

**This instrument prepared by:
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24301 Walden Center Drive
Bonita Springs, FL 34134**

Club, Inc., as originally recorded in O.R. Book 3002, Pages 869 through 933, in the Public Records of Lee County, Florida (the "Club Declaration"), as it may be amended from time to time, or, if different, the meanings stated below, unless the context clearly requires otherwise.

1.1 "ARC" or "Architectural Review Committee" means the Committee described in Article XIII of the Club Declaration.

1.2 "Association" or "Neighborhood Association" means The Masters at Pelican Sound Neighborhood Association, Inc., a Florida corporation not-for-profit.

1.3 "Board" means the Board of Directors of the Association.

1.4 "Club" means Pelican Sound Golf & River Club, Inc., a Florida corporation not-for-profit.

1.5 "Club Declaration" means the Declaration of Covenants, Conditions, Restrictions and Easements for Pelican Sound Golf & River Club, Inc., as recorded in O.R. Book 3002, Pages 869 through 933, in the Public Records of Lee County, Florida (the "Club Declaration"), as it may be amended from time to time.

1.6 "Club Documents" means the Club Declaration and all recorded exhibits thereto, including the Articles of Incorporation and Bylaws of the Club, all as may be amended from time to time.

1.7 "Community Development District," "CDD" or "District" mean the River Ridge Community Development District, which is a special purpose government unit created under Chapter 190, Florida Statutes, and which may fund, construct, operate and maintain certain infrastructure and community services within or outside the "Properties," as such term is defined below.

1.8 "Community" or "Properties" means the real property described as such in to the Club Declaration, together with any additional property subjected to the Club Declaration from time to time.

1.9 "Developer" means WCI Communities, Inc., its grantees, successors and assigns. Developer shall have the right to assign any and all of the rights and privileges reserved for Developer under this Declaration. No Owner of any Lot, solely by the purchase of a Lot, shall be deemed a successor or assign of Developer or of the rights of Developer under the Governing Documents or by law unless such Owner is specifically so designated as a successor or assign of such rights in the instrument of conveyance or any other instrument executed by Developer.

1.10 "Governing Documents" means the Club Documents, as well as this Declaration and all recorded exhibits to it, all as amended from time to time. If there is an irreconcilable conflict between the provisions of any two of these documents, the first document to appear in the foregoing list shall prevail.

1.11 “Declaration” means this Declaration of Covenants, Conditions and Restrictions for The Masters at Pelican Sound Neighborhood, as amended from time to time.

1.12 “Guest” means a person who is physically present in, or occupies a Living Unit on a temporary basis at the invitation of the Owner or other legally permitted occupant, without the payment of consideration.

1.13 “Institutional Mortgagee” shall refer to any one of the following:

(A) a lending institution holding a mortgage encumbering a Lot, including, without limitation, any of the following types of institutions or entities: a federal or state savings and loan or building and loan association, a bank chartered by a state or federal government, a real estate investment trust, a pension and profit sharing trust, a mortgage company doing business in the State of Florida, or a life insurance company doing business in Florida which is approved by the Commissioner of Insurance of the State of Florida;

(B) a governmental, quasi-governmental or private company that is engaged in the business of making, purchasing, holding, guaranteeing or insuring residential mortgages, including without limitation the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Federal Housing Administration, the Veterans Administration and the Department of Urban Development; and

(C) Developer and any investors and lenders, or the successors and assigns of such investors and lenders, who have loaned money to Developer to acquire land comprising the Neighborhood or to construct improvements, and who have a first mortgage lien on all or a portion of the Neighborhood securing such loan.

1.14 “Lease” means the grant by an Owner of a temporary right to occupy the Owner’s Living Unit for valuable consideration.

1.15 “Living Unit,” “Unit” or “Residence” means any or all the residential dwellings which will be constructed on the Lots, each intended for use and occupancy as a residence for a single family.

1.16 “Lot” means any one or more of the up to one hundred (100) platted parcels of land into which the Neighborhood has been or will be subdivided as shown in Exhibit “B” attached hereto and incorporated herein by this reference, upon each of which a Living Unit has been or will be constructed. Wherever it appears, the term “Lot” shall be interpreted as if it is followed by the words “and Living Unit constructed thereon,” except where the context clearly requires a different interpretation.

1.17 “Neighborhood” means all the real property which is subject to this Declaration.

1.18 “Neighborhood Common Areas” means that real property dedicated to, owned by, or held by the Association or intended by Developer to be devoted to the common use and enjoyment of the Owners in the Neighborhood. It is not presently contemplated that the

Neighborhood will contain any Neighborhood Common Areas, but, as provided in Section 13.3 hereof, Developer reserves the right to add Neighborhood Commons Areas. The term "Neighborhood Common Areas" shall be deemed to include the words "if any," unless the context clearly indicates otherwise.

1.19 "Occupant" when used in connection with a Living Unit, means any person who is physically present in the Living Unit on two or more consecutive days, including staying overnight. The term "Occupy" means the act of being an occupant.

1.20 "Owner" or "Member" means a record owner of legal title to a Lot.

1.21 "Pelican Sound" means the name given to the master planned community being developed on the Properties by "Declarant," as such term is defined in the Club Declaration, in Lee County in accordance with the Club Documents.

1.22 "Rules and Regulations" means the administrative rules and regulations governing procedures for administering the Association and the Neighborhood, as adopted amended or rescinded by resolution of the Board.

1.23 "Service Charge" means a charge against the Owners of one or more Lots for any service, material or combination thereof which may be provided by the Neighborhood Association for the use and benefit of those Owners, such as contracting in bulk for repairs, services, materials or maintenance. The amount paid or incurred by the Association on behalf of the Owner(s) accepting or receiving the repairs, services, materials or maintenance shall be passed on in the form of a service charge against the Lots so benefited. The Owner(s) are deemed to agree to such assessment by subscribing, requesting, or accepting the material or service.

1.24 "Temporary" or "Temporarily" means not more than sixty (60) days in any calendar year.

2. CONTINUATION OF DEVELOPMENT. The Neighborhood is being developed by Developer into Lots intended for the construction of single family residences, and are located within the Pelican Sound Golf & River Club development. Other areas of Pelican Sound Golf & River Club may be developed as other forms of residential housing or commercial development, and may be under construction for an extended time. Incidental to that development, the quiet enjoyment of the Neighborhood may be unavoidably interfered with to some extent by construction and sales operations. From time to time, Declarant and others may make public certain renderings, plans, or models showing possible future development of Pelican Sound Golf & River Club. Declarant does not warrant in any way the accuracy of these renderings, plans or models. They are primarily thematic in nature, and do not necessarily represent a guaranteed final development plan for the Pelican Sound Golf & River Club.

3. ASSOCIATION; MEMBERSHIP VOTING RIGHTS. The administration and management of the Neighborhood shall be by the Association, which shall perform its functions pursuant to the following:

3.1 Articles of Incorporation. A copy of the Articles of Incorporation of the Association is attached hereto as Exhibit "C" and incorporated herein by this reference.

3.2 Bylaws. The initial Bylaws of the Association shall be the Bylaws as attached hereto as Exhibit "D" and incorporated herein by this reference, as they are amended from time to time.

3.3 Delegation of Management. The Association may contract with a management agent to assist the Association in carrying out its powers and duties by performing such functions as submission of proposals, collection of assessments, keeping of records, and enforcement of covenants and rules, with funds made available by the Association for such purposes. The Association and its officers, however, shall retain at all times the powers and duties provided in Sections 617.301-617.312, Florida Statutes, as amended from time to time, and in the Governing Documents.

3.4 Members. Every person or entity who is a record owner of a fee simple interest in any Lot shall be a member of the Association. Membership is appurtenant to, runs with, and shall not be separated from, the real property interest upon which membership is based. The burden of notifying the Association of a change of membership shall be borne by the new member; and the Association shall not be required to recognize a change of membership until the new member furnishes satisfactory proof of ownership.

3.5 Voting Interests. The members of the Association are entitled to one (1) vote in Association affairs for each Lot owned by them. Votes shall be cast as provided in the Bylaws.

3.6 Termination of Membership. Termination of membership in the Association does not relieve or release any former member from liability or obligation incurred under or in any way connected with the Association during the period of such former member's membership, nor does it impair any rights or remedies which the Association may have against any former Owner or member arising out of or in any way connected with such ownership and membership and the covenants and obligations incident thereto.

3.7 Association As Owner of Lots. The Association has the power to purchase Lots and to acquire and hold, lease, mortgage, and convey them, by act of a majority of the Board. However, if at any time the Association owns two (2) or more Lots, it may not purchase any more Lots without the prior approval of a majority of the voting interests.

3.8 Membership Roster. The Association shall maintain a current roster of names and mailing addresses of Owners. A copy of the up-to-date roster shall be available to any Owner upon request.

3.9 Board. Except as otherwise specifically provided by law or by the Governing Documents, the Association shall act through the Board and its officers, and no vote of the members shall be required. The officers and Directors of the Association have a fiduciary relationship to the members of the Association.

3.10 Powers and Duties. The powers and duties of the Association include those set forth in this Declaration, the Articles of Incorporation and the Bylaws, and those provided in Chapter 617, Florida Statutes, to the extent not inconsistent with the foregoing documents. The Association may contract, sue, or be sued with respect to the exercise or non-exercise of its powers. The Association has the power to enter into agreements and to acquire leaseholds, memberships and ownership, possessory or use interests in lands or facilities, regardless of whether the lands or facilities are contiguous to the Neighborhood. If the Association has the authority to maintain a class action suit as plaintiff, the Association may also be joined as a defendant in an action as the representative of that class with reference to litigation and disputes involving the matters for which the Association could bring a class action. Nothing herein limits any statutory or common law right of an individual Owner or class of Owners to bring any action which may otherwise be available.

3.11 Member Approval of Certain Litigation. Notwithstanding any other provisions of the Governing Documents, the Board shall be required to obtain the prior approval of at least three-fourths (3/4ths) of the voting interests of the Association prior to the payment of, or contracting for the payment of, legal or other fees or expenses to any person engaged by the Association in contemplation of a lawsuit or for the purposes of making, preparing or investigating any lawsuit, or commencing any lawsuit, other than for the following purposes:

- (A) the collection of assessments;
- (B) the collection of other charges which members are obligated to pay;
- (C) the enforcement of the Governing Documents;
- (D) the enforcement of the rules and regulations of the Association;
- (E) in an emergency, when waiting to obtain the approval of the members creates a substantial risk of irreparable injury to the Association or its members, but in such event, the aforesaid vote shall be taken with respect to the continuation of the action at the earliest practical date (the eminent expiration of a statute of limitations shall not be deemed an emergency obviating the need for the requisite vote of three-fourths (3/4th) of the voting interests); or
- (F) filing a compulsory counterclaim.

This Section 3.11 shall not be amended without the approval of at least three-fourth (3/4ths) of all voting interests.

3.12 Official Records. The official records of the Association shall be maintained within the State of Florida and must be open to inspection and available for photocopying by members or their authorized agents at reasonable times and places within ten (10) business days after receipt by the Association of a written request for access. This requirement may be complied with by having a copy of the official records available for inspection or copying within the Neighborhood. The Association may adopt reasonable written rules governing the frequency, time, location, notice, and

manner of inspections, and may impose fees to cover the costs of providing copies of the official records, including, without limitation, the costs of copying. The Association shall maintain an adequate number of copies of the recorded Governing Documents to ensure their availability to members and prospective members, and may charge only its actual costs for reproducing and furnishing these documents to those persons who are entitled to receive them.

3.13 Indemnification. The Association covenants and agrees that it will indemnify and hold harmless Developer and the members of the Board from and against any and all claims, suits, actions, damages, and/or causes of action arising from any personal injury, loss of life, and/or damage to property sustained in or about the Neighborhood, from and against all costs, legal fees, expenses and liabilities incurred in and about any such claim, the investigation thereof or the defense of any action or proceeding brought thereon, and from and against any orders, judgments and/or decrees which may be entered therein. Included in the foregoing provisions of indemnification are any expenses that Developer may be compelled to incur in bringing suit for the purpose of compelling the specific enforcement of the provisions, conditions and covenants contained in this Declaration to be kept and performed by the Association.

4. ASSESSMENTS. The Association has the authority to levy assessments to pay common expenses. Common expenses include the expenses of the operation, maintenance, repair, replacement, or protection of the Neighborhood Common Areas and association property, the expenses of insurance for the Association and/or directors and officers; the costs of carrying out the powers and duties of the Association, and any other expense, whether or not included in the foregoing, designated as a common expense by this Declaration or the Bylaws. If the Board enters into such a contract, the costs of a duly franchised cable or satellite television service obtained pursuant to a bulk contract shall be a common expense. The Club has the authority to enter into such an agreement for the Neighborhood, in which case, each Lot shall be billed directly by the Club as a portion of the Club's assessments.

4.1 Covenant to Pay Assessments. Developer, for each Lot within the Neighborhood, hereby covenants, and each subsequent Owner of any Lot (including any purchaser at a judicial sale), by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association:

(A) the Lot's prorata share of annual assessments based on the annual budget adopted by the Association;

(B) the Lot's prorata share of any special assessments levied for expenses not provided for by the annual budget; and

(C) any service assessments or charges against less than all of the Lots specifically authorized in this Declaration or the Bylaws,

Assessments shall be established and collected as provided herein and in the Bylaws. The assessments and charges, together with interest, costs, and reasonable attorneys' fees shall bind each Lot in the hands of the Owner, such Owner's heirs, devisees, personal representatives, successors and assigns. In any conveyance of title, voluntary or otherwise, the transferee shall be

jointly and severally liable with the transferor for all unpaid assessments coming due prior to the time of such conveyance, without prejudice to the rights of the transferee to recover from the transferor any amounts paid by the transferee therefor. Except as provided elsewhere in this Declaration as to Developer and Institutional Mortgagees, no Owner may be excused from the payment of assessments unless all Owners are similarly excused.

4.2 Share of Assessments. Except as otherwise provided below, each Lot and the Owner thereof shall be liable for an equal share of all annual and special assessments, such share being a fraction of the whole, the numerator of which is the number "one" and the denominator of which is the total number of Lots then included within the Neighborhood. Until the development of the Neighborhood is completed, and all Lots have been sold to purchasers other than a developer, the denominator shall be conclusively presumed to be the number one hundred (100).

4.3 Developer's Guarantee of Assessments and Share for Lots Owned By It. Developer guarantees that until December 31, 2000 annual and special assessments against each Lot for all Association purposes will not exceed \$1,680.00 per year. During this period, Developer shall be excused from the payment of assessments for Lots owned by it, and instead shall pay that portion of all Association expenses actually incurred which exceeds Association revenues receivable from all other sources. After December 31, 2000, Developer reserves the right to extend this guarantee period and to change the amount guaranteed. The guarantee period shall not under any circumstances extend beyond the period of Developer control. After this guarantee period, Developer shall have the same responsibility for assessments as to Living Units for which a certificate of occupancy has been issued as any other Owner; provided however, that under no circumstances shall Developer ever have an obligation to pay assessments for any Lot owned by Developer as long as the Lot remains unimproved.

4.4 Establishment of Liens to Secure Payment. All assessments and charges levied by the Association in accordance with the provisions of this Declaration or any of the Governing Documents, together with interest at the highest rate allowed by law, and costs of collection (including, but not limited to, costs and reasonable attorney's fees) are hereby declared to be a charge and continuing lien upon the Lot against which each such assessment or charge is made, and shall also be the personal obligation of the Owner of each Lot assessed. This lien is superior to any homestead rights the Owner may acquire. No Owner may be exempt from personal liability for assessments and charges, or release any Lot from the liens and charges hereof, by a waiver of use rights, or by abandoning the Lot. The Association's lien is activated by recording a Claim of Lien by the Association in the Public Records of Lee County, setting forth the amount and due date of each unpaid assessment or charge as of the date the Claim of Lien is recorded. The Claim of Lien secures payment of all assessments and charges due at the time of recording (including interest, costs and attorneys' fees as provided above), as well as all assessments and charges coming due subsequently, until the lien is satisfied or a final judgment of foreclosure obtained. Upon full payment of all sums secured by a Claim of Lien, the party making payment is entitled to a satisfaction in recordable form.

4.5 Priority of Liens. Except as otherwise provided by law, the Association's lien for unpaid assessments and charges shall be subordinate and inferior to that of any recorded Institutional Mortgage, unless the Association's Claim of Lien was recorded before the mortgage.

The Association's lien is superior to, and takes priority over, any other mortgage regardless of when recorded. A lease of a Living Unit is also subordinate and inferior to any Claim of Lien for the Association, regardless of when the lease was executed. A mortgagee in possession, a receiver, a purchaser at a foreclosure sale, or a mortgagee that has acquired title by deed in lieu of foreclosure, and all persons claiming by, through or under any of them, shall hold title subject to the liability and lien of any assessment or charge coming due after taking title. Any unpaid assessment or charge which cannot be collected by reason of this Section 4 shall be treated as a common expense, collectible from all Lots, including the Lot as to which the foreclosure (or conveyance in lieu of foreclosure) took place.

4.6 Collection of Assessments. If any Owner fails to pay any assessment, charge, or installment thereof within ten (10) days after the due date, the Association shall have any or all of the following remedies, to the extent permitted by law, which remedies are cumulative and are not in lieu of, but are in addition to, all other remedies available to the Association:

(A) to charge interest on such assessment or charge, from the due date until paid, at the highest rate allowed by law; and, in addition, to impose a late payment penalty which may not exceed the greater of twenty-five dollars (\$25.00), or such other maximum as may be provided for by law;

(B) to suspend the voting rights of the Owner in the Association during the period of delinquency if regular annual assessments are delinquent in excess of ninety (90) days; and

(C) to file an action in equity to foreclose its lien. Unless another procedure is required by law, the lien may be foreclosed by an action brought by the Association, in the same manner as provided in Section 718.116, Florida Statutes, being the Florida Condominium Act, as amended from time to time, for the foreclosure of liens on condominium parcels for unpaid condominium assessments.

4.7 Certificate. The Association shall, within fifteen (15) days of request for same, furnish to any Owner liable for assessments a certificate in writing signed by an officer of the Association, setting forth whether all assessments and charges against the Owner's Lot have been paid. Any person, except the Owner, who relies on the certificate shall be protected thereby.

4.8 Termination of the Association. If the Association no longer exists for any reason, and if no other Neighborhood Association has assumed its duties and functions, the Club shall have the power to perform all functions of the Association and shall be authorized to assess all Owners for the cost of such services.

5. ARCHITECTURAL AND AESTHETIC CONTROL. Developer is seeking to create a neighborhood of architecturally harmonious homes. Among the techniques employed to accomplish this result is the use of certain carefully chosen colors for exterior paint and roof materials. In order to protect the integrity of the development plan and preserve the values of the Living Units, after the initial construction of the Living Units by Developer, no Owner shall make any material change whatsoever in the exterior color of any portion of his Residence or any

appurtenant structure, nor in the color or style of roofing materials used on the Residence or appurtenant structure without prior written approval of Architectural Review Committee of the Club (the "ARC"). Except for the initial construction of Living Units and related improvements by Developer, no building, structure or other improvement shall be erected or altered on any Lot, nor shall any grading, excavation, landscaping, or other work which in any way materially alters the exterior appearance of any structure, Lot or Neighborhood Common Areas be performed without the prior written approval of the Board, as well as the ARC. In obtaining such written approval, the Owner, or any other person applying, shall comply with all applicable requirements and procedures of the Governing Documents. Refusal to approve proposed changes may be based on purely aesthetic reasons. The membership, term of office, composition, compensation (if any), qualifications and procedures of the ARC shall be as provided in the Club Declaration and Bylaws of the Club.

6. APPURTENANCES; PROPERTY RIGHTS; EASEMENTS.

6.1 Appurtenances to Each Lot. The Owners of each Lot have certain rights and obligations appurtenant to such ownership, including, without limitation, the following:

(A) membership in the Association, and the right to cast one (1) vote in Association affairs, which rights shall be acquired and exercised as provided herein, and in the Articles of Incorporation and the Bylaws of the Association;

(B) the non-exclusive right to use any Neighborhood Common Areas for the purposes intended, subject to the restrictions and limitations provided in the Governing Documents;

(C) beneficial ownership of an undivided share of the assets and common surplus of the Association equal to the Owner's share of liability for the assessments levied by the Association as set forth in Section 4.2 above (the ownership of an undivided share of the common surplus does not entitle the Owner to a distribution of the common surplus);

(D) Class "A" membership and voting rights in the Club, and the non-exclusive right to use Neighborhood Common Areas, subject to the restrictions and limitations provided in the Governing Documents; and

(E) other appurtenances as may be provided in the Governing Documents.

The appurtenances to a Lot automatically pass with the title, whether separately described or not, and cannot be separated from the title to the Lot. The shares in the funds and assets of the Association cannot be assigned, pledged or transferred except as an appurtenance to the Lots.

6.2 Use and Possession. An Owner is entitled to exclusive use and possession of such Owner's Lot and Living Unit. Each Owner is entitled to non-exclusive use of the Neighborhood Common Areas, if any, in accordance with the purposes for which they are intended, but no use of any Lot or Neighborhood Common Areas may unreasonably interfere with the rights of other Owners or residents. No Lot may be subdivided or any part separately sold, leased or otherwise

transferred. Every Owner, and such Owner's tenants, guests and invitees, shall have a perpetual non-exclusive easement for ingress, egress and access in, and over the walkways and private roads laid out on the Club Common Area for use in common with all other Owners, their tenants, guests and invitees. The portions of any Neighborhood Common Areas not used for walkways, private streets, sidewalks or driveways shall be for the common use and enjoyment of the Owners and each Owner shall have a permanent and perpetual easement for the use and enjoyment of such lands as common open space, subject to recorded restrictions and regulation by the Association. These easements shall be appurtenant to and shall pass with the title to every Lot subject to the following:

(A) the right and duty of the Association to levy assessments against each Lot for the upkeep, maintenance, repair or betterment of any Neighborhood Common Areas and improvements thereon;

(B) the right of the Association to dedicate or transfer or grant an easement covering all or any part of the Neighborhood Common Areas to any public agency, authority, or utility for such purposes and subject to such conditions as may be determined by the Board, provided, that no such easement shall materially interfere with the rights of Owners to use any Neighborhood Common Areas for the purposes intended; and

(C) the right of an Owner to the non-exclusive use and enjoyment of any Neighborhood Common Areas and facilities thereon shall extend to the members of the immediate family who reside with such Owner, and to such Owner's tenants, guests and invitees, subject to regulation from time to time by the Association.

6.3 Title to Neighborhood Common Areas. On or before the date when Owners other than Developer first elect a majority of the Board, Developer shall convey any Neighborhood Common Areas to the Association by quit claim deed, and the Association shall accept such conveyance, subject to taxes for the year of conveyance and to restrictions, limitations, conditions, reservations and easements of record. From the date this Declaration is recorded in the Public Records of Lee County, Florida, the Association shall be responsible for the maintenance and operation of any Neighborhood Common Areas, and any improvements and personal property thereon. Developer shall have the right from time to time to enter upon the Neighborhood Common Areas during periods of construction upon adjacent properties and for the purpose of construction of any facilities on the Neighborhood Common Areas that Developer elects to build.

THE ASSOCIATION AND THE MEMBERS ARE OBLIGATED TO ACCEPT TITLE TO ANY NEIGHBORHOOD COMMON AREAS AND FACILITIES, IN THEIR "AS IS" CONDITION, WITHOUT RECOURSE, WHEN CONVEYED TO THE ASSOCIATION BY DEVELOPER. TO THE FULLEST EXTENT PERMITTED BY LAW, DEVELOPER DISCLAIMS ALL WARRANTIES EXPRESSED OR IMPLIED, IN LAW OR IN FACT, WITH RESPECT THERETO, INCLUDING, WITHOUT LIMITATION, REPRESENTATIONS OR WARRANTIES OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, AND REPRESENTATIONS OR WARRANTIES REGARDING THE CONSTRUCTION, DESIGN, ADEQUACY OF SIZE OR CAPACITY IN RELATION TO THE UTILIZATION, DATE OF COMPLETION OR THE FUTURE ECONOMIC PERFORMANCE OR OPERATIONS OF, OR THE MATERIALS,

FURNITURE OR EQUIPMENT WHICH WILL BE USED IN THE NEIGHBORHOOD COMMON AREAS AND FACILITIES.

6.4 Partition; Separation of Interests. There shall be no judicial partition of the Neighborhood Common Areas, except as expressly provided elsewhere herein, nor shall Developer, or any Owner or any other person acquiring any interest in the Neighborhood, or any part thereof, seek judicial partition thereof. Nothing herein shall be construed to prevent judicial partition of any Lot and Living Unit owned in co-tenancy. The ownership of any Lot and the ownership of the Living Unit constructed thereon may not, however, be separated or separately conveyed, nor may any person who does not have an ownership interest in at least one Lot and Living Unit hold membership in the Association.

6.5 Easements. Each of the following easements and easement rights is reserved through the Neighborhood and is a covenant running with the land, and notwithstanding any of the other provisions of this Declaration, may not be revoked and shall survive the exclusion of any land from the Neighborhood. Any lien encumbering these easements shall automatically be subordinate to the rights of the Owners with respect to such easements. Each Lot shall be subject to an easement in favor of all other portions of the Neighborhood for the location of utilities, and for surface water drainage, for lateral and subjacent support, and for the use, maintenance, repair, and replacement of party walls, and shared structural supports, roofs, pipes, wires, ducts, vents, cables, conduits, public utility lines and other similar or related facilities serving the Neighborhood.

(A) Utility and other Easements. The Association has the power, without the joinder of any Owner, to grant, modify or move easements such as electric, gas, cable television, telephone, or other utility, service or access easements, or relocate any existing easements, and to relocate any existing easements, in any portion of the Neighborhood, as the Association shall deem necessary or desirable for the proper operation and maintenance of the Neighborhood, provided, that such easements, or the relocation of existing easements, may not prevent or unreasonably interfere with the use of the Lots. The Association may also transfer title to utility-related equipment or installations, and take any other action reasonably necessary to satisfy the requirements of any utility company or governmental agency to which any such utility-related equipment or installations are to be so transferred.

(B) Encroachments. If for any reason, other than the intentional act of an Owner or the Association, any Living Unit or Lot encroaches upon any of the Neighborhood Common Areas, upon any other Lot, or any Neighborhood Common Area encroaches upon any Lot, then an easement shall exist to the extent of that encroachment as long as the encroachment exists.

(C) Ingress and Egress. A non-exclusive easement shall exist in favor of each Owner and occupant, their respective guests, tenants, licensees and invitees for pedestrian traffic over, through, and across sidewalks, streets, paths, walks, and other portions of the Neighborhood Common Areas as from time to time may be intended and designated for such purpose and use, and for vehicular and pedestrian traffic over, through, and across such portions of the Neighborhood Common Areas as from time to time may be paved or intended for such purposes, and for purposes of ingress and egress to the public ways.

(D) **Drainage.** A perpetual, non-exclusive easement shall exist in favor of Developer, the Association, the Club, the CDD and their employees or other designees for the use of drainage areas established throughout the Neighborhood, and an easement for ingress, egress, and access to enter any portion of the Neighborhood in order to construct, maintain or repair, as necessary, any drainage areas and facilities thereon and appurtenances thereto, specifically including, without limitation, access over and across portions of the Neighborhood Common Areas by the CDD or utility companies to utilize such areas for facilities for the transporting of treated effluents for irrigation purposes. No structure, landscaping, or other material shall be placed or permitted to remain which may damage or interfere with the installation or maintenance of utilities or which may obstruct or retard the flow of water through drainage areas or otherwise interfere with any easement provided for in this Section 6.5 or the use rights set forth elsewhere in the Governing Documents, without Developer's express prior written consent.

(E) **Club.** A perpetual, non-exclusive easement shall exist in favor of the Club to perform any function on behalf of the Neighborhood, which forms the basis of a proper Neighborhood expense, as contemplated and provided for in the Club Documents.

(F) **Construction, Maintenance.** Developer and its agents, employees and contractors shall have the right to enter the Neighborhood and take any action reasonably necessary or convenient for the purpose of completing the construction thereof, provided such activity does not prevent or unreasonably interfere with the reasonable use or enjoyment by the Owners of their property.

(G) **Sales Activity.** Developer and its agents, employees and contractors shall have an easement to use, without charge, any Lot owned or leased by Developer, and the Neighborhood Common Areas in order to establish modify, maintain and utilize, as it and they deem appropriate, model homes and sales and other offices. Without limiting the generality of the foregoing, Developer and its designees may show model Living Units or the Neighborhood Common Areas to prospective purchasers or tenants, erect signs in the Neighborhood, and take all other actions helpful for sales, leases and promotion of the Neighborhood and the Community.

(H) The easements and rights described in Section 6.5 (F) and Section 6.5 (G) above shall terminate upon the sale of all Lots to purchasers other than a successor Developer.

6.6 Easements for Playing Golf. Non-specific, non-exclusive easements are hereby created over all Lots, Living Units and any Neighborhood Common Areas to permit every act necessary, incidental, or appropriate to the playing of golf. These acts include, without limitation, the recovery by golfers of errant golf balls, the flight of golf balls over and across such Lots, Living Units or Neighborhood Common Areas, the landing of errant golf balls upon the Lots, Living Units or Neighborhood Common Areas, the use of necessary and usual golf carts and maintenance equipment, the usual and common noises and other disturbances created by maintenance of the course and the playing of the game of golf, including occasional tournaments, together with all

other common and usual occurrences normally associated with the existence and operation of a golf course. The Association shall not be liable for damage to Owners or property of Owners from errant golf balls.

6.7 Assignment of Easements. The easements and easement rights reserved hereunder to Developer may be assigned by Developer in whole or in part to the Association, the Club, the CDD, any town, county or state government or agency thereof, or duly licensed or franchised public or private utility, or any other designee of Developer.

7. MAINTENANCE; IMPROVEMENTS.

7.1 Responsibility of Owners. The maintenance, repair and replacement of each Lot and Living Unit is the responsibility of its Owner, except as provided in Section 7.2 below. The Owner's responsibility includes the driveway located on such Owner's Lot.

7.2 Landscaping. In order to provide a means by which the covenants in this Declaration requiring Lots to be maintained may be fulfilled without jeopardizing the security of the Community by the possibility of admission thereto of a large number of landscaping contractors and their agents and employees, the Association shall be responsible for the maintenance of landscaping and in particular lawn care and irrigation system maintenance for each and every Lot within the Neighborhood, and the cost shall be a common expense; provided, however, such duty of maintenance shall not extend to areas specifically designated by the Association as an "area of high maintenance," such as a rose garden. Areas of high maintenance shall be maintained by the Owner of the Lot or by special arrangement as may be approved by the Association.

7.3 Completion of Neighborhood. Developer shall undertake the work of developing all Lots and Living Units within the Neighborhood. The completion of that work, or the sale, lease, or other disposition of Living Units, is essential to the establishment and welfare of the Neighborhood as an ongoing residential community. In order that such work may be completed and the Neighborhood established as a fully-occupied residential community as soon as possible, nothing in this Declaration shall be understood or construed to prevent Developer, or the employees, contractors or sub-contractors of Developer, or of Developer's transferees, from doing whatever they may reasonably determine to be necessary or advisable for the completion of the work and the establishment of the Neighborhood as a residential community. As used in this Section 7.3, the words "its transferees" specifically exclude purchasers of Lots improved with completed residences.

7.4 Enforcement of Maintenance. If the Owner of a Lot and Living Unit fails to maintain such Owner's Lot as required in this Declaration, the Association may institute legal proceedings to enforce compliance, or may take any and all other steps necessary to remedy such violation, including, but not limited to, entering the Lot, with or without consent of the Owner to effect such maintenance. The Association may repair, replace, or maintain any item which constitutes a significant hazard to other property or residents, or which has a material adverse effect on the appearance of the Neighborhood, in the Board's sole determination. Any expenses so incurred by the Association shall be assessed against the Owner as service assessments, together with reasonable attorneys' fees and all other expenses of enforcement.

7.5 Negligence, Damage Caused by Condition in Living Unit. The Owner of each Lot and Living Unit shall be personally liable for the expenses of any maintenance, repair or replacement made necessary by such Owner's negligence or by that of any member of such Owner's family, guests, employees, agents, or lessees; but such liability shall be limited to the extent that such expenses are not met by the proceeds of insurance available to the injured person.

8. INSURANCE; DUTY TO RECONSTRUCT.

8.1 Duty to Insure and to Reconstruct . Each Owner shall at all times maintain property insurance on such Owner's residence and all other insurable improvements in an amount equal to the full replacement cost thereof. If any Living Unit or other improvements located on any Lot are destroyed or damaged as a result of fire, windstorm, flood, tornado, hurricane or other casualty, the Owner of such improvements shall remove all debris and cause repair or replacement to be made in accordance with the Club Documents. All such repairs or replacements must restore the improvements to substantially their original character, design and appearance, and shall utilize and conform with the original foundation and appearance of the original improvements, except as otherwise approved by the ARC.

8.2 Failure to Reconstruct. If the Owner of any Lot fails to commence or complete construction to repair or replace any damaged or destroyed improvements within the time periods provided for in the Club Documents, the Association shall give written notice of such Owner's default to such Owner. If the Owner has not notified the Association of satisfactory arrangements to meet such Owner's obligations within thirty (30) days after the Association mailed such notice, the Association shall be deemed to have been granted the right by the Owner, as such Owner's attorney-in-fact, to remove all debris and damaged improvements, or to commence and/or complete the repairs sufficient to substantially restore the improvements to their original condition, according to the plans and specifications of the original improvements. If the Association exercises the rights afforded to it by this Section 8.2, which shall be in the sole discretion of the Board, the Owner of the Lot shall be deemed to have assigned to the Association any right such Owner may have to insurance proceeds that may be available because of the damage or destruction of the improvements. The Association shall have the right to recover from the Owner any costs not paid by insurance, and shall have a lien on the Lot and residence to secure payment.

8.3 Failure to Insure, Association as Additional Insured. For the purpose of this Section 8, each Owner of a Lot within the Neighborhood agrees that the Association shall be an additional insured under any contract of property insurance and/or flood insurance relating to such Owner's Lot and the improvements constructed thereon. Further, the Association may require that all such policies be in an amount sufficient to finance the repair or replacement of the improvements, taking into account local construction costs and property values as they may exist, from time to time. The Association has the right to require each Owner to produce proof of insurance. If an Owner fails or refuses to maintain such insurance coverage deemed reasonably necessary by the Association, or if the Owner allows the required insurance coverage to lapse, or for some other reason causes the same to become ineffective, the Association may but is not obligated to, purchase whatever coverage it deems reasonably necessary for the Association's benefit. The costs incurred by the Association in procuring insurance shall become due and

payable by the Owner in all respects, together with interest, reasonable attorneys' fees and costs of collection, immediately upon the Association notifying the Owner, in writing, that it has procured such insurance, and the costs thereof.

8.4 Association's Right of Entry. For the purpose of performing the duties authorized by Section 7 above or this Section 8, the Association, through its duly authorized agents and employees, shall have the right, after reasonable notice to the Owner, to enter upon the Lot at reasonable hours.

8.5 Association Insurance: Duty and Authority to Obtain. The Board shall obtain and keep in force at all times the insurance coverage which it is required to carry, and may obtain and keep in force any or all of such other or additional insurance coverage as it may deem necessary. The premiums shall be a common expense. The name of the insured shall be the Association as agent for the Owners without naming them, and their mortgagees.

8.6 Required Coverage. The Association shall maintain adequate liability insurance and casualty insurance covering all buildings and other insurable improvements (if any) within the Neighborhood Common Areas, with coverage equal to the maximum insurable replacement value thereof, as determined annually by the Board, such insurance to afford the following protection:

(A) Property. Loss or damage by fire, extended coverage (including windstorm), vandalism, and malicious mischief, and other hazards covered by what is commonly referred to as an "all risk" property contract.

(B) Liability. Premises and operations liability for bodily injury and property damage in such limits of protection and with such coverage as shall be required by the Board, with cross liability endorsement to cover liabilities of the Owners as a group to any single Owner.

(C) Automobile. Automobile liability for bodily injury and property damage for owned and/or non-owned motor vehicles, in such limits of protection and with such coverage as shall be required by the Board.

(D) Fidelity. Adequate fidelity bond coverage for all individuals having control of or access to Association funds.

8.7 Optional Coverage. The Association may purchase and carry such other insurance coverage as the Board may determine from time to time to be in the best interests of the Association and Owners. Some common examples are:

(A) Flood insurance;

(B) Broad Form Comprehensive General Liability Endorsement;

(C) Directors and Officers Liability; and

(D) Medical Payments.

8.8 Description of Coverage. A detailed summary of the coverages included in the Association's policies shall be available for each Owner upon request. All Association insurance policies shall be available for inspection by Owners upon request.

8.9 Waiver of Subrogation. If available and where applicable, the Board shall endeavor to obtain insurance policies which provide that the insurer waives its right to subrogate as to any claim against Owners, the Association, or their respective servants, agents or guests, except for any claim based primarily upon gross negligence evidencing reckless, willful or wanton disregard for life or property.

8.10 Insurance Proceeds. All insurance policies purchased by the Association shall be for the benefit of the Association, and all proceeds shall be payable to the Association.

8.11 Distribution of Proceeds. Proceeds of insurance policies received by the Association shall be used to defray the cost of repair or reconstruction. Any proceeds remaining after defraying costs shall become part of the Association's common surplus.

8.12 Association as Agent. The Association is hereby irrevocably appointed agent for each Owner to adjust all claims arising under insurance policies purchased by the Association for damage or loss to the Living Units.

9. GENERAL COVENANTS AND USE RESTRICTIONS.

9.1 Residential Use. Each Living Unit shall be occupied by only one family and its temporary guests at any time, as a residence and for no other purpose. No time-sharing, business or commercial activity shall be conducted in or from any Living Unit. No person may publicly advertise the address of a Living Unit as the address of any business. The use of a Living Unit as a public lodging establishment shall be deemed a business or commercial use. This Section 9.1 shall not be construed to prohibit any Living Unit occupant from maintaining a personal or professional library, from keeping his personal, business or professional records in his Living Unit, or from handling his personal, business or professional telephone calls, written correspondence, or other communications in and from his Living Unit. Such uses are expressly declared customarily incident to residential use. This Section 9.1, however, is intended to prohibit commercial or business activity by an Owner which would noticeably change the residential ambiance of the Neighborhood, or make it obvious that a business is being conducted, such as by regular or frequent traffic in and out of the Neighborhood by persons making deliveries or pick-ups, employees or other business associates, or customers and clients. Notwithstanding the above provisions, Developer, in its sole discretion, may permit one or more of its Living Units to be used or maintained as a sales office or as a model home.

9.2 Approval of Improvements by ARC. As described in Section 5 hereof and in the Club Documents, all buildings, structures, landscaping and improvements to be built on or in the Community, including the Neighborhood, must be approved by the ARC. The Club Declaration provides the procedure and method of obtaining said approval.

9.3 Leasing. An Owner may lease such Owner's Living Unit without prior Association approval, subject to the Club Declaration and the following restrictions and conditions:

(A) The lease must be written, and a fully executed copy must be provided to the Association not less than three (3) days before the beginning of the lease term, together with such other information about the tenants as the Board may reasonably require.

(B) No Living Unit may be leased or rented for a term of less than thirty (30) consecutive days.

(C) No subleasing or assignment of lease rights is allowed. All of the provisions of the Governing Documents and the Rules and Regulations of the Association pertaining to use and occupancy shall be applicable and enforceable against any person occupying a Living Unit as a lessee or guest to the same extent as against an Owner, and a covenant on the part of each occupant to abide by the rules and regulations of the Association and the provisions of the Governing Documents, designating the Association as the Owner's agent, with the authority to terminate any lease and evict the tenant in the event of violations by the tenant of such covenant, shall be deemed to be included in every lease whether oral or written, and whether specifically expressed in such lease or not.

DECLARANT MAKES NO REPRESENTATIONS OR WARRANTIES REGARDING THE FINANCIAL FEASIBILITY OF RENTING OR THE INCOME TO BE DERIVED THEREFROM. ANY OWNER WHO DESIRES OR INTENDS TO RENT SUCH OWNER'S LIVING UNIT MUST INDEPENDENTLY DETERMINE AND ASSUME RESPONSIBILITY FOR THE FEASIBILITY OF RENTING, AND SHOULD CONSULT SUCH OWNER'S OWN ADVISOR WITH RESPECT TO THE TAX CONSEQUENCES AND ECONOMIC ADVANTAGES OF OWNERSHIP.

9.4 Nuisance. No noxious or offensive activity shall be carried on upon any Lot or in any Living Unit, nor shall anything be done that is or may become a reasonable source of annoyance or nuisance to other residents.

9.5 Temporary Structures. No structure of a temporary character, including trailer, tent or shack shall be used or located on any Lot, either temporarily or permanently, except by Developer.

9.6 Signs. To the extent lawful, the display of signs, advertisements and advertising shall be subject to the Club Declaration and the control of the Club. The Board shall have the right to summarily remove and destroy all unauthorized signs. This Section 9.6 shall not apply to signs used by Developer or its agents to market Lots owned by it.

9.7 Appearance, Refuse Disposal. After closing of title, each Owner shall keep such Owner's Lot free and clear of weeds, underbrush, unsightly growths, trash and debris and shall reasonably maintain such Owner's Living Unit. No Lot shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste shall not be kept except in sanitary containers

suitably screened from view from the street and adjacent Lots. All equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition. No garbage incinerators shall be permitted.

9.8 Maintenance. Developer shall care for vacant or unimproved Lots within the Neighborhood, and clear tall grass, undergrowth, weeds and rubbish therefrom, and do any other things and perform any labor necessary or desirable in the judgment of Developer to keep the Lot in good order. The Association shall have the right to repair any structure or improvement on any Lot which constitutes a danger or nuisance or is in unsightly disrepair, provided that the Owner is given reasonable notice of the Association's intent to do so, which reasonably specifies the proposed action. The Association shall charge the expense of same against the Owner of such Owner's Lot, which charge shall be a lien on the Lot which may be foreclosed, and which shall secure Developer's or the Association's attorneys' fees and other costs in connection with said foreclosure.

9.9 Awnings and Windows. Awnings, hurricane shutters, solar film, and other window shading or decoration shall be subject to the prior approval and control of the ARC.

9.10 Fences. No fence, wall, hedge or other similar structure shall be erected on any Lot, except as originally installed by Developer, and except any approved by the ARC.

9.11 Lawns, Landscaping. Except for designated "Open Space" as such term is defined in Section 9.21 below, buffer zones, open space or other similar areas, all areas not covered by structures, walkways or paved parking facilities shall be maintained by their Owners as lawn or landscaped areas to the pavement edge of any abutting streets and to the waterline of any abutting lakes, canals or water management areas as provided in Section 7.2 above. Stone, gravel or paving may not be used as a substitute for grass in a lawn. Certain areas as determined by Developer, the Board or the CDD shall remain in a natural or unimproved state. All lawns and landscaping shall be completed at the time of completion of the structure as evidenced by the issuance of a Certificate of Occupancy by the appropriate government agency. No landscaping shall be installed, cut down, destroyed or removed without the prior written approval of the ARC.

9.12 Outside Lighting. Except as may be initially installed by Developer, no spotlights, floodlights, or other outdoor high intensity lighting shall be placed or utilized upon any Lot which in any way will allow light to be reflected on any other Lot or the improvements thereof, without the written authorization of the ARC. Low intensity lighting which does not unreasonably disturb the owners or other occupants of the Neighborhood shall be allowed. The owner of each Lot shall maintain the front yard lamp (if any), and keep it operating during all hours of darkness. The Owner's responsibility includes the photoelectric cell and replacement of light bulbs.

9.13 Commercial Activities. No business or commercial activity shall be conducted in the Neighborhood, except Developer's construction of improvements and the maintenance of sales offices or models.

9.14 Pets. The Owner of each Living Unit may keep a reasonable number of household pets, such as a dog, cat, tropical fish or caged birds in a Living Unit, subject to reasonable regulation by the Club or the Board. All pets must be carried under the Owner's arm or leashed at all times while outside of the Unit. The Owner is responsible for cleaning up after such Owner's pet. The ability to keep such pets is a privilege, not a right, and the Board is empowered to order and enforce the removal of any pet which becomes a source of unreasonable annoyance to other residents of the Neighborhood. No reptiles, amphibians, poultry or livestock may be kept in the Neighborhood. Pets shall not be left unattended on screened porches, lanais, yards or in garages.

9.15 Motor Vehicles; Parking. Parking in the Neighborhood is restricted to private automobiles and passenger-type "mini-vans," jeeps and pick-up trucks having a capacity of no more than two (2) tons. Abandoned or inoperable automobiles or oversized vehicles of any kind shall not be stored or parked on any portion of the property. "Abandoned or inoperable vehicle" shall be defined as any vehicle which has not been driven under its own propulsion for a period of three (3) weeks or longer; provided however, this shall not include operable vehicles left on the Lots by owners while on vacation. No commercial vehicles, campers, mobile homes, motor homes, house trailers or trailers of every other description, recreational vehicles, boats, boat trailers or house trailers shall be permitted to be parked or to be stored in the Neighborhood. For the purpose of this Section 9.15, "commercial vehicles" shall mean those which are not designed and used for customary personal/family purposes. The absence of commercial-type lettering or graphics on a vehicle shall not be dispositive as to whether it is a commercial vehicle. The determination of the Board as to the commercial nature of a vehicle shall be final and binding. The prohibitions on parking contained above in this Section 9.15 shall not apply to temporary parking of commercial vehicles such as for construction use or providing pick-up and delivery and other commercial services. No parking on lawns shall be permitted. No vehicle shall be parked anywhere but on paved areas intended for that purpose, or as approved by the Board for construction purposes. Nothing herein shall restrict Developer or its designees from placing, parking or storing vehicles that are engaged in any activity relating to construction, maintenance, sale or marketing of any Lots in the Neighborhood.

9.16 Garages, Carports and Accessory Buildings.

(A) No detached garage or other accessory building shall be erected. Each residence shall have an attached or built in garage which shall accommodate no less than one (1), nor more than three (3), automobiles. Repair of vehicles shall be permitted only inside the garage. When ingress and egress to the garage is not desired, the garage doors shall remain closed.

(B) Carports are not permitted.

(C) No garage shall ever be permanently enclosed or converted to other uses without substitution of another enclosed garage and approval of the ARC. All garages must have a minimum 16-foot wide overhead style garage door, or two (2) 8-foot wide overhead style garage doors.

9.17 Garage Sales. No garage sale, estate sale, flea market, auction, or similar event shall be held on any Lot without prior written approval of the Board and under no circumstances may more than one (1) such event be held on any Lot in any period of twelve (12) consecutive months.

9.18 Mailboxes, Lamp Posts. Mailboxes, front yard lamp posts, and their supporting structures shall be substantially uniform in style, appearance and location, and are subject to regulation by the ARC.

9.19 Antennas, Radio Equipment and Flagpoles. No antennae, aerials, ham radios or satellite dishes shall be placed upon any portion of a Lot or the Neighborhood Common Areas, except as may be required in connection with the provision of a cable television or master antenna system servicing the Neighborhood or that comply with the terms of the Club Documents or as may be allowed by any law. No ham radios or radio transmission equipment shall be operated or permitted to be operated within the Neighborhood without the prior written consent of the Board and the ARC. A flagpole, for display of the American flag only, may be permitted if its design and location are first approved by the ARC. An approved flagpole shall not be used to mount an antenna. It is the intent of this Section 9.19 to protect residents from unreasonable interference with television reception, electronic devices, and the operation of home appliances which is sometimes caused by ham radios, CB base stations or other high-powered broadcasting equipment. This Section 9.19 shall not apply to equipment used by Developer or its agents to market Lots owned by Developer.

9.20 Swimming Pools. An Owner, if approved by the ARC, may construct a swimming pool and screened enclosure on such Owner's Lot. In the event such construction requires entry of or access over an adjoining Lot, the entry or access shall be only with the consent of the Owner of the adjoining Lot, which consent may not be withheld without good cause. Any maintenance, repair and replacement of said swimming pool and enclosure shall be the responsibility of the Owner.

9.21 Open Space. Any land subject to this Declaration and designated as "Open Space" on any plat, declaration of covenants and restrictions, site plan, permit or other document shall be preserved and maintained by the Owner of such land as open space and vegetation preservation. If such land or an easement over such land has been conveyed or dedicated to the Association or the CDD, the Association or the CDD shall preserve and maintain such land. No development may occur on such land except structures or improvements which promote the use and enjoyment thereof for open space purposes.

9.22 Lakes, Water Retention Ponds. No Lot or Neighborhood Common Areas shall be increased in size by filling in any lake, pond or other water retention or drainage areas which it abuts. No person shall fill, dike, rip-rap, block, divert or change the established water retention and drainage areas that have been or may be created without the prior written consent of the CDD and the South Florida Water Management District. No person, other than Developer or the Board, may draw water for irrigation or other purposes from any lake, pond or other water management area, nor is any boating, swimming, or wading in such areas allowed.

9.23 Additional Restrictions. The Club Documents contain additional restrictions which are applicable to the Neighborhood and the Owners. In the event of a conflict between the provisions of this Declaration and the provisions of the Club Documents, the provisions of the Club Documents shall control; provided, however, that this Declaration and the other Neighborhood documents may contain provisions which are more restrictive than those contained in the Club Documents, in which event the more restrictive provisions shall control.

10. OWNERSHIP OF LOTS. The transfer of ownership of Lots shall be subject to the following restrictions:

10.1 Notice to Association. An Owner intending to sell such Owner's Lot shall give the Association written notice of such intent at least seven (7) days prior to the closing of the sale, including the name of the purchaser and such other information about the purchaser as the Association may reasonably require. A new Owner acquiring title shall provide to the Association a copy of the recorded deed, or other instrument evidencing title, within thirty (30) days after the transfer occurs.

10.2 Designation of Golf Member of the Club. Where legal title to a Lot is held in the name of two or more natural persons who are not husband and wife, or in the name of a corporation, partnership or other entity which is not a natural person, the Owner shall designate in writing one individual or family as the regular member of the Club, as further provided in Rules and Regulations of the Club. For purposes of applying restrictions on the occupancy of Living Units, the individual or family designated to the Club shall also be deemed the Owner of the Lot.

10.3 Life Estate. A Lot may be subject to a life estate, either by operation of law or by a voluntary conveyance. In that event, the life tenant shall be as if the life tenant was the only Owner. The life tenant shall be liable for all assessments and charges against the Lot. Any consent, approval or vote required may be given by the life tenant, and the consent or approval of the holders of the remainder interest shall not be required. If there is more than one life tenant, they shall be treated as co-owners for purposes of determining voting and occupancy rights.

11. ENFORCEMENT OF COVENANTS AND ABATEMENT OF VIOLATIONS. Every Owner, and all guests, tenants and occupants, shall at all times comply with Chapter 617, Florida Statutes, the Governing Documents, and the rules of the Club and of the Association. Before undertaking any remedy, disciplinary or enforcement action against a person alleged to be in violation, the Association shall give the alleged violator reasonable written notice of the alleged violation, except in cases deemed by the Board to be emergencies. Disagreements concerning violations, including, without limitation, disagreements regarding the proper interpretation and effect of the Governing Documents, shall be presented to and determined by the Board, whose interpretation of the Governing Documents and/or whose remedial action shall control. Each Member and the Member's tenants, guests, and invitees, and the Association, are governed by, and must comply with, this Chapter 617, the Governing Documents, and the rules of the Club and of the Association. Actions at law or in equity, or both, to redress alleged failure or refusal to comply with these provisions may be brought by the Association or by a Member against:

- (A) The Association;
- (B) A Member;
- (C) Any Director or officer of the Association who willfully and knowingly fails to comply with these provisions; and
- (D) Any tenants, guests, or invitees occupying a parcel or using the Neighborhood Common Areas.

The prevailing party in any such litigation is entitled to recover reasonable attorneys' fees and costs. This Section 11 does not deprive any person of any other available right or remedy.

11.1 Enforcement Action. Judicial enforcement of these covenants and restrictions shall be by a proceeding at law or in equity against any person or persons violating or attempting to violate any covenants or restriction, either to restrain violation or to recover damages, and against the land to enforce any lien created by these covenants; and failure by the Association or any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

11.2 Self-help Remedies. Violation of any conditions or restrictions or breach of any covenant herein contained or in any of the Governing Documents shall also give Declarant, its successors and assigns, and/or the Association and its authorized agent or representative, in addition to all other remedies, the right to enter upon the land where such violation or breach exists and summarily abate and remove, at the expense of the Owner of the land, any construction or other violation that may be or exist thereon. Developer, its successors and assigns and/or the Association and its authorized agents shall not thereby become liable in any manner for trespass, abatement or removal.

11.3 Suspension of Common Area Use Rights, Fines. The Association may suspend, for a reasonable period of time, the rights of a Member or a Member's tenants, guests, or invitees, or both, to use any Neighborhood Common Areas and facilities. The Association may also levy reasonable fines not to exceed \$100 per violation, against any member or any tenant, guest, or invitee. A fine may be levied on the basis of each day of a continuing violation, with a single notice and opportunity for hearing as provided in Section 11.3 (A) below, except that no fine shall exceed \$1,000.00 in the aggregate.

(A) A fine or suspension may not be imposed without notice of at least fourteen (14) days to the person sought to be fined or suspended and an opportunity for a hearing before a hearing panel of at least three (3) members, appointed by the Board, who are not officers, Directors, or employees of the Association, or the spouse, parent, child, brother, or sister of an officer, Director or employee. If the panel, by majority vote (which may be taken by secret ballot), does not approve a proposed fine or suspension, it may not be imposed.

(B) The requirements of this Section 11.3 do not apply to the imposition of suspensions or charges upon any Member because of the failure of the Member to pay assessments or other charges when due, if such action is authorized by the Governing Documents.

(C) Suspension of Neighborhood Common Area use rights shall not impair the right of an Owner or tenant of a parcel to have vehicular and pedestrian ingress to and egress from the parcel, including, but not limited to, the right to park.

(D) Collection of Fines. A fine shall be treated as a special charge due to the Association ten (10) days after written notice from the Association to the Owner of the imposition of the fine.

(E) Application. All monies received from fines shall become part of the common surplus.

(F) Nonexclusive Remedy. Fines and/or suspensions shall not be construed to be exclusive remedies, and shall exist in addition to all other rights and remedies to which the Association may be otherwise legally entitled; however, any fine paid by the offending Owner shall be deducted from or offset against any damages that the Association may otherwise be entitled to recover at law from such Owner.

12. THE CLUB. By taking title to a Lot, the Owner thereof becomes subject to the terms and conditions of the Club Declaration, as the same may be amended from time to time.

12.1 Golf Membership in the Club. Each Lot shall have as an appurtenance one (1) Golf membership in the Club, which membership shall carry such rights and obligations, and be exercised in such manner, as is more fully set forth in the Governing Documents. Such membership cannot be sold, conveyed or assigned separately from the Lot. Assessments and dues levied by the Club shall be paid directly by the Owner of such Lot to the Club.

12.2 Membership and Voting in the Club. All Owners in the Neighborhood are automatically Class "A" members of the Club. Notwithstanding such membership, only authorized representatives of the Members shall be entitled to vote on behalf of all Members at meetings of the Members of the Club. At Club meetings, the votes of the Neighborhood shall be cast by the Association President, as Neighborhood voting representative.

13. DEVELOPER'S RIGHTS AND DUTIES. So long as Developer holds any Lots in the Neighborhood for sale in the ordinary courses of business, the following shall apply, notwithstanding any other provisions to the contrary:

13.1 Developer's Use. Until Developer has completed all of the contemplated improvements and has sold all of the Lots in the Neighborhood, neither the Owners nor the Association, nor their use of the Lots and Living Units shall unreasonably interfere with the completion of the contemplated improvements or sales of Lots. Developer may make any use of unsold Lots and Living Units as may reasonably be allowed by law.

13.2 Assignment of Development Rights. All or any portion of the rights, privileges, powers and duties of Developer set forth in the Governing Documents may be assigned by Developer to any person or entity, without the consent of any Owner or any holder of a mortgage secured by any Lot. Upon the acceptance of such assignment by the assignee, Developer, as the assignor, shall be relieved of all liabilities and responsibilities to the extent of the assignment. In the event of the foreclosure of any mortgage owed by Developer, or deed in lieu of such foreclosure, the person first acquiring title to such interest by reason of such foreclosure, or deed in lieu of foreclosure, shall succeed to all rights, powers, privileges and immunities of Developer in and to such interest.

3.31 Amendment of Declaration. In addition to any other right of amendment or modification provided for in this Declaration and its recorded exhibits, Developer, or any entity which succeeds to Developer's position as Developer of any of the property described in Exhibit "A" attached hereto and incorporated herein by this reference, may, by any instrument filed of record, unilaterally modify, enlarge, amend, waive or add to any provision of this Declaration or any of its exhibits. This right specifically includes the right to amend this Declaration and its exhibits to bring additional Lots or Neighborhood Common Areas within the Neighborhood. The right to amend set forth in this Section 13.3 shall expire when Developer no longer holds any Lots in the Neighborhood for sale in the ordinary course of business. Any amendment made pursuant to this Section 13.3 may be made by Developer without notice or consent to the Members or any other entity.

13.4 Sales or Leases of Lots. Developer intends to sell all Lots and has no program for leasing. However, Developer shall have the right to sell, lease or transfer any Living Unit owned by it on such terms and conditions as it deems in its own best interest.

DEVELOPER MAKES NO REPRESENTATIONS, AND, TO THE FULLEST EXTENT PERMITTED BY LAW, DISCLAIMS ALL WARRANTIES EXPRESS OR IMPLIED, IN LAW OR IN FACT, WITH RESPECT THERETO, INCLUDING, WITHOUT LIMITATION, REPRESENTATIONS OR WARRANTIES OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, AND REPRESENTATIONS OR WARRANTIES REGARDING THE CONSTRUCTION, DESIGN, ADEQUACY OR CAPACITY IN RELATION TO THE UTILIZATION, DATE OF COMPLETION OR THE FUTURE ECONOMIC PERFORMANCE OR OPERATIONS OF, OR THE MATERIALS, FURNITURE OR EQUIPMENT WHICH WILL BE USED IN THE NEIGHBORHOOD COMMON AREAS AND FACILITIES.

13.5 Security. THE ASSOCIATION MAY, BUT SHALL NOT BE OBLIGATED TO, MAINTAIN OR SUPPORT CERTAIN ACTIVITIES WITHIN THE NEIGHBORHOOD DESIGNED TO MAKE THE NEIGHBORHOOD SAFER THAN IT OTHERWISE MIGHT BE. DEVELOPER SHALL NOT IN ANY WAY OR MANNER BE HELD LIABLE OR RESPONSIBLE FOR ANY VIOLATION OF THIS DECLARATION BY ANY PERSON, OTHER THAN DEVELOPER. ADDITIONALLY, NEITHER DECLARANT (AS SUCH TERM IS DEFINED IN THE CLUB DECLARATION), OR DEVELOPER, THE CLUB, NOR THE ASSOCIATION MAKES ANY

REPRESENTATIONS WHATSOEVER AS TO THE SECURITY OF THE PREMISES OR THE EFFECTIVENESS OF ANY MONITORING SYSTEM OR SECURITY SERVICE. ALL OWNERS AGREE TO HOLD DECLARANT, DEVELOPER, THE CLUB AND THE ASSOCIATION HARMLESS FROM ANY LOSS OR CLAIM ARISING FROM THE OCCURRENCE OF ANY CRIME OR OTHER ACT. NEITHER THE ASSOCIATION, THE CLUB, DECLARANT OR DEVELOPER, NOR ANY SUCCESSOR DECLARANT OR DEVELOPER SHALL IN ANY WAY BE CONSIDERED INSURERS OR GUARANTORS OF SECURITY WITHIN THE NEIGHBORHOOD. NEITHER THE ASSOCIATION, THE CLUB, DECLARANT OR DEVELOPER, NOR ANY SUCCESSOR DECLARANT, OR DEVELOPER SHALL BE HELD LIABLE FOR ANY LOSS OR DAMAGE BY REASON OF FAILURE TO PROVIDE ADEQUATE SECURITY OR INEFFECTIVENESS OR SECURITY MEASURES UNDERTAKEN, IF ANY. ALL OWNERS AND OCCUPANTS OF ANY LOT, AND TENANTS, GUESTS AND INVITEES OF OWNERS, ACKNOWLEDGE THAT THE ASSOCIATION AND ITS BOARD, THE CLUB AND ITS BOARD OF DIRECTORS, DECLARANT OR DEVELOPER, OR ANY SUCCESSOR DECLARANT OR SUCCESSOR DEVELOPER DO NOT REPRESENT OR WARRANT THAT ANY FIRE PROTECTION SYSTEM, BURGLAR ALARM SYSTEM OR OTHER SECURITY SYSTEM, IF ANY, DESIGNATED BY OR INSTALLED ACCORDING TO THE GUIDELINES ESTABLISHED BY DECLARANT, DEVELOPER, THE CLUB, THE ARC OR THE ASSOCIATION MAY NOT BE COMPROMISED OR CIRCUMVENTED, OR THAT ANY FIRE PROTECTION OR BURGLAR ALARM SYSTEMS OR OTHER SECURITY SYSTEMS WILL IN ALL CASES PROVIDE THE DETECTION OR PROTECTION FOR WHICH THE SYSTEM IS DESIGNED OR INTENDED. EACH OWNER AND OCCUPANT OF ANY LOT AND EACH TENANT, GUEST AND INVITEE OF AN OWNER, ACKNOWLEDGES AND UNDERSTANDS THAT THE ASSOCIATION, ITS BOARD, THE CLUB AND ITS BOARD OF DIRECTORS, THE ARC, DECLARANT, DEVELOPER, ANY SUCCESSOR DECLARANT OR SUCCESSOR DEVELOPER ARE NOT INSURERS AND THAT EACH OWNER AND OCCUPANT OF ANY LOT AND EACH TENANT, GUEST, AND INVITEE OF THE OWNER THEREOF ASSUMES ALL RISKS FOR LOSS OR DAMAGE TO PERSONS, TO LOTS AND LIVING UNITS AND TO THE CONTENTS OF LIVING UNITS AND FURTHER ACKNOWLEDGES THAT THE ASSOCIATION, ITS BOARD, THE CLUB AND ITS BOARD OF DIRECTORS, THE ARC, DECLARANT AND DEVELOPER AND ANY SUCCESSOR DECLARANT OR SUCCESSOR DEVELOPER HAVE MADE NO REPRESENTATIONS OR WARRANTIES NOR HAS ANY OWNER OR OCCUPANT OF ANY LOT, OR ANY TENANT, GUEST OR INVITEE OF AN OWNER RELIED UPON ANY REPRESENTATIONS OR WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, RELATIVE TO ANY FIRE AND/OR BURGLAR ALARM SYSTEMS OR OTHER SECURITY SYSTEMS RECOMMENDED OR INSTALLED, IF ANY, OR ANY SECURITY MEASURES UNDERTAKEN WITHIN THE NEIGHBORHOOD, IF ANY.

14. TURNOVER OF CONTROL OF ASSOCIATION.

14.1 Time of Turnover. Owners other than Developer shall be entitled to assume control of the Association by electing a majority of the Board not later than ninety (90) days after

the conveyance of title, to Owners other than Developer, of at least ninety percent (90%) of the Lots within the Neighborhood. At that time the Directors appointed by Developer shall resign. The election shall occur at a meeting of the Members (the "Turnover Meeting").

14.2 Procedure for Calling Turnover Meeting. Not less than sixty (60) days prior to the Turnover Meeting, the Association shall notify in writing all Owners of the date, time and place of the Turnover Meeting.

14.3 Early Turnover. Developer may turn over control of the Association to Owners other than Developer prior to the turnover deadline set forth above by causing all of its appointed Directors to resign, whereupon it shall be the affirmative obligation of Owners other than Developer to elect Directors and assume control of the Association. Provided at least sixty (60) days notice of Developer's decision to cause its appointees to resign is given to Owners, neither Developer, nor such appointees, shall be liable in any manner in connection with such resignations, even if Owners other than Developer refuse or fail to assume control.

14.4 Developer Representative. Developer is entitled to elect at least one (1) member of the Board as long as Developer holds for sale in the ordinary course of business at least five percent (5%) of the Lots. After Developer relinquishes control of the Association, Developer may exercise the right to vote any Developer-owned interests in the same manner as any other Member, except for purposes of reacquiring control of the Association or selecting a majority of the Directors.

15. COMMUNITY DEVELOPMENT DISTRICT. A uniform community development district pursuant to Chapter 190, Florida Statutes, known as River Ridge Community Development District (the "CDD") exists to administer all or a portion of the Properties, including the Neighborhood. The CDD will provide certain urban infrastructure facilities and services and will have the authority to levy and collect fees, rates, charges, taxes and assessment to pay for, finance and provide such services. The CDD is empowered to plan, establish, acquire, construct and reconstruct, enlarge or extend, equip, operate, and maintain systems and facilities for basic infrastructure which may include, without limitation, the following:

- (A) water management and control lands within the CDD;
- (B) roads and bridges;
- (C) potable water distribution;
- (D) sewage collection;
- (E) waste water management;
- (F) irrigation;
- (G) perimeter landscaping; and
- (H) limited access assurance services.

THE RIVER RIDGE COMMUNITY DEVELOPMENT MAY IMPOSE AND LEVY TAXES OR ASSESSMENTS, OR BOTH TAXES AND ASSESSMENTS, ON THIS PROPERTY. THESE TAXES AND ASSESSMENTS PAY THE CONSTRUCTION, OPERATION, AND MAINTENANCE COSTS OF CERTAIN PUBLIC FACILITIES AND SERVICES OF THE DISTRICT AND ARE SET ANNUALLY BY THE GOVERNING BOARD OF THE DISTRICT. THESE TAXES AND ASSESSMENTS ARE IN ADDITION TO COUNTY OTHER LOCAL GOVERNMENTAL TAXES AND ASSESSMENTS AND ALL OTHER TAXES AND ASSESSMENTS PROVIDED FOR BY LAW.

These fees, rates, charges, taxes and assessments will either appear on the annual real estate bill for each unit as a separate and district tax payable directly to the Lee County Tax Collector or on a separate bill issued to each Owner by the CDD.

Each Owner agrees, by acceptance of a deed or other instrument conveying title to a Lot, to pay any and all fees, rates, charges, taxes and assessments imposed by the CDD with respect to the Lot, and to abide by all of the rules and regulations of the CDD, as the same may be amended from time to time.

16. DURATION OF COVENANTS; AMENDMENT OF DECLARATION:

16.1 Duration of Covenants. The covenants, conditions, and restrictions of this Declaration shall run with and bind the Neighborhood, and shall inure to the benefit of and be enforceable by the Association, Developer and any owner, their respective legal representatives, heirs, successors and assigns, for an initial period that expires on the thirtieth (30th) anniversary of the date of recordation of the Declaration of Covenants, Conditions, Restrictions, and Easements for Pelican Sound Golf & River Club, Inc. Upon the expiration of said initial period, this Declaration shall be automatically renewed and extended for successive ten (10) year periods. The number of ten (10) year renewal periods hereunder shall be unlimited, with this Declaration being automatically renewed and extended upon the expiration of each ten (10) year renewal period for an additional ten (10) year period; provided, however, that there shall be no renewal or extension of this Declaration if during the last year of the initial period, or during the last year of any subsequent ten (10) year renewal period, at least three-fourths (3/4ths) of the votes cast at a duly held meeting of members of the Association vote in favor of terminating this Declaration at the end of its then current term. Written notice of any meeting at which such a proposal will be considered shall be given at least forty-five (45) days before the meeting. If the Members vote to terminate this Declaration, the President and Secretary of the Association shall execute a certificate which shall set forth the resolution of termination so adopted, the date of the meeting of the Association, the total number of votes cast in favor of such resolution, and the total number of votes cast against such resolution. The certificate shall be recorded in the Public Records of Lee County, Florida, and may be relied upon for the correctness of the facts contained therein as they relate to the termination of this Declaration.

16.2 Amendments, Proposal. Notwithstanding the foregoing, this Declaration may be amended from time to time by a vote of the Members. Amendments may be proposed by the Board or by written petition to the Board signed by at least one-fourth (1/4th) of the voting interests. The

proposed amendments must be submitted to a vote of the members not later than the next annual meeting.

16.3 Amendments, Vote Required. Except as otherwise provided by law by Section 3, Section 11 and Section 13.3 of this Declaration, or by other specific provision of the Governing Documents, a proposed amendment to this Declaration shall be adopted if it is approved by at least two-thirds (2/3rds) of the voting interests of the Association present and voting at any annual or special meeting called for the purpose, provided that notice of each proposed amendment has been given to the Members in accordance with law. Unless otherwise provided by law, notice of proposed amendments shall be in substantially the same form as is specified in Chapter 718, Florida Statutes, for proposed amendments to a Declaration of Condominium. No amendment shall change any Lot's share of liability for assessments or any Owner's voting rights, unless the Owner consents to the amendment.

16.4 Amendments, Certificate, Recording; Effective Date. A copy of each amendment shall be attached to a certificate attesting that the amendment was duly adopted as an amendment to the Declaration, which certificate shall identify the Book and Page of the Public Records where the Declaration was originally recorded, and shall be executed by the President or Vice President of the Association with the formalities of a deed. The amendment shall be effective when the certificate and copy of the amendment are recorded in the Public Records of Lee County.

16.5 Exceptions. Wherever in this Declaration the consent, approval, or affirmative vote of more than two-third (2/3rds) of the voting interests is required in order to authorize or take a particular action, the language requiring the particular number of consents, approvals, or votes may not be amended except by the same vote required to authorize or take the action.

16.6 Amendment of Provisions Relating to Developer. As long as Developer holds any Lot for sale in the ordinary course of business, no amendment shall have the effect of changing any provision relating specifically to Developer, without Developer's express prior written consent, which consent may be withheld in Developer's sole discretion.

16.7 Amendment of Provisions Relating to Stormwater System or Water Management Facilities. Any amendment to this Declaration that will affect the stormwater system and/or water management facilities, if any, will be subject to the prior approval of South Florida Water Management District.

17. GENERAL PROVISIONS.

17.1 Waiver. Any waiver by Developer of any provisions of this Declaration or breach hereof must be in writing and shall not operate or be construed as a waiver of any other provision or subsequent breach.

17.2 Severability. If any section, subsection, sentence, clause, phrase or portion of this Declaration is, for any reason, held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision and shall not affect the validity of the remaining portion thereof.

17.3 Headings and Capitalization. The headings of sections and paragraphs herein, and the capitalization of certain words, are for convenience only, and do not affect the meaning or interpretation of the provisions of this Declaration.

17.4 Notices. Any notice required to be sent to any owner under the provisions of this Declaration or the Bylaws, shall be deemed to have been properly sent when mailed, postpaid, to the last known address of the person who appears as owner in the records of the Association at the time of such mailing. Each Owner bears the responsibility for notifying the Association of any change of address.

17.5 Interpretation. The Board is responsible for interpreting the provisions of this Declaration and its exhibits. Such interpretation shall be binding upon all parties unless wholly unreasonable. A written opinion rendered by legal counsel that an interpretation adopted by the Board is not unreasonable shall conclusively establish the validity of such interpretation.

17.6 Rule Against Perpetuities. In the event any court should hereafter determine any provisions as originally drafted herein in violation of the rule of property known as the "rule against perpetuities" or any other rule of law because of the duration of the period involved, the period specified in this Declaration shall not thereby become invalid, but instead shall be reduced to the maximum period allowed under such rule of law, and for such purpose. "Measuring lives" shall be that of the incorporator of the Association.

IN WITNESS WHEREOF, Developer has executed this Declaration the day and year first above written.

Signed in the presence of:

WCI COMMUNITIES INC., a Delaware corporation

Ann C. Roczko
Witness
Ann C. Roczko
Printed Name of Witness

Mary S. Cook
Witness
Mary S. Cook
Printed Name of Witness

By: Vincent Flaherty
Senior Vice President
24301 Walden Center Drive
Bonita Springs, Florida 34134

(Corporate Seal)

STATE OF FLORIDA
COUNTY OF LEE

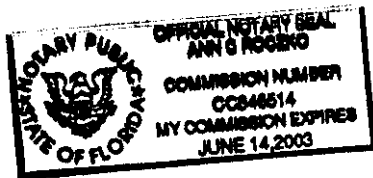
The foregoing instrument was acknowledged before me this 22nd day of March, 2000, by Vivien N. Hastings as Senior Vice President of WCI Communities, Inc., a Delaware corporation, on behalf of the corporation, who is personally known to me.

My commission expires:

Ann C. Roczeko
Notary Public, State of Florida

Ann C. Roczeko
Printed Name of Notary Public

CC848514
Notary Commission Number



This instrument prepared by
 Stephen C. Pierce, Esq.
 24301 Walden Center Drive
 Suite 300
 Bonita Springs, Florida 34134

JOINDER AND CONSENT OF OWNER

HCC INC., a Florida corporation ("HCC"), as owner of all of the land described on Exhibit "A" to the Declaration of Covenants, Conditions and Restrictions for The Masters at Pelican Sound Neighborhood (the "Declaration") to which this Joinder and Consent is attached, does hereby join in and consent to the Declaration this 24th day of March, 2000.

HCC, INC.

By: 
 Charles J. Huether

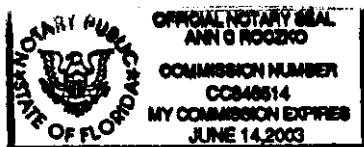
Its: President
 9131 College Parkway, Suite 13B
 Fort Myers, Florida 33919


(Corporate Seal)

STATE OF FLORIDA
 COUNTY OF LEE

The foregoing instrument was acknowledged before me this 24th day of March, 2000, by CHARLES J. HUETHER, as President of HCC, Inc., a Florida corporation, on behalf of the corporation, who is personally known to me.

My Commission Expires: 6/14/03




 Notary Public, State of Florida

Ann C. Roczek
 Printed Name of Notary Public

CONSENT OF MORTGAGEE

KEYSTONE FINANCIAL BANK, N.A. (f/k/a Pennsylvania National Bank and Trust Company), a national banking association, being the owner of the following document (the "Security Documents"):

Real Estate Mortgage, Assignment and Security Agreement recorded in O. R. Book 3133, Page 146 in the Public Records of Lee County, Florida (the "Mortgage"),

which Mortgage constitutes a lien upon the real property described in the within and foregoing Declaration of Covenants, Conditions and Restrictions for The Masters at Pelican Sound Neighborhood (the "Declaration"), hereby consents to WCI Communities, Inc., a Delaware corporation, successor by merger to WCI Limited Partnership into Florida Design Communities, Inc., a Delaware corporation, subjecting the lands described therein to the provisions of the Declaration and agrees that the lien and encumbrance of the mortgage shall be subordinate to the Declaration.

IN WITNESS WHEREOF, Keystone Financial Bank, N.A., (f/k/a Pennsylvania National Bank and Trust Company), a national banking association, being the Mortgagee, has caused these presents to be duly executed by its duly authorized officer this 21st day of March, 2000.

WITNESS:

Gloria Zahorchak
Witness Signature

GLORIA ZAHORCHAK
Print Name

Marliese L. Guers
Witness Signature

Marliese L. Guers
Print Name

KEYSTONE FINANCIAL BANK, N.A.,
f/k/a Pennsylvania National Bank and
Trust Company

By: Jesse Stine
Print Name: JESE STINE
Title: EXECUTIVE VICE PRESIDENT

(CORPORATE SEAL)

STATE OF PENNSYLVANIA
COUNTY OF SCHUYLKILL

The foregoing instrument was acknowledged before me this 21st day of March, 2000, by Jesse Stine as Executive Vice Pres. of Keystone Financial Bank, N.A. f/k/a Pennsylvania National Bank and Trust Company, a national banking association on behalf of said corporation.

(SEAL)

Debra A. Kukta
Notary Public
Print Name: DEBRA A. KUKTA
Personally Known X or Produced ID _____
Type of Identification Produced _____

Q. GRADY MINOR, P.E.
MARK W. MINOR, P.E.
C. DEAN SMITH, P.E.
DAVID W. SCHMITT, P.E.
MICHAEL J. DELATE, P.E.

D. WAYNE ARNOLD, A.I.C.P.
ROBERT W. THINNES, A.I.C.P.
ERIC V. SANDOVAL, P.S.M.
THOMAS CHERNESKY, P.S.M.
ALAN V. ROSEMAN

LEGAL DESCRIPTION
THE MASTERS AT PELICAN SOUND
(SKETCH C-1202)

A PARCEL OF LAND LOCATED IN SECTIONS 32 AND 33, TOWNSHIP 46 SOUTH
RANGE 25 EAST, LEE COUNTY, FLORIDA, BEING MORE PARTICULARLY
DESCRIBED AS FOLLOWS:

BEGIN AT THE SOUTHEASTERLYMOST CORNER OF TRACT "B" AS SHOWN ON THE
PLAT OF PELICAN SOUND PHASE 1, RECORDED IN PLAT BOOK 62 AT PAGES 41
THROUGH 45 OF THE PUBLIC RECORDS OF LEE COUNTY, FLORIDA; THENCE RUN
N 81°56'36" E, ALONG THE SOUTHERLY LINE OF TRACT "A" OF SAID PLAT,
FOR A DISTANCE OF 40.00 FEET TO A POINT ON A CIRCULAR CURVE CONCAVE
NORTHEASTERLY WHOSE RADIUS POINT BEARS S 81°32'15" E A DISTANCE OF
520.00 FEET THEREFROM; THENCE RUN SOUTHWESTERLY ALONG THE ARC OF
SAID CURVE TO THE RIGHT, HAVING A RADIUS OF 520.00 FEET, THROUGH A
CENTRAL ANGLE OF 56°48'34", SUBTENDED BY A CHORD OF 494.72 FEET AT
A BEARING OF S 19°56'32" W, FOR AN ARC LENGTH OF 515.59 FEET TO THE
END OF SAID CURVE; THENCE RUN S 48°20'48" W FOR A DISTANCE OF 22.06
FEET TO THE BEGINNING OF A TANGENTIAL CIRCULAR CURVE CONCAVE
SOUTHEASTERLY; THENCE RUN SOUTHWESTERLY ALONG THE ARC OF SAID CURVE
TO THE LEFT, HAVING A RADIUS OF 330.00 FEET, THROUGH A CENTRAL
ANGLE OF 60°17'55", SUBTENDED BY A CHORD OF 331.49 FEET AT A
BEARING OF S 18°11'51" W, FOR AN ARC LENGTH OF 347.30 FEET TO THE
END OF SAID CURVE; THENCE RUN S 11°57'07" E FOR A DISTANCE OF 17.75
FEET TO THE BEGINNING OF A TANGENTIAL CIRCULAR CURVE CONCAVE
NORTHEASTERLY; THENCE RUN SOUTHEASTERLY ALONG THE ARC OF SAID CURVE
TO THE LEFT, HAVING A RADIUS OF 355.00 FEET THROUGH A CENTRAL ANGLE
OF 43°51'15", SUBTENDED BY A CHORD OF 265.13 FEET AT A BEARING OF
S 33°52'44" E, FOR AN ARC LENGTH OF 271.72 FEET TO THE END OF SAID
CURVE; THENCE RUN S 65°26'01" E FOR A DISTANCE OF 160.41 FEET;
THENCE RUN S 62°48'22" E FOR A DISTANCE OF 229.06 FEET;
THENCE RUN S 27°11'38" W FOR A DISTANCE OF 60.00 FEET;
THENCE RUN N 62°48'22" W FOR A DISTANCE OF 20.78 FEET TO THE
BEGINNING OF A TANGENTIAL CIRCULAR CURVE CONCAVE SOUTHEASTERLY;
THENCE RUN SOUTHWESTERLY ALONG THE ARC OF SAID CURVE TO THE LEFT,
HAVING A RADIUS OF 25.00 FEET, THROUGH A CENTRAL ANGLE OF
90°09'03", SUBTENDED BY A CHORD OF 35.40 FEET AT A BEARING OF
S 72°07'06" W, FOR AN ARC LENGTH OF 39.34 FEET TO THE END OF SAID
CURVE; THENCE RUN S 27°02'35" W, FOR A DISTANCE OF 23.86 FEET TO
THE BEGINNING OF A TANGENTIAL CIRCULAR CURVE CONCAVE NORTHWESTERLY;
THENCE RUN SOUTHWESTERLY ALONG THE ARC OF SAID CURVE TO THE RIGHT,
HAVING A RADIUS OF 200.00 FEET, THROUGH A CENTRAL ANGLE OF
12°40'49", SUBTENDED BY A CHORD OF 44.17 FEET AT A BEARING OF

EXHIBIT "A"

SHEET 1 OF 3

S 33°23'00" W, FOR AN ARC LENGTH OF 44.26 FEET TO THE END OF SAID CURVE; THENCE RUN S 39°43'24" W FOR A DISTANCE OF 56.70 FEET TO THE BEGINNING OF A TANGENTIAL CIRCULAR CURVE CONCAVE SOUTHEASTERLY; THENCE RUN SOUTHWESTERLY ALONG THE ARC OF SAID CURVE TO THE LEFT, HAVING A RADIUS OF 200.00 FEET THROUGH A CENTRAL ANGLE OF 14°41'30", SUBTENDED BY A CHORD OF 51.14 FEET AT A BEARING OF S 32°22'39" W, FOR AN ARC LENGTH OF 51.28 FEET TO A POINT OF COMPOUND CURVATURE; THENCE RUN SOUTHWESTERLY ALONG THE ARC OF SAID CURVE TO THE LEFT, HAVING A RADIUS OF 682.50 FEET, THROUGH A CENTRAL ANGLE OF 10°34'35", SUBTENDED BY A CHORD OF 125.81 FEET AT A BEARING OF S 19°44'36" W, FOR AN ARC LENGTH OF 125.99 FEET TO THE END OF SAID CURVE; THENCE RUN S 14°27'15" W FOR A DISTANCE OF 176.79 FEET; THENCE RUN S 70°21'29" E FOR A DISTANCE OF 431.87 FEET; THENCE RUN S 65°37'31" E FOR A DISTANCE OF 415.50 FEET; THENCE RUN S 37°30'52" E FOR A DISTANCE OF 227.26 FEET; THENCE RUN S 30°23'10" E FOR A DISTANCE OF 164.84 FEET; THENCE RUN S 06°13'43" E FOR A DISTANCE OF 163.59 FEET; THENCE RUN S 13°40'55" W FOR A DISTANCE OF 322.22 FEET; THENCE RUN S 42°33'47" W FOR A DISTANCE OF 163.42 FEET; THENCE RUN S 68°27'14" W FOR A DISTANCE OF 186.81 FEET; THENCE RUN N 77°50'06" W FOR A DISTANCE OF 512.26 FEET; THENCE RUN N 61°26'05" W FOR A DISTANCE OF 69.53 FEET; THENCE RUN N 49°43'40" W FOR A DISTANCE OF 383.13 FEET; THENCE RUN N 27°32'13" W FOR A DISTANCE OF 35.39 FEET; THENCE RUN N 63°52'32" E FOR A DISTANCE OF 26.19 FEET; THENCE RUN N 10°42'07" W FOR A DISTANCE OF 459.17 FEET; THENCE RUN N 01°26'10" E FOR A DISTANCE OF 68.73 FEET; THENCE RUN N 14°27'15" E FOR A DISTANCE OF 676.55 FEET; THENCE RUN S 69°21'54" E FOR A DISTANCE OF 139.98 FEET TO A POINT ON A CIRCULAR CURVE CONCAVE SOUTHEASTERLY, WHOSE RADIUS POINT BEARS S 69°21'54" E A DISTANCE OF 717.00 FEET THEREFROM; THENCE RUN NORTHEASTERLY ALONG THE ARC OF SAID CURVE TO THE RIGHT, HAVING A RADIUS OF 717.50 FEET, THROUGH A CENTRAL ANGLE OF 05°12'45", SUBTENDED BY A CHORD OF 65.25 FEET AT A BEARING OF N 23°14'28" E, FOR AN ARC LENGTH OF 65.27 FEET TO A POINT OF REVERSE CURVATURE; THENCE RUN NORTHEASTERLY ALONG THE ARC OF SAID CURVE TO THE LEFT, HAVING A RADIUS OF 200.00 FEET, THROUGH A CENTRAL ANGLE OF 11°29'05", SUBTENDED BY A CHORD OF 40.02 FEET AT A BEARING OF N 20°06'18" E, FOR AN ARC LENGTH OF 40.09 FEET TO THE END OF SAID CURVE; THENCE RUN N 14°21'46" E FOR A DISTANCE OF 58.97 FEET TO THE BEGINNING OF A TANGENTIAL CIRCULAR CURVE CONCAVE SOUTHEASTERLY; THENCE RUN NORTHEASTERLY ALONG THE ARC OF SAID CURVE TO THE RIGHT, HAVING A RADIUS OF 200.00 FEET, THROUGH A CENTRAL ANGLE OF 12°40'49", SUBTENDED BY A CHORD OF 44.17 FEET AT A BEARING OF N 20°42'10" E, FOR AN ARC LENGTH OF 44.26 FEET TO THE END OF SAID CURVE; THENCE RUN N 27°02'35" E FOR A DISTANCE OF 24.20 FEET TO THE BEGINNING OF A TANGENTIAL CIRCULAR CURVE CONCAVE SOUTHWESTERLY, THENCE RUN NORTHWESTERLY ALONG THE ARC OF SAID CURVE TO THE LEFT, HAVING A RADIUS OF 25.00 FEET, THROUGH A CENTRAL ANGLE OF 89°50'57", SUBTENDED BY A CHORD OF 35.31 FEET AT A BEARING OF

N 17°52'54" W, FOR AN ARC LENGTH OF 39.20 FEET TO THE END OF SAID CURVE; THENCE RUN N 62°48'22" W FOR A DISTANCE OF 78.39 FEET; THENCE RUN N 58°19'14" W FOR A DISTANCE OF 130.85 FEET TO A POINT ON A CIRCULAR CURVE CONCAVE NORTHEASTERLY, WHOSE RADIUS POINT BEARS N 29°09'54" E A DISTANCE OF 395.00 FEET THEREFROM; THENCE RUN NORTHWESTERLY ALONG THE ARC OF SAID CURVE TO THE RIGHT, HAVING A RADIUS OF 395.00 FEET, THROUGH CENTRAL ANGLE OF 48°52'59", SUBTENDED BY A CHORD OF 326.87 FEET; AT A BEARING OF N 36°23'36" W, FOR AN ARC LENGTH OF 337.00 FEET TO THE END OF SAID CURVE; THENCE RUN N 11°57'07" W FOR A DISTANCE OF 17.75 FEET TO THE BEGINNING OF A TANGENTIAL CIRCULAR CURVE CONCAVE SOUTHEASTERLY; THENCE RUN NORTHEASTERLY ALONG THE ARC OF SAID CURVE TO THE RIGHT, HAVING A RADIUS OF 370.00 FEET, THROUGH A CENTRAL ANGLE OF 60°17'55", SUBTENDED BY A CHORD OF 371.67 FEET AT A BEARING OF N 18°11'51" E, FOR AN ARC LENGTH OF 389.39 FEET TO THE END OF SAID CURVE; THENCE RUN N 48°20'48" E FOR A DISTANCE OF 22.06 FEET TO THE BEGINNING OF A TANGENTIAL CIRCULAR CURVE CONCAVE NORTHWESTERLY; THENCE RUN NORTHEASTERLY ALONG THE ARC OF SAID CURVE TO THE LEFT, HAVING A RADIUS OF 480.00 FEET, THROUGH A CENTRAL ANGLE OF 56°50'36", SUBTENDED BY A CHORD OF 456.92 FEET AT A BEARING OF N 19°55'31" E, FOR AN ARC LENGTH OF 476.21 FEET TO THE END OF SAID CURVE AND TO THE POINT OF BEGINNING, CONTAINING 31.137 ACRES, MORE OR LESS.

BEARINGS HEREON REFER TO THE SOUTH LINE OF TRACT "B" AS SHOWN ON THE PLAT OF PELICAN SOUND, UNIT 1, RECORDED IN PLAT BOOK 62 AT PAGES 41 THROUGH 45 OF THE PUBLIC RECORDS OF LEE COUNTY, FLORIDA; AS BEING N 81°56'36" E.

THIS PROPERTY IS SUBJECT TO EASEMENTS, RESERVATIONS AND/OR RESTRICTIONS OF RECORD.

Q. GRADY MINOR & ASSOCIATES, P.A.

SIGNED 2-7-00


 _____, P.S.M. #5426
 TOM CHERNESKY STATE OF FLORIDA

THE MASTERS AT PELICAN SOUND

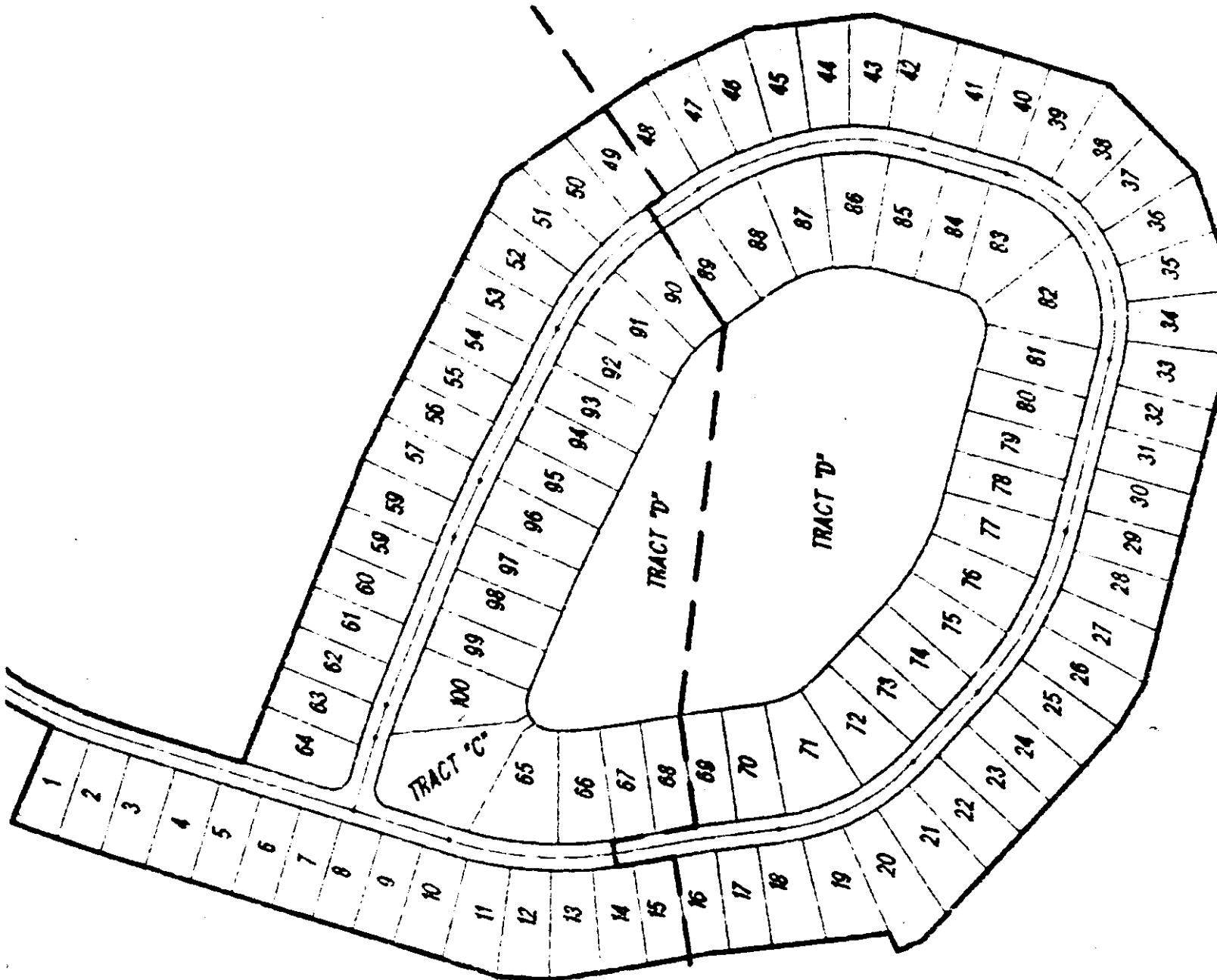


EXHIBIT "B"

99 DEC 22 PM 1:16

FILED
SECRETARY OF STATE
DIVISION OF CORPORATIONS

**ARTICLES OF INCORPORATION OF
THE MASTERS AT PELICAN SOUND NEIGHBORHOOD ASSOCIATION, INC.**

ARTICLE I

The name of the corporation is THE MASTERS AT PELICAN SOUND NEIGHBORHOOD ASSOCIATION, INC., sometimes hereinafter referred to as the "Association". THIS ASSOCIATION IS NOT A CONDOMINIUM ASSOCIATION, pursuant to Chapter 718, Florida Statutes.

ARTICLE II

The initial principal office and mailing address of the corporation shall be at 24301 Walden Center Drive, Suite 300, Bonita Springs, Florida 34134.

ARTICLE III

This Association will not permit pecuniary gain or profit nor distribution of its income to its members, officers or Directors. It is a nonprofit corporation formed for the purpose of establishing a corporate residential neighborhood homeowners association which, subject, to a Declaration of Covenants, Conditions, Restrictions, and Easements (the "Declaration") to be recorded in the Public Records of Lee County, Florida, has the powers described herein. The Association shall have all of the common law and statutory powers of a Florida corporation not for profit consistent with these Articles and with the Declaration and shall have all of the powers and authority reasonably necessary or appropriate to the operation and regulation of a residential neighborhood, subject to the Declaration, as it may from time to time be amended.

All funds and the title to all property acquired by the Association shall be held for the benefit of the members in accordance with the provisions of the Declaration, these Articles of Incorporation and the Bylaws of the Association.

ARTICLE IV

Membership and voting rights shall be as set forth in the Declaration, to which a copy of these Articles will be attached as an Exhibit, and as set forth in the Bylaws of the Association.

ARTICLE V

The term of the Association shall be perpetual. The Association may be dissolved in the manner provided by the Declaration.

EXHIBIT "C"

ARTICLE VI

The Bylaws of the Association may be altered, amended or rescinded in the manner provided therein.

ARTICLE VII

Amendments to these Articles shall be proposed and adopted in the following manner:

A. Proposal. Vote Required. After turnover, an amendment may be proposed by either the Board of Directors or by twenty-five percent (25%) of the voting interests and may be considered at any meeting of the owners, regular or special, of which due notice has been given according to the Bylaws of the Association, which includes a notice of the substance of the proposed amendment; prior to turnover, by a majority of the Directors alone.

After turnover, the amendment must be approved by a vote of 67% of the voting interests of the Association; prior to turnover, by a majority of the Directors alone.

B. Effective Date. An amendment shall become effective upon filing with the Secretary of State of Florida and recording a certified copy in the Public Records of Lee County, Florida.

C. Conflict. In the event of a conflict between the provisions of these Articles and the provisions of the Declaration, the provisions of the Declaration shall prevail.

ARTICLE VIII

A. The affairs of the Association shall be administered by a Board of Directors consisting of the number of Directors determined by the Bylaws of the Association, but not less than three (3) Directors, and in the absence of such determination, shall consist of three (3) Directors.

B. Directors of the Association shall be elected by the members in the manner determined by the Bylaws of the Association. Directors may be removed and vacancies on the Board of Directors shall be filled in the manner provided by the Bylaws of the Association.

C. The initial members of the Board of Directors shall be:

Kenneth W. Hayden
Dustin Travis
Robert Muller

D. The business of the Association shall be conducted by the officers designated in the Bylaws. The officers shall be elected by the Board of Directors at its first meeting and shall serve at the pleasure of the Board.

ARTICLE IX

The Association shall indemnify every Director and every officer of the Association against all expenses and liabilities including attorney's fees (at all trial and appellate levels), actually and reasonably incurred by or imposed on such person or persons in connection with any claim, legal proceeding (or settlement or appeal of such proceeding) to which such person may be a party as a result of being or having been a Director or officer of the Association. The foregoing provisions for indemnification shall apply whether or not such person is a Director or officer at the time such expenses are incurred. The foregoing right of indemnification shall not apply to:

(1) Gross negligence or willful misconduct in office by any Director or officer;

(2) Any criminal action, unless the Director or officer acted in good faith and in a manner reasonably believed was in, or not opposed to, the best interest of the Association, and had no reasonable cause to believe such action was unlawful.

To the extent that a Director or officer has been successful on the merits or otherwise in defense of any action, suit, or proceeding referred to in subsection (1) or subsection (2) above, or in defense of any claim, issue, or matter therein, such person shall be indemnified against expenses (including attorney's fees) actually and reasonably incurred by such person in connection therewith.

The foregoing right of indemnification shall be in addition to, and not exclusive of, all other rights to which such Director or officer may be entitled.

ARTICLE X

The name and address of the Incorporator is as follows:

Stephen C. Pierce
24301 Walden Center Drive
Bonita Springs, Florida 34134

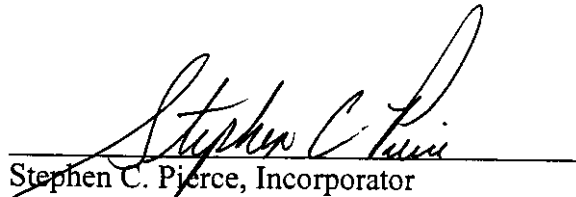
The rights and interests of the Incorporator shall automatically terminate when these Articles are filed with the Secretary of State of Florida.

ARTICLE XI

The name of the registered agent and place for service of process shall be:

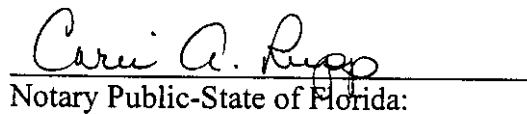
Vivien N. Hastings
24301 Walden Center Drive
Bonita Springs, Florida 34134

IN WITNESS WHEREOF, the undersigned subscribed has executed these Articles of Incorporation this 20 day of December, 1999.


Stephen C. Pierce, Incorporator

STATE OF FLORIDA
COUNTY OF LEE

The foregoing instrument was acknowledged before me this 20 day of December, 1999, by Stephen C. Pierce, who is personally known to me.


Notary Public-State of Florida:

[SEAL]



FILED
SECRETARY OF STATE
DIVISION OF CORPORATIONS

ACCEPTANCE OF REGISTERED AGENT

99 DEC 22 PM 1:16

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


Vivien N. Hastings

EXHIBIT "D" TO DECLARATION

**BYLAWS
OF
THE MASTERS AT PELICAN SOUND HOMEOWNERS ASSOCIATION, INC.**

1. **GENERAL.** These are the Bylaws of The Masters at Pelican Sound Neighborhood Association, Inc., hereinafter the "Association," a Florida corporation not for profit organized for the purpose of serving as a residential neighborhood homeowners' association.

1.1 **Principal Office.** The principal office of the Association shall initially be at 24301 Walden Center Drive, Suite 300, Bonita Springs, Florida 34134, and shall subsequently be at such location as may be determined by the Board of Directors.

1.2 **Seal.** The seal of the Association shall be inscribed with the name of the Association, the year of its organization, and the words "Florida" and "corporation not for profit." The seal may be used by causing it, or a facsimile of it, to be impressed, affixed, reproduced or otherwise placed upon any document where a seal may be required.

1.3 **Definitions.** The definitions for various terms used in these bylaws shall be as set forth in Section I of the Declaration of Covenants, Conditions and Restrictions for The Masters at Pelican Sound (the "Declaration"), to which these Bylaws are attached as Exhibit "C".

2. **MEMBERS; VOTING RIGHTS.** Every record owner of legal title to any Lot located in the Neighborhood is a Member. If a Lot is subject to an agreement for deed, whether recorded or not, the purchaser in possession shall be treated as the owner solely for purposes of determining voting and use rights. Membership is appurtenant to, runs with, and may not be separated from, the real property interest upon which membership is based.

2.1 **Voting Interests.** The members of the Association are entitled to one (1) vote for each Lot owned by them. The total number of votes shall equal the total number of Lots subject to this Declaration. The vote of a Lot is not divisible. If a Lot is owned jointly by two or more natural persons, that Lot's vote may be cast by any one of the record owners. If two or more owners do not agree among themselves how their one vote shall be cast on any issue, that vote shall not be counted on that issue.

2.2 **Approval or Disapproval of Matters.** Whenever the decision or approval of an owner is required upon any matter, whether or not the subject of an Association meeting, such decision or approval may be expressed by any person who could cast the vote of that owner's Lot at an Association meeting, as stated in Section 2.1 above, unless the written approval or joinder of record owners is specifically required.

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2.3 **Termination of Membership.** Termination of membership in the Association does not relieve or release any former member from liability or obligation incurred under or in any way connected with the Association during the period of his membership, nor does it impair any rights or remedies the Association may have against any former owner or member arising out of or in any way connected with such ownership and membership, and the covenants and obligations incident thereto.

3. **MEMBERS' MEETINGS.**

3.1 **Annual Meeting.** The annual meeting of the members shall be held in Lee County, Florida, each year during the first three months of each calendar year, at a day, place and time designated by the Board of Directors, for the purpose of electing Directors and transacting any other business duly authorized to be transacted by the members. The annual meeting is a general meeting, and unless the law or the governing documents require otherwise, notice of an annual meeting need not include a description of the purpose or purposes for which the meeting is called.

3.2 **Special Members' Meetings.** Special members' meeting must be held whenever called by the President or by a majority of the Directors, and may also be called by members representing at least twenty-five percent (25 %) of the voting interests. Business at any special meeting shall be limited to the items specified in the notice of meeting.

3.3 **Notice of Meetings.** Notices of all meetings of the members must be mailed or hand-delivered to the members at least fourteen (14) days before the meeting, and must state the time, date, and place of the meeting, and include a detailed agenda. Mailed notices must be sent to each member at his address as it appears on the books of the Association. Each member bears the responsibility for notifying the Association in writing of any change of address. A person entitled to receive notice of any meeting may waive notice altogether by written waiver. Notice of any meeting may be hand-delivered if a written waiver of mailing is obtained. If ownership of a Lot is transferred after a notice has been mailed, no separate notice to the new owner is required. Attendance at any meeting by a member constitutes a waiver of notice by that member, unless the member objects to the lack of notice at the beginning of the meeting.

3.4 **Quorum.** The percentage of voting interests required to constitute a quorum at a meeting of the members shall be thirty percent (30%) of the total voting interests.

3.5 **Vote Required.** The acts approved by a majority of the votes cast at a meeting of the members at which a quorum has been attained shall be binding upon all owners for all purposes, except where a higher vote is required by law or by any provision of the Governing Documents.

3.6 **Proxies.** To the extent lawful, any person entitled to attend and vote at a members meeting may establish his presence and cast his vote by proxy. A proxy may be given by any person entitled to vote, but shall be valid only for the specific meeting for which originally given and any lawful adjournment of that meeting, and no proxy is valid for a

period longer than ninety (90) days after the date of the first meeting for which it was given. Every proxy is revocable at the pleasure of the person executing it. To be valid, a proxy must be in writing, dated, signed by a person authorized to cast the vote for the unit, and specify the date, time and place of the meeting for which it is given. The signed and dated original must be delivered to the Secretary at or before the time of the meeting or continuance thereof. Holders of the proxies need not be members. No proxy is valid if it names more than one person as the proxy holder, but the proxy holder has the right, if the proxy so provides, to substitute another person to hold the proxy.

3.7 Adjourned Meetings. Any duly called meeting of the members may be adjourned to be reconvened at a later time by vote of the majority of the voting interests present, regardless of whether a quorum has been attained. Unless the Bylaws require otherwise, adjournment of annual or special meeting to a different date, time or place must be announced at that meeting before an adjournment is taken, or notice must be given of the new date, time, or place pursuant to Section 617.303(2), Florida Statutes (1995), as amended. Any business that might have been transacted on the original date of the meeting may be transacted at the adjourned meeting. If a new record date for the adjourned meeting is or must be fixed under Section 617.0707, Florida Statutes (1995), as amended, notice of the adjourned meeting must be given to persons who are entitled to vote and are members as of the new record date but were not members as of the previous record date.

3.8 Order of Business. The order of business at members' meetings shall be substantially as follows:

- (A) Determination of existence of quorum.
- (B) Reading or waiver of reading of minutes of last members' meeting.
- (C) Reports of Officer.
- (D) Reports of Committees.
- (E) Election of Directors (annual meeting only).
- (F) Unfurnished Business.
- (G) New Business.
- (H) Adjournment.

3.9 Minutes. Minutes of all meetings of the members must be maintained in written form, or in another form that can be converted into written form within a reasonable time.

3.10 Parliamentary Rules. Robert's Rules of Order (latest edition) shall govern the conduct of Association meetings when not in conflict with the law, with the Declaration, or with these Bylaws. The presiding officer may appoint a Parliamentarian, but the presiding officer's decision on questions of parliamentary procedure shall be final. Any question or point of order not raised at the meeting to which it relates shall be deemed waived.

3.11 Action by Members Without Meeting. Except for the holding of the annual meeting and annual election of Directors, any action required or permitted to be taken at a meeting of the members may be taken by mail without a meeting if written consents or

other instruments expressing approval of the action proposed to be taken are signed and returned by members having not less than the minimum number of votes that would be necessary to take such action at a meeting at which all of the voting interests were present and voting. If the requisite number of written consents are received by the Secretary within sixty (60) days after the earliest date which appears on any of the consent forms received, the proposed action so authorized shall be of full force and effect as if the action had been approved by vote of the members at a meeting of the members held on the sixtieth (60th) day. Within ten (10) days thereafter, the Board shall send written notice of the action taken to all members who have not consented in writing. Nothing in this paragraph affects the rights of members to call a special meeting of the membership, as provided for by Section 3.2 above, or by law. If the vote is taken by the method described in this Section 3.11, the list of owners on record with the Secretary at the time of mailing the voting material shall be the list of qualified voters. The written consents used to authorize an action without a meeting shall become part of the Association's records.

3.12 Voting Representative to Club. In accordance with the requirements of the Club documents, the Association President shall be the Association's Voting Representative to the Club. The Voting Representative shall attend the meetings of the members of the Club, and shall cast, in a block, all votes of the members of this Association on any and all questions which may arise. The votes shall be cast in the manner directed by the Board of Directors, or absent such direction, in the manner determined by the Voting Representative.

3.13 Polling of Members. To the extent feasible and practical, the Association shall poll its members on questions to be decided by a vote of the members of the Club, so that this Association's votes are more likely to be cast in the manner preferred by the majority of the members. If such a poll is conducted, the Board shall instruct its Voting Representative to cast all votes of the Association in a block, supporting the point of view preferred by the majority of the members who responded to the poll. The Voting Representative may not vote by proxy at Club meetings, but if permitted by the Club, the Vice-President or other director designated in writing by the Board may substitute if the Voting Representative cannot attend any meeting of the Club.

4. BOARD OF DIRECTORS. The administration of the affairs of the Association shall be by a Board of Directors. All powers and duties granted to the Association by law, as modified and explained in the Declaration, Articles of Incorporation, and these Bylaws, shall be exercised by the Board, subject to approval or consent of the members only when specifically required.

4.1 Number of Terms of Service. The Board of Directors shall consist of three (3) Directors. In order to provide for a continuity of experience by establishing a system of staggered terms of office, in the first election in which owners other than the Developer elect a majority of the Directors, the two (2) candidates receiving the highest number of votes shall each be elected for a term which expires at the final adjournment of the annual meeting at which his successor is to be elected. The candidate receiving the next highest

number of votes shall be elected for a term which expires at the final adjournment of next annual meeting. Thereafter, all Directors shall be elected for two (2) year terms, ending at the final adjournment of the annual meeting at which successors are to be duly elected, or at such other time as may be provided by law. Directors shall be elected by the members as described in Section 4.3 below, or in the case of a vacancy, as provided in 4.4 below.

4.2 **Qualifications.** Except for directors appointed by the Developer, each Director must be a Member or the spouse of a Member.

4.3 **Nominations and Elections.** At each Annual Meeting the members shall elect as many Directors as there are regular terms of Directors expiring or vacancies to be filled. The nominating committee, if any, shall submit the names of its recommended candidates for the office of Director, in time to be included with the notice to the members of the annual meeting; any other eligible person may also be nominated as a candidate from the floor at the annual meeting. Nothing herein shall be construed to require or prohibit the use of a secret ballot. Directors shall be elected by a plurality of the votes cast at the annual meeting. In the election of Directors, there shall be appurtenant to each Lot as many votes as there are Directors to be elected. No member may cast more than one vote for any candidate, it being the intent hereof that voting for Directors shall be non-cumulative. The candidates receiving the highest number of votes shall be elected. A tie vote shall be broken by agreement among the candidates who are tied, or by lot.

4.4 **Vacancies on the Board.** If the office of any Director becomes vacant for any reason, a majority of the remaining Directors, though less than a quorum, shall promptly choose a successor to fill the remaining unexpired term.

4.5 **Removal of Directors.** Any Director may be removed from office, with or without cause, by the vote or agreement in writing of a majority of the voting interests. The notice of a meeting of the owners to recall one or more directors must name the specific Director(s) sought to be removed, and a separate vote for each Director sought to be removed shall be taken. Where removal is sought by written agreement, a separate agreement is required for each Director to be removed. Any Director who is removed from office is not eligible to stand again for election to the Board, or be appointed to the Board, until the next annual election. A Director who is removed from office shall turn over to the Association within 72 hours any and all records and other property of the corporation in his possession. If a Director who is removed does not relinquish his office or turn over records as required, the local circuit court may summarily order the Director to relinquish his office and turn over corporate records upon application of any owner. In any such action, the prevailing party shall be entitled to recover reasonable attorney's fees and costs.

4.6 **Board Meetings.** A meeting of the Board of Directors occurs whenever a quorum of the Board gathers to conduct Association business. All meetings of the Board must be open to all members, except for meetings between the Board and its attorney with respect to proposed or pending litigation where the contents of the discussion would otherwise be governed by the attorney-client privilege. Notices of all Board meetings must be posted in a conspicuous place in the Neighborhood at least forty-eight (48) hours in advance of

every meeting, except in an emergency. In the alternative, if notice is not posted in a conspicuous place in the Neighborhood, notice of each Board meeting must be mailed or delivered to each member at least seven (7) days before the meeting, except in an emergency. An assessment may not be levied at a Board meeting unless the notice of the meeting includes a statement that assessments will be considered and the nature of the assessment. Directors may not vote by proxy or by secret ballot at Board meetings, except that secret ballots may be used in the election of officers. Any owner may tape-record or videotape meetings of the Board of Directors and meetings of the members. The Board of Directors may adopt reasonable rules governing the taping of meetings of the Board and the membership.

4.7 Waiver of Notice by Directors. Any Director may waive notice of a meeting before or after the meeting, and such waiver shall be deemed equivalent to the giving of notice. If all Directors are present at a meeting, no notice to Directors shall be required.

4.8 Quorum of Directors. A quorum at a Board meeting shall exist only when a majority of all Directors are present in person. Directors may participate in any meeting of the Board, or meeting of an executive or other committee by means of a conference telephone call or other similar communicative arrangement whereby all persons present can hear and speak to all other persons. Participation by such means shall be deemed equivalent to presence in person at a meeting.

4.9 Adjourned Meetings. The majority of the Directors present at any meeting of the Board, regardless of whether a quorum exists, may adjourn the meeting to be reconvened at a later time. When the meeting is reconvened, provided a quorum is then present, any business that might have been transacted at the meeting originally called may be transacted without further notice.

4.10 Presiding Officer. The President of the Association, or in his absence, the Vice-President, shall be the presiding officer at all meetings of the Board of Directors. If neither is present, the presiding officer shall be selected by majority vote of those present.

4.11 Vote Required. The acts approved by a majority of those Directors who are present and voting at a Board meeting at which a quorum has been attained shall constitute the acts of the Board of Directors, except when approval by a greater number of Directors is required by the Governing Documents or by law. A Director who is present at a meeting of the Board shall be deemed to have voted in favor of the point of view that prevails on any question, unless he voted against such action or abstained from voting because of an asserted conflict of interest.

4.12 Directors' Fees and Reimbursement of Expenses. No compensation or fees shall be paid to Directors for their service as Directors. Directors may be reimbursed for all actual and proper out-of-pocket expenses related to the proper discharge of their respective duties.

4.13 Committees. The Board of Directors may appoint from time to time such standing or temporary committees as the Board may deem necessary and convenient for the efficient and effective operation of the Neighborhood. Any such committee shall have the powers and duties assigned to it in the resolution creating the committee. The meetings of any committee or similar body, vested with the power to either make a final decision regarding the expenditure of Association funds or to approve or disapprove architectural decisions with respect to a specific Lot owned by a member of the Association, must be conducted with the same formalities as required for meetings of the Board. All other committees shall be exempt from those requirements.

4.14 Emergency Powers. In the event of any "emergency" as defined in Section 4.14(G) below, the Board of Directors may exercise the emergency powers described in this Section, and any other emergency powers authorized by Sections 617.0207, and 617.0303, Florida Statutes, as amended from time to time.

(A) The Board may name as assistant officers persons who are not Directors, which assistant officers shall have the same authority as the executive officers to whom they are assistant during the period of the emergency, to accommodate the incapacity of any officer of the Association.

(B) The Board may relocate the principal office or designate alternative principal offices or authorize the officers to do so.

(C) During any emergency the Board may hold meetings with notice given only to those Directors with whom it is practicable to communicate, and notice may be given in any practicable manner, including publication or radio. The Director or Directors in attendance at such a meeting shall constitute a quorum.

(D) Corporate action taken in good faith during an emergency under this Section 14.4 to further the ordinary affairs of the Association shall bind the Association, and shall have the rebuttable presumption of being reasonable and necessary.

(E) Any officer, director, or employee of the Association acting with a reasonable belief that his actions are lawful in accordance with these emergency Bylaws shall incur no liability for doing so, except in the case of willful misconduct.

(F) These emergency Bylaws shall supersede any inconsistent or contrary provision of the Bylaws during the period of the emergency.

(G) For purposes of this Section 14.4, an "emergency" exists only during a period of time during which the Neighborhood, or the immediate geographic area in which the Neighborhood is located, is subjected to:

- (1) a state of emergency declared by law enforcement authorities;
- (2) a hurricane warning;

(3) a partial or complete evacuation order;

(4) designation by federal or state government as a "disaster area;" or

(5) a catastrophic occurrence, whether natural or man-made, which seriously damages or threatens serious damage to the Neighborhood, such as an earthquake, tidal wave, fire, hurricane, tornado, war, civil unrest, or acts of terrorism.

5. **OFFICERS.** Officers are elected by majority vote of the entire Board and serve at the pleasure of the Board. The executive officers of the Association shall be a President, and a Vice-President, who must be Directors, and a Treasurer, and a Secretary, all of whom shall be elected annually by the Board of Directors. Any officer may be removed with or without cause by vote of a majority of all Directors at any meeting. Any person except the President may hold two or more offices. The Board of Directors shall appoint, from time to time, such other officers, and designate their powers and duties, as the Board shall find to be required to manage the affairs of the Association. If the Board so determines, there may be more than one Vice-President.

5.1 **President.** The President shall be the chief executive officer of the Association. He shall preside at all meetings of the members and Directors, shall be ex-officio a member of all standing committees, shall have general and active management of the business of the Association, and shall see that all orders and resolutions of the Board are carried into effect. He shall execute bonds, mortgages and other contracts requiring the seal of the Association, except where such are permitted by law to be otherwise signed and executed, and the power to execute is delegated by the Board of Directors to some other officer or agent of the Association. He shall serve as the Neighborhood Voting Representative to the Club.

5.2 **Vice Presidents.** The Vice-Presidents in the order of their seniority shall, in the absence or disability of the President, perform the duties and exercise the powers of the President; and they shall perform such other duties as the Board of Directors shall prescribe.

5.3 **Secretary.** The Secretary shall attend all meetings of the Board of Directors and all meetings of the members and shall be responsible for the recording of all votes, and the minutes of all proceedings, in a book to be kept for the purpose, and shall perform like duties for standing committees when required. He shall give, or cause to be given, notice of all meetings of the members and of the Board of Directors, and shall perform such other duties as may be prescribed by the Board or the President. He shall keep in safe custody the seal of the Association and when authorized by the Board, affix the same to any instrument requiring it. The Secretary shall be responsible for the proper recording of all duly adopted amendments to the Governing Documents. Any of the foregoing duties may be performed by an Assistant Secretary, if one is designated.

5.4 **Treasurer.** The Treasurer shall be responsible for the safekeeping of Association funds and assets, budget preparation and the keeping of full and accurate accounts of receipts and disbursements in books belonging to the Association. The Treasurer shall deposit all monies and other valuable effects in the name and to the credit of the Association in such depositories as may be designated by the Board of Directors. He shall disburse the funds of the Association, making proper vouchers for such disbursements, and shall render to the President and Directors, at the regular meetings of the Board, or whenever they may require it, an account of all his transactions as Treasurer and of the financial condition of the Association. Any of the foregoing duties may be performed by an Assistant Treasurer, if any has been designated.

5.5 **Compensation of Officers.** No compensation shall be paid to any member for services as an officer of the Association. This provision does not preclude the Board of Directors from employing officers in other capacities as employees of the Association.

6. **FISCAL MATTERS.** The provisions for fiscal management of the Association set forth in the Declaration shall be supplemented by the following provisions:

6.1 **Depository.** The Association shall maintain its funds in accounts in such federally insured accounts at financial institutions in the State of Florida as shall be designated from time to time by the Board. Withdrawal of monies from such accounts shall be only by such persons as are authorized by the Board. The Board may invest Association funds in interest-bearing accounts, money market funds, certificates of deposit, U.S. Government securities, and other similar investment vehicles.

6.2 **Accounts and Accounting Procedures.** The financial and accounting records of the Association must be kept according to good accounting practices. All financial and accounting records must be maintained for a period of at least seven (7) years. The financial and accounting records must include:

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

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

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

(D) Any other records that identify, measure, record or communicate financial information.

6.3 **Budget.** The Board of Directors shall adopt in advance an annual budget of common expenses for each fiscal year. The budget must reflect the estimated revenues and expenses for the next fiscal year, and the estimated surplus or deficit as of the end of the current year. The budget must set out separately all fees or charges for recreational

amenities, whether owned by the Association, the Developer, or another person. A copy of the proposed budget and a notice stating the time, date and place of the meeting of the Board at which the budget will be considered shall be mailed to or served on each owner not less than fourteen (14) days prior to that meeting. The proposed budget shall be detailed and shall show the amounts budgeted by income accounts and expense classifications. The minutes of the Association shall reflect the adoption of the budget, and a copy of the proposed and adopted budgets shall be maintained as part of the financial records of the Association. If an annual budget has not been adopted at the time the first quarterly installment for a fiscal year is due, it shall be presumed that the amount of such installment is the same as the last quarterly payment, and payments shall be continued at such rate until a budget is adopted and new quarterly installments are calculated, at which time an appropriate adjustment shall be added to or subtracted from each Lot's next due quarterly installment.

6.4 Reserves. The Board may establish one or more reserve accounts for contingencies, cash flow shortfalls, capital expenditures, and deferred maintenance. The purpose of the reserves is to provide financial stability and to avoid the need for special assessments on a frequent basis. The amounts proposed to be so reserved shall be shown in the proposed annual budget each year. These funds may be spent for any purpose approved by the Board.

6.5 Assessments. Regular annual assessments based on the adopted budget shall be paid in quarterly installments, in advance, due on the first day of January, April, July and October of each year. Written notice of each quarterly installments shall be sent to all Members at least ten (10) days prior to the due date. Failure to send or receive such notice does not excuse the obligation to pay.

6.6 Special Assessments. Special assessments may be imposed by the Board of Directors whenever necessary to meet unusual, unexpected, unbudgeted, or non-recurring expenses, or for such other purposes as are authorized by the Declaration and these Bylaws. Special assessments are due on the day specified in the resolution of the Board approving such assessment. The notice of any special assessment must contain a statement of the purpose(s) of the assessment, and the funds collected must be spent for the stated purpose(s) or credited back to the members' accounts.

6.7 Fidelity Bonds. The President, Secretary, Treasurer, and any persons who are authorized to sign checks, shall be bonded in such amount as may be required by law or by the Board of Directors. The premiums on such bonds shall be a common expense.

6.8 Financial Reporting. The Association shall prepare an annual financial report within sixty (60) days after the close of the fiscal year. The Association, within ten (10) business days after the report is prepared, shall provide each member with a copy of the report, or a written notice that a copy of the financial report is available upon request at no charge to the member. The financial report must consist of either

(A) Financial Statements presented in conformity with generally accepted accounting principles; or

(B) A financial report of actual receipts and expenditures, cash basis, which report must show:

(1) The amount of receipts and expenditures by classification; and

(2) The beginning and ending cash balances of the Association.

6.9 **Audit.** A formal, certified audit of the accounts of the Association, if required by law, by vote of a majority of the voting interests, or by a majority of the Board of Directors, shall be made by a certified public accountant, and a copy of the audit report shall be available to all owners.

6.10 **Application of Payments.** All payments on account by an owner shall be applied first to interest, then to late payment fees, then to attorney's fees and costs, then to other charges, and finally to unpaid regular and special assessments, in the order they first came due.

6.11 **Fiscal Year.** The fiscal year for the Association shall begin on the first day of January of each year.

7. **RULES AND REGULATIONS; USE AND RESTRICTIONS.** The Board of Directors, from time to time, may adopt and amend reasonable rules and regulations governing the operation, use, maintenance, management and control of the Neighborhood Common Areas and the operation of the Association. Copies of such rules and regulations shall be furnished to each owner. The Board shall have the power to impose fines and suspensions of common area use privileges, as further provided in Section 11.3 of the Declaration, or violations of the rules and regulations.

8. **AMENDMENT OF BYLAWS.** Amendments to these Bylaws shall be proposed and adopted in the following manner.

8.1 **Proposal.** Amendments to these Bylaws may be proposed by a majority of the Board or by written petition to the Board signed by at least one-fourth (1/4th) of the voting interests.

8.2 **Procedure.** Upon any amendment to these Bylaws being so proposed by the Board or owners, such proposed amendment shall be submitted to a vote of the members not later than the next annual meeting for which proper notice can be given.

8.3 **Vote Required.** Except as otherwise provided by law, or by specific provision of the Governing Documents, a proposed amendment to these Bylaws shall be adopted if it is approved by at least two-thirds (2/3rds) of the voting interests of the Association present and voting at any annual or special meeting called for the purpose, provided that the full

text of any proposed amendment has been given to the members with notice of the meeting. Prior to the turnover of control of the Association by the Developer as provided for in Section 14 of the Declaration, Bylaw amendments may be adopted by vote of a majority of the Directors, without need for a vote of the owners.

8.4 **Effective Date, Recording.** A copy of each amendment shall be attached to a certificate that the amendment was duly adopted, which certificate shall be executed by officers of the Association with the formalities of a deed. The amendment shall be effective when the certificate and copy of the amendment are recorded in the Public Records of Lee County, Florida. The certificate must identify the book and page of the Public Records where the Declaration was originally recorded.

9. MISCELLANEOUS.

9.1 **Gender.** Whenever a masculine or singular pronoun is used in these Bylaws, it shall be construed to mean the masculine, feminine or neuter; singular or plural, as the context requires.

9.2 **Severability.** Should any portion hereof be void or become unenforceable, the remaining provisions of the instrument shall remain in full force and effect.

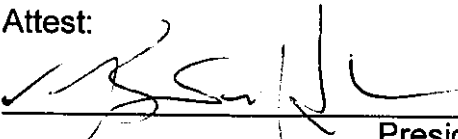
9.3 **Conflict.** If any irreconcilable conflict should exist, or hereafter arise, with respect to the interpretation of these Bylaws and the Declaration or Articles of Incorporation, the provisions of the Declaration and the Articles of Incorporation shall prevail over the provisions of the Bylaws.

The foregoing constitute the first Bylaws of The Masters at Pelican Sound Neighborhood Association, Inc. and were duly adopted at the first meeting of the Board of Directors held on December 29, 1999.

Date: March 28, 2000


Secretary

Attest:


President

(CORPORATE SEAL)