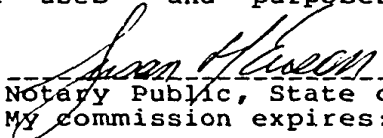
Said Amendment was adopted by unanimous vote of the Board of Directors of said Corporation, at a special meeting of said Board of Directors duly noticed and held on January 7, 1987, at 501 Atlantic Bank Building, St. Augustine, Florida, 32084.


James Kashou, President


Sharyn Kenson, Secretary

STATE OF FLORIDA
COUNTY OF ST. JOHNS

I HEREBY CERTIFY that on this day, before me, a notary public duly authorized in the State and County named above to take acknowledgements, personally appeared JAMES KASHOU and SHARYN KENSON, to me well known to be the persons described as President and Secretary, respectively, herein and who executed the foregoing Amendment to Articles of Incorporation of the Villages of Vilano Homeowners' Association, Inc. for the uses and purposes therein expressed.


Notary Public, State of Florida
My commission expires: 6/3/88

COPY

BYLAWS OF
VILLAGES OF VILANO HOMEOWNERS' ASSOCIATION, INC.

ARTICLE I

NAME AND LOCATION. The name of the corporation is VILLAGES OF VILANO HOMEOWNERS' ASSOCIATION, INC. (hereinafter referred to as the "Association"). The principal office of the corporation shall be located at 4492 Southside Blvd., Jacksonville, Florida 32216, but meetings of members and directors may be held at such places within the State of Florida, County of St. Johns, as may be designated by the Board of Directors.

ARTICLE II
DEFINITIONS

Section 1. "Association" shall mean and refer to the Villages of Vilano Homeowners' Association, Inc., its successors and assigns.

Section 2. "Properties" shall mean and refer to that certain real property described in the Declaration of Covenants and Restrictions for Villages of Vilano, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 3. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the Owners.

Section 4. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the Common Area.

Section 5. "Owner" shall mean and refer to the record owners of any lot or unit.

Section 6. "Declarant" shall mean and refer to Vilano Ventures, Inc., its successors and assigns if such successors or assigns should acquire more than one undeveloped Lot or Unit from the Declarant for the purpose of development.

Section 7. "Declaration" shall mean and refer to the Declaration of Covenants and Restrictions for Villages of Vilano applicable to the Properties recorded in the Office of the Clerk of the Circuit Court, St. Johns County, Florida.

Section 8. "Member" shall mean and refer to those persons entitled to membership as provided in the Declaration.

Section 9. "Unit" shall mean and refer to a single-family dwelling located on a lot or a condominium unit located in a condominium developed on the properties excluding common properties.

ARTICLE III MEETING OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the members shall be held within one year from the date of incorporation of the Association, and each subsequent regular annual meeting of the members shall be held on the same day of the same month of each year thereafter, at the hour of 2:00 o'clock p.m. If the day for the annual meeting of the members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the members may be called at any time by the president or by the Board of Directors, or upon written request of the members who are entitled to vote one-half (1/2) of all of the votes of the Class A membership.

Section 3. Notice of Meetings. Written notice of each meeting of the members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least 15 days before such meeting to each member entitled to vote thereat, addressed to the member's address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of

the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of members entitled to cast, or of proxies entitled to cast, a majority of the votes of each class of membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. Proxies. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his unit.

ARTICLE IV

BOARD OF DIRECTORS: SELECTION: TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a Board of Directors, consisting of no fewer than (3) nor more than (5) members. After Class B membership ceases, each member shall be a member of the association.

Section 2. Term of Office. At the first annual meeting and at each annual meeting thereafter, the members shall elect directors to hold office until the next succeeding annual meeting.

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

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

ARTICLE V

NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among members or non-members until such time as Class B membership ceases. After Class B membership ceases, nominations shall be made from among members only.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. At such election the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VI

MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held monthly without notice, at such place

and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

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

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

ARTICLE VII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

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

(a) adopt and publish rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof;

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

(c) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration;

(d) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent

from three (3) consecutive regular meetings of the Board of Directors; and

(e) employ a manager, independent contractors, and such other employees as they may deem necessary, and to prescribe their duties.

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

(a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members, or at any special meeting when such statement is requested in writing by one-half (1/2) of the Class A members who are entitled to vote;

(b) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) as more fully provided in the Declaration,
to:

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

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

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

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

(e) procure and maintain adequate liability and hazard insurance on property owned by the Association;

(f) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate; and

(g) cause the Common Area to be maintained.

ARTICLE VIII

OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The officers of this Association shall be a president and vice-president, who shall at all times be members of the Board of Directors, a secretary/treasurer, and such other officers as the Board may from time to time by resolution create.

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

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

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

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any

officer may resign at any time giving written notice to the Board, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

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

Section 7. Multiple Offices. The office of secretary/treasurer may be held by one person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

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

President

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

Vice-President

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

Secretary/Treasurer

The secretary/treasurer shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the

members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Association together with their addresses; receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the members.

ARTICLE IX COMMITTEES

The Association shall appoint a Nominating Committee, as provided in these Bylaws and an Architectural Control Committee at such time and in the manner specified in the Declaration. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

ARTICLE X BOOKS AND RECORDS

The book, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member. The Declaration, the Articles of Incorporation and the Bylaws of the Association shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XI ASSESSMENTS

As more fully provided in the Declaration, each member is obligated to pay to the Association annual and special assess-

ments, specific common area assessments and specific assessments against any particular lot or unit as defined in the Declaration which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the Assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the maximum lawful rate from time to time permitted under the laws of the State of Florida, and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Area or abandonment of his lot or unit.

ARTICLE XII

CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words: VILLAGES OF VILANO HOME-OWNERS' ASSOCIATION, INC.

ARTICLE XIII

AMENDMENTS

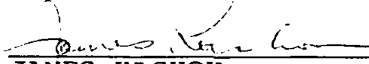
Section 1. These Bylaws may be amended, at any regular meeting of the members, or special meeting called for such purpose, by an affirmative vote of two-thirds (2/3) of each class of members existing at the time of and present in person or by proxy, at such meeting.

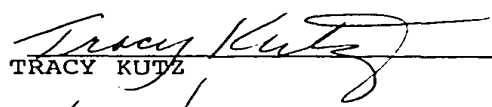
Section 2. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

ARTICLE XIV
MISCELLANEOUS

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

IN WITNESS WHEREOF, We, being all of the Directors of the Villages of Vilano Homeowners' Association, Inc., have hereunto set our hands this 22ND day of October, 1986.

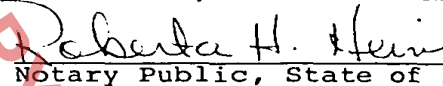

JAMES KASHOU


TRACY KUTZ


SHARYN KENSON

STATE OF FLORIDA
COUNTY OF ST. JOHNS

The foregoing Bylaws of Villages of Vilano Homeowner's Association, Inc., was acknowledged before me this 22ND day of October, 1986, by JAMES KASHOU, TRACY KUTZ, and SHARYN KENSON.


Notary Public, State of Florida

My Commission expires: 3/31/90

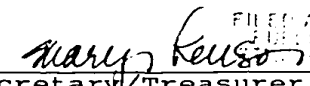
CERTIFICATION

I, the undersigned, do hereby certify:

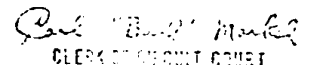
THAT I am the duly elected and acting Secretary/Treasurer of Villages of Vilano Homeowners' Association, Inc., a Florida non-profit corporation, and,

THAT the foregoing Bylaws constitute the original Bylaws of said Association, as duly adopted at a meeting of the Board of Directors, held on the ___ day of ___, 19__.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association this 22ND day of October, 1986.


Secretary/Treasurer

(Corporate Seal)

FILED AND INDEXED
1987 JAN 16 AM 10:13

CLERK OF DISTRICT COURT