

DECLARATION OF COVENANTS AND RESTRICTIONS

FOR

ST. LUCIE GARDENS

THIS DELARATION, made this 15 day of October, 1991, by LANDIN COMPANIES, hereinafter referred to as the “Developer”, and ST. LUCIE GARDENS HOMEOWNERS’ ASSOCIATION, INC., a Florida corporation not for profit, hereinafter referred to as the “Association”.

W I T N E S S E T H :

WHEREAS, Developer is the owner of the real property described in Exhibit “A” to this Declaration and desires to create thereon a planned community and desires to provide for the preservation and enhancement of the property values, amenities and opportunities in said community and for the maintenance of the Properties and Improvements thereon, and to this end desires to subject the real property described in Exhibit “A” together with such additions as may hereafter be made thereto (as provided in Article 2) to the covenants, restrictions, easements, charges and liens hereinafter set forth, each and all of which is and are for the benefit of said Property and each Owner thereof; and

WHEREAS, Developer has deemed it desirable, for the efficient preservation of the values and amenities in said community, to create an agency to which should be delegated and assigned the powers of owning, maintaining, and administering the community properties and facilities and administering and enforcing the covenants and restrictions and collecting and disbursing the assessments, and charges hereinafter created, and promoting the recreation, health, safety and welfare of the residents; and

WHEREAS, Developer has incorporated under the laws of the State of Florida, the St. Lucie Gardens Homeowners’ Association, Inc., as a non-profit corporation for the purpose of exercising the functions aforesaid;

NOW, THEREFORE, the Developer declares that the real property described in Exhibit “A” and such additions thereto as may hereafter be made pursuant to Article 2 hereof, is and shall be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions, easements, charges and liens (sometimes referred to as “covenants and restrictions”) hereinafter set forth.

1. DEFINITIONS:

1.1 “Articles” shall mean the Articles of Incorporation of the St. Lucie Gardens Homeowners’ Association, Inc.

1.2 “Assessment” shall mean and refer to those charges made by the Association from time to time against each parcel within the Property for the purposes and subject to the terms set forth herein.

1.3 “Association” shall mean and refer to ST. LUCIE GARDENS HOMEOWNERS’ ASSOCIATION, INC., a Florida corporation not for profit, its successors and assigns, established by the Developer to promote the health, safety and social welfare of the lot owners. The Association Members shall initially consist of only the Developer.

1.4 “Association Property” shall mean and refer to all real and personal property transferred to the Association for the benefit of all owners.

1.5 “Board” shall mean the Board of Directors of the Association.

1.6 “Common Expenses” shall mean and refer to all expenses incurred by the Association in connection with its ownership, maintenance and other obligations set forth herein.

1.7 “Common Property” or “Common Area” shall mean and refer to those areas of land which are intended to be devoted to the common use and enjoyment, and which are identified and dedicated to the Association as common property, on any recorded subdivision plat of the property, including road entrance walls, entrance gates (if any), drainage swales, and easements, if any.

1.8 “County” shall mean and refer to St. Lucie County, Florida.

1.9 “Declaration” shall mean these covenants, condition, restrictions, easements and all other terms set forth in this document; and as may be amended from time to time.

1.10 “Developer” shall mean and refer to its successors or assigns, or to any successor or assign as to all or substantially all of its interests in the development of the Property.

1.11 “General Plan of Development” shall mean that plan as publicly distributed and as approved by appropriate governmental agencies which shall represent the total general scheme and general uses of land in the property as such may be amended from time to time, subject to approval of the governmental agencies involved.

1.12 “Improvements” shall mean and refer to all structures of any kind including, without limitation but not necessarily limited to, any building, fence, wall, sign, mailbox, newspaper box, shutters, paving, grading, parking and building addition, alteration, garage, screen enclosure, sewer, drain, disposal system, decorative building, storage building, porch, platform, swimming pool, landscaping, or landscape device or object.

1.13 “Institutional Mortgagee” shall mean, and refer to any bank, bank holding company, savings and loan association, insurance company, union pension fund, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, any mortgage company approved by St. Lucie Gardens Homeowners Association, an agency of the United States Government, the Developer, an agency of the United States Government, the Developer or any affiliate of any of the foregoing, which holds a first mortgage of public record on any lot or portion of the Property and the holder of any mortgage of public record given or assumed by the Developer, whether a first mortgage or otherwise.

1.14 “Living Unit” shall mean and refer to any Platted Lot within St. Lucie Gardens together with the structure which the owner shall own in fee simple title which shall be located in a structure containing two (2) separate Living Units. Each Living Unit shall be located upon a plotted lot and shown upon the Plat as defined herein. Each Living Unit shall contain improvements intended for use and occupancy as a residence by a single family and shall include within its meaning the exterior walls, the roof, foundation and a portion of the “party wall” separating Living Units as described herein below, together with all of the improvements located thereon.

1.15 “Lot” shall mean and refer to any plot of land shown as a lot on any recorded subdivision plat of the Property together with any Improvements located thereon.

1.16 “Owner” shall mean the record title holder to a Living Unit or Lot.

1.17 “Party Wall” shall mean and refer to each wall which is built as a part of the original construction of the Living Units and placed upon the dividing line or “lot” line between two Living Units. Each Party Wall shall be subject to the DECLARATION OF PARTY FACILITIES FOR St. Lucie Gardens which is attached hereto as Exhibit “C”

1.18 “Plat” shall mean and refer to the plat of St. Lucie Gardens Subdivision, as recorded in Plat Book 29, at Page 17, 17A and 17B, Public Records of St. Lucie County, Florida

1.19 “Property” shall mean all of the real and personal property subject to this Declaration. The real property is described in Exhibit “A” attached hereto and made a part hereof.

1.20 “Rules and Regulations” shall mean the rules, regulations and policies which may be adopted by the Board from time to time by resolution duly made and carried.

1.21 “St. Lucie Gardens” shall mean and refer to the Property and all Improvements and developments therein.

1.22 “Transfer Date” is the date that the Developer relinquished the right to appoint all of the Directors to the Board of Directors of the Association and conveys legal title to the Common Area to the St. Lucie Gardens Homeowners’ Association.

1.23 “Water Management System” shall mean and refer to any creeks, lakes, wetlands, ditches or other facilities which may be created or used for drainage of the Property.

1.24 The use of gender is deemed to include all genders. The use of the singular includes the plural and the use of the plural includes the singular.

2. PROPERTY SUBJECT TO THIS DECLARATION: ADDITIONS THERETO.

2.1 Existing Property. The real property which is and shall be held, transferred, sold, conveyed and occupied subject to this Declaration is located in St. Lucie County, Florida, and more particularly described in Exhibit “A”.

2.2 Additions to Existing Property. Added properties may become subject to this Declaration in the following manner:

(a) Additions by the Developer. The Developer, its successors and assigns shall have the right to bring within the scheme of this Declaration additional properties in future stages of the development. Nothing herein shall mean the Developer must develop any additional properties according to the General Plan of Development.

(b) Other Additions. Notwithstanding the foregoing, additional lands may be annexed to the existing Property upon approval in writing by the Developer.

(c) Mergers. Upon a merger or consolidation of another association with the Association, its Properties, rights and obligations may, as provided in its Articles of Incorporation, by operation of law be transferred to another surviving or consolidated association or, alternatively, the properties, rights and obligations of another association may by operation of law be added to the Properties, rights and obligations of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated association may administer the covenants and restrictions established by this Declaration within the existing property together with the covenants and restrictions established upon any other properties as one scheme. No such merger or consolidation, however, shall effect any revocation, change or addition to the Covenants established by this Declaration within the existing Property, except as hereinafter provided.

3. MEMBERSHIP AND VOTING RIGHTS.

3.1 Members. Every person or entity who is a record owner of a fee or undivided fee interest in any Living Unit which is subject under the Declaration to assessment by the shall be a mandatory member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. All members of the Association shall be governed and controlled by the Articles of Incorporation and the By-Laws thereof.

3.2 Voting Rights. The Association shall have one class of voting membership. Each member shall be entitled to one vote for each Living Unit owned by such member as to matters on which the membership shall be entitled to vote, which vote may be exercised or cast by the member in such manner as may be provided in the By-Laws of the Association. Any member who owns more than one Living Unit shall be entitled to exercise or cast one vote for each such Parcel. When more than one person holds the ownership interest required for membership, all such persons shall be members of the Association, and the vote for such Living Unit shall be exercised as they among themselves determine. Provided, however, that in no event shall more than one vote be cast with respect to each Living Unit. Where a Living Unit is owned by other than a natural person or persons the owners shall file with the Secretary of the Association a notice designating the name of the individual who shall be authorized to cast the vote of such owner. In absence of such designation the Owner shall not be entitled to vote on any matters coming before the membership.

3.3 Administration of the Association. The affairs of the Association shall be administered by the Board of Directors in accordance with this Declaration, the Articles of Incorporation and the By-Laws of the Association. The Articles of Incorporation and By-Laws

may be amended in the manner set forth therein, nor shall such amendment conflict with the terms of this Declaration.

3.4 Suspension of Membership Rights. No member shall have any vested right, interest or privilege in or to the assets, functions, affairs or franchises of the Association or any right, interest or privilege which may be transferable or which shall continue after his membership ceases or while he is not in good standing. A member shall be considered not in good standing during any period of time in which he is delinquent of any assessment as hereinafter provided; or, in violation of any provision of this Declaration or any rules or regulations promulgated by the Association. While not in good standing the member shall not be entitled to vote or exercise any other right or privilege of a member of the Association.

3.5 Control by Developer. Anything contained herein to the contrary notwithstanding, Developer shall have the right to retain control of the Association until the Transfer Date previously defined herein to be the closing of the sale by Developer of the last Living Unit held by the Developer for sale in the ordinary course of business in ST. LUCIE GARENS; or until such earlier time as is determined in Developer's sole discretion. So long as it retains control of the Association, Developer shall have the right to appoint all members of the Board of Directors and Officers of the Association, and no action of the membership of the Association shall be effective unless and until approved by Developer. In the event that Developer shall enter into any contracts or other agreements for the benefit of Owners or the Association, Developer may, at its option, assign its obligations under such agreements to the Association, and in such event the Association shall be required to accept such obligations.

4. ASSOCIATION PROPERTY AND COMMON PROPERTY.

4.1 Obligations of the association. The Association, subject to the rights of the Owners set forth in this Declaration, shall be responsible for the exclusive management and control of the Common Area and all improvements thereon (including furnishings and equipment related thereto), and shall keep the same in good, clean, attractive and sanitary condition, order and repair.

4.2 Members' Easement of Enjoyment. Subject to the provisions herein, every Owner shall have a right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot, and every member shall have a right of enjoyment in the Common Area.

4.3 Extent of Member's Easements. The members' easement of enjoyment created hereby shall be subject to the following:

(a) The right of the Association to establish reasonable rules for the use of the Common Area;

(b) The right of the Association to suspend the right of an Owner to use the facilities for any period during which any assessment against his Lot remains unpaid for more than Thirty (30) days after notice; the right of the Association to suspend the right of a member to use the said facilities for a period not to exceed sixty (60) days for any other infraction of this Declaration or any promulgated rules and regulations.

(c) The right of the Association to mortgage any or all of the facilities constructed on the Common Area for the purposes of improvements or repairs to Association land or facilities pursuant to approval of the members who are voting in person or by proxy at a regular meeting of the Association or at a meeting duly called for this purpose.

(d) The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority or utility for such purposes and subject to such conditions as may be established by the Developer or the Association. Nothing herein shall be construed to obligate the City of Port St. Lucie to accept any such dedication or transfer of the Common Property or the Association Property.

(e) The right of the Association to take such steps as are reasonably necessary to protect the Common Area against foreclosure.

(f) Restrictions contained on any plat or filed separately with respect to all or any portion of the Property.

(g) All of the provisions of this Declaration and the Articles of Incorporation and the By-Laws of the Association.

4.4 Delegation of Use. Any member may delegate his right of enjoyment to the Common Area and facilities to the members of his family and to his guests subject to such general regulations as may be established from time to time by the Association and included in the rules and regulations.

4.5 Rules and Regulations Governing Use of Association Property and Common Property. The Association through its Board of Directors shall regulate the use of the Association Property and Common Property by its members, and may from time to time promulgate such rules and regulations consistent with this Declaration governing the use thereof as it may deem in the best interest of its members. A copy of all rules and regulations established hereunder and any amendments thereto shall be made available to all members of the Association at the Club House. Such rules and regulations may be enforced by legal or equitable action.

4.6 Damage or Destruction of Common Area by Owner. In the event any Common Area is damaged or destroyed by an Owner or any part of his guests, tenants, licensees, agents or members of his family, such Owner does hereby authorize the Association to repair said damaged area; the Association shall repair said damaged area in a good workmanlike manner in

conformance with the original plans and specifications of the area involved, or as the area may have been modified or altered subsequently by the Association in the discretion of the Association. The amount necessary for such repairs shall become a Individual Assessment upon the Lot of said Owner.

4.7 Title to Common Area. The Developer may retain the legal title to the Common Area or any portion thereof until such time as it has completed improvements on the Properties, but notwithstanding any provision hereto, the Developer hereby covenants that it shall convey the Common Area and portions thereof to the Association, free and clear of all liens and financial encumbrances, not later than the Transfer Date. Members shall have all the rights and obligations imposed by the Declaration with respect to such Common Area.

4.8 Association Maintenance of Property. The Association shall either by virtue of an appointment of a real estate management agent or through its own personnel, be responsible for the maintenance and repair of the Association Property and the Common Property (except as otherwise set forth herein). Developer, its affiliates, subsidiaries, successors and/or assigns may be the management agent, and nothing shall be deemed to invalidate any management agreement between the Association and the Developer or its affiliates or subsidiaries for the reason that at the time of entering into the management agreement the employees, Officers or agents of Developer or its affiliates or subsidiaries are the Officers and/or Directors or employees of the Association.

4.9 Continual Maintenance. In the event of a dissolution of the Association, the owners shall immediately thereupon hold title to the Common Property and Association Property as tenants in common, and shall collectively provide for the continued maintenance and upkeep thereof in a manner or under a procedure acceptable to the County.

5. EASEMENTS.

5.1 Easement Grants. The following easements are hereby granted and/or reserved over, across and through all of St. Lucie Gardens:

(a) Easements for the installation and maintenance of utilities, including pumping stations, are granted as shown on the recorded subdivision plats of the Property. Cable Television facilities may be installed in these utility easement areas. Within utility easement areas, no structure, planting or other material, other than sod shall be placed or permitted to remain (unless installed by the Developer), which may interfere with the installation and maintenance of underground utility facilities. The Association and its assigns are hereby granted access to all easements in which such underground facilities are located for the purpose of operation, maintenance and replacement thereof.

(b) Easements for the installation and maintenance of drainage facilities granted to the Association as shown on the recorded subdivision plat of the Property. Within these easements areas, no structure, planting or other material, other than sod shall be placed or permitted to remain (unless installed by Developer), which may interfere with such installation and maintenance, or which may obstruct or retard the flow of water through drainage channels. The Association and its assigns shall have access to all such drainage easements for the purpose of operation and maintenance thereof. The Association shall have the right to contract for the maintenance of any Water Management System which may now or in the future exist upon or within the Property with an established water management or water control district, or with any other party.

(c) Easements are hereby granted throughout the Property to the Association for the purposes of access to all Property dedicated to the Association on the recorded subdivision plat of the Property.

(d) An easement is hereby granted to each Institutional Mortgagee for the purpose of access to the Property subject to its mortgage.

(e) Easements are hereby reserved throughout the Property by Developer, for its use and the use of its agents, employees, licensees and invitees, for all purposes in connection with development of the Property.

5.2 Restriction on Additional Easements. No Owner, other than Developer, shall grant any easement upon any portion of the Property to any person or entity, without the prior written consent of the Association.

6. COVENANTS FOR MAINTENANCE ASSESSMENTS.

6.1 Authority of Association. The Association, through its Board of Directors, shall have the power and authority to make the collect assessments as hereinafter set forth.

6.2 Creation of the Lien and Personal Obligation of Assessments. The Developer hereby covenants, and each Owner of any Lot by acceptance of a deed thereof, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay the Association the following: (1) annual general assessments or charges, (2) special assessments for capital improvements, (3) emergency special assessments or charges, and (4) individual assessments, such assessments to be established and collected as hereinafter provided.

6.3 General Assessments. General Assessments shall be determined annually for the purpose of maintenance and management of the Association, the Association Property, the Common Property and for the purpose of promoting the safety and welfare of the Owners. Without limiting the foregoing, General Assessments shall be used for payment of: operation, maintenance and management of the Association, the Association Property and the Common

Property; property taxes and assessments against the Association Property and the Common Property; insurance coverage for the Association Property and the Common Property; public liability insurance; legal and accounting fees; maintenance of the Water Management System, if any, and roadways dedicated to the Association; management fees; normal repairs and replacements; charges for utilities used upon the Association Property and Common Property; cleaning services; expenses and liabilities incurred by the Association in the enforcement of its rights and duties against the members or others; maintenance of vacant property; the creation of reasonable reserves; and all other expenses deemed by the Board of Directors of the Association to be necessary and proper for management, maintenance, repair, operation and enforcement.

6.4 Basis and Collection of General Assessments. The Association shall annually estimate the Common Expenses it expects to incur and the period of time involved therein and shall assess its members sufficient monies to meet this estimate. Each Living Unit shall be assessed at a uniform rate, to be determined by the Association, so that all Living Units subject to a general assessments shall be assessed equally⁶. Should the Association at any time determine that the assessments made are insufficient to pay the expenses, or in the event of emergency, the Board of Directors shall have authority to levy and collect additional General Assessments to meet such needs. General Assessments shall be collectible in advance monthly, quarterly, semi-annually, as the Board of Directors shall determine. All Property administered by the Association shall be assessed annually. The allocations shall be as set forth in the budget established each year by the Association.

6.5 Special Assessments. The Association shall have the power and authority to levy and collect a Special Assessment from each Owner for payment of the following: the acquisition of property by the Association; the cost of construction of capital improvements to the Association Property or the Common Property; the cost of construction, reconstruction, unexpected repair or replacement of capital improvements to the Association Property or the Common Property; the cost of construction, reconstruction, unexpected repair or replacement of a capital improvement, including the necessary fixtures and personal property related thereto; the expenses incurred as a result of the Association being a party to a lawsuit; the payment of any final judgment (including interest) rendered by a court of competent jurisdiction, against the Association; and the expense of indemnification of each Director and Officer of the Association and each member of the A.R.B. All Special Assessments shall be at a uniform amount for each Lot assessed, regardless of whether a particular Special Assessment affects all Lot Owners or a particular Lot. A Special Assessment shall be collectible in such manner as the Board of directors shall determine. If a special Assessment should exceed FIVE HUNDRED DOLLARS (\$500.00) per Lot, it shall require the approval of the membership of the Association, to be obtained at a duly convened regular or special meeting at which a quorum exists and which is called at least in part to secure this approval. Approval shall be by an affirmative vote of at least fifty one percent (51%) of the members present in person or by proxy.

6.6 Emergency Special Assessments. The Association may levy an Emergency Special Assessment when, in the sole determination of the Board of Directors, there is potential danger or damage to persons or property. Such Emergency Special Assessments may be utilized to pay for preventative, protective or remedial construction, reconstruction, improvements, repairs or replacement. Events justifying Emergency Special Assessments, include, but are not limited to, hurricanes, floods, fires, and roof, plumbing or structural repairs. Emergency Special Assessments shall be collectible in such manner as the Board of Directors shall determine.

6.7 Individual Assessments. The Association shall have the power and authority to levy and collect an Individual Assessment against a particular Living Unit for the cost of maintenance, repairs or replacements within or without the Living Unit, which the Owner thereof has failed or refused to perform, and which failure or refusal has, in the opinion of the Association, endangered or impaired the use or value of other portions of the property. The Association may also levy and collect as Individual Assessment against a particular Owner for any damage to the Common Area or Association Property caused by the willful or negligent act (s) of an Owner, his agents, guests, invitees, or contractors employed by or on account of the Owner. The Association shall have a right of entry onto each Living Unit to perform necessary maintenance, repairs and replacements, including the right to abate or eliminate any nuisance. The Individual Assessments may include an administrative fee charged by the Association in an amount to be determined from time to time by the Board of directors in its discretion. All Individual Assessments shall be collectible in such manner as the Association shall determine.

6.8 Effect of Non-Payment of Assessments; Remedies of the Association. All notices of Assessments from the Association to the members shall designate when the Assessment is due and payable. If any Assessment is not paid on the date when due, it shall then become delinquent and shall bear interest at the maximum rate allowed by law from the date when due until paid. The Assessment, together with interest thereon and the cost of collection thereof, including attorneys' fees, shall be a continuing lien against the Lot against which the Assessment is made, and shall also be the continuing personal obligation of the Owner of such Lot at the time of Assessment. Any successor in title shall be held to constructive notice of the records of the Association to determine the existence of any delinquency in the payment of Assessments. If payment is not made within forty-five (45) days of the date the notice is mailed, the Association may recorded a Claim of Lien in the Public Records of the County, setting forth the amount of the unpaid Assessment, the rate of interest due thereon, and the costs of collection thereof. If any Assessments, or any installment thereof, shall not be paid within thirty (30) days following the due date, the Association may declare the entire Assessment immediately due and payable. The Association may at any time thereafter bring an action to foreclose the lien against the Lot assessed and/or a suit on the personal obligation of the Owner, to the extent provided under Florida law. There shall be added to the amount of the Assessment the cost of such action, including attorneys' fees, and in the event a judgment is obtained, such judgment shall include interest on the Assessment as above provided and attorneys' fees incurred by the Association,

together with the costs of the action which shall include appellate costs, if any. Regardless of the date of recordation of any Claim of Lien, the effective date thereof shall relate back, and it shall take priority, as of the date of recordation of this Declaration except as provided for in paragraph 6.9 herein below.

6.9 Liability of Institutional Mortgagees. In the event that the holder of an Institutional First Mortgage obtains title to any property subject to assessment by the Association, as a result of foreclosure of the first mortgage, or as a result of a deed or other arrangement in lieu of foreclosure of the first mortgage, the Institutional Mortgagee, its successors and assigns, shall not be liable for assessments pertaining to such property applicable to the time prior to acquisition of title as a result of the foreclosure or deed or other arrangements in lieu of foreclosed mortgage. The lien of the Association shall be subordinate to the lien of any institutional mortgage unless the lien of the Association, including such acquirer, his successors and assigns. The Institutional First Mortgagee, however, coming due during the period of its ownership of the property, whether or not such property is occupied, nor shall the property be relieved from the lien of such assessment. Nothing herein shall impair the right of the Association, as a subordinate lien holder, to receive proceeds pursuant to judgment for foreclosure and sale in an action brought by an institutional mortgagee, pursuant to Title 14 MRSA, Chapter 713.

6.10 Certificate of Assessments. The Association shall prepare a roster of the Living Units and assessments applicable thereto, which shall be kept in the office of the Association and shall be open to inspection by all members. At the request of an Owner, the Board of Directors shall prepare a Certificate of Assessments signed by an officer of the Association, setting forth whether the Owner's Assessments have been paid and/or the amount which is due as of the date of the Certificate. As to parties without knowledge of error who thereon, such certificate shall be presumptive evidence of payment or partial payment of any assessment therein stated having been paid or partially paid.

6.11 Exempt Property. The following property shall be permanently exempt from the payment of all Assessments by the Association:

- (a) All property dedicated to, or owned by, the Association.
- (b) Any portion of the Property dedicated to the County or other government entity.
- (c) Any Lot which does not have a completed Living Unit constructed thereon, as evidenced by a Certificate of Occupancy.
- (d) Any Living Unit owned by the Developer, unless such Living Unit has been leased by the Developer to a third party.
- (e) Notwithstanding any provisions herein, no land or improvements devoted to dwelling use shall be exempt from any assessments, charges or liens.

7. MAINTENANCE OF PROPERTY

7.1 Association Responsibilities. The Association shall be responsible for the maintenance, repair and upkeep of all Common Property, all Association Property, all landscape irrigation systems wherever located within St. Lucie Gardens as well as all exterior landscape wherever located within St. Lucie Gardens. The cost of same to be a Common Expense.

(a) Should an Owner, after having obtained appropriate approval, install any additional landscape materials upon his lot, other than, or in addition to that originally installed by the Developer, the maintenance cost of same shall be that of the Owner and not a Common Expense.

(b) The Association shall have an easement for the purpose of access to all Lots for the maintenance, repair and upkeep of landscaping and irrigation systems.

7.2 Owner's Responsibilities. The Owner shall be responsible for all maintenance, upkeep, repairs and replacement to his Living Unit. The Owner shall also be responsible for the expense of any maintenance, repair or replacement of any portion of the Common Property or the Association Property necessitated by the negligent or willful acts of the Owner, his invitees, licensees, family or guests which expense shall be borne solely by such Owner and his Living Unit shall be subject to an individual assessment for such expense.

7.2.a. No Owner shall in any way deface or change the color of the exterior of his Living Unit. Exterior walls and roof are to be maintained by each Owner in quality condition at all times. Failure to maintain the Living Unit in such manner will result in the thirty (30) day notice to the Owner from the Association setting forth the items to be corrected. In the event the notice is not adhered to, the Association may contract to have such work performed and the Owner will be charged for the cost of such work together with any reasonable costs to the Association.

7.2.b. Normal maintenance of the roof of the Living Units such as repairs or re-roofing shall be done uniformly and at the same time for the entire roof of the structure in which the two adjacent Living Units are located. The expense of such maintenance shall be borne equally by the Owners of the two (2) adjacent Living Units. In the event of damage or destruction which is confined to the roof area wholly within the dimensions of one (1) Living Unit, the repair or replacement shall be the expense of the Owner of said Living Unit. If the damage or destruction of adjacent roof areas is caused by the negligence or willful misconduct of any one Owner, such negligent Owner shall bear the entire cost of repair or replacement. If any Owner shall neglect or refuse to pay his share, or all of such costs in case of negligence or willful misconduct, any other affected Owner may have such roof repaired or replaced and shall be entitled to a lien on the

Living Unit of the other Owner so failing to pay for the amount of such defaulting Owner's share of the repair or replacement costs.

7.2.c. All Living Units shall be maintained in a neat and attractive manner and in no case shall any conditions be permitted to exist which creates a nuisance, an unsightly appearance, or threatens to depreciate the value of the Living Units within St. Lucie Gardens. Each Owner shall maintain the exterior of his Living Unit in a well maintained condition so as not to be detrimental to the other Owners. All grass clippings, trimmings and other items must be removed from the property and not placed on any adjacent property. No trash, waste, filth, tools, appliances or other refuse shall be permitted to accumulate on the Lot or the exterior of the Living Unit.

7.2.d. In the event any Owner fails to maintain his Living Unit as provided for herein, The Association may perform any required maintenance and any charges arising therefrom may be assessed against the individual Owner as provided for in Paragraph 6.7 of this Declaration.

8. ARCHITECTURAL CONTROLS.

8.1 Architectural Review and Approval. It is the intent of Developer to create upon the Property a residential community of high quality and harmonious Improvements. Accordingly, no Improvements shall be commenced, erected, placed or maintained upon any Lot, nor shall any addition, change or alteration be made to any Living Units, except by the Developer, unless and until the plans, specifications and location of same shall have been submitted to and approved in writing by, the Board. All such plans and specifications shall be evaluated as to harmony of exterior design and location in relation to surrounding structures and topography, and as to conformity with the architectural standards contained herein and as otherwise established by the Board In the exercise of its power and the performance of its duties, the Board shall give due consideration to the characteristics of the community as a residential community of high standards, quality and beauty, and the ability of any proposed improvement to harmonize with that concept. The Board shall be permitted to employ aesthetic values in making its determinations.

8.2 Liability for Actions of the Board. Neither the Developer, the Directors or officers of the Association, the members of the Board, nor any person acting on behalf of any of them, shall be liable for any costs or damages incurred by any Owner or any other party due to any mistakes in judgment, negligence or any action of the Board in connection with the approval or disapproval of plans and specifications. Each Owner and occupant of any Living Unit within the Property agrees, by acquiring title thereto or an interest therein, or by assuming possession thereof, that he shall not bring any action or suit against Developer, the Directors or OFFICERS

OF THE Association, the members of the Board or their respective agents, in order to recover any damages caused by the actions of the Board. Neither the Board, nor any person acting on behalf of any of them, shall be responsible for any defects in any plans or specifications, nor for any defects in any Improvement constructed pursuant thereto. Each party submitting plans and specifications to the Board for approval shall be solely responsible for the sufficiency thereof and for the quality of construction performed pursuant thereto.

9. USE OF PROPERTY.

9.1 Residential Use. All Living Units shall be used only for residential dwellings and for no other purpose. No business, industrial or commercial structure may be erected on any Lot, and no business may be conducted in any Living Unit.

9.2 No Subdividing. No Lot shall be resubdivided. No Lot shall have more than one single family residence with auxiliary buildings.

9.3 Rules and Regulations. Attached hereto as Exhibit B are the first Initial Rules and Regulations for St. Lucie Gardens.

9.4 Compliance with Laws and Ordinances. All Owners shall comply with all municipal, county, state and federal building and zoning laws.

10. INSURANCE.

10.1 Insurance, other than title insurance, that shall be carried on the Common Property and the Association Property shall be governed by the following provisions.

10.2 Authority to Purchase; Named Insured. All insurance policies upon the Common Property and the Association Property shall be purchased by the Association and shall be placed in a single agency or company, if possible. The named insureds shall be the Developer, individually and as agent for the Association, the members without naming them, and Institutional Mortgagees. Provisions shall be made for the issuance of mortgagee endorsements and memoranda of insurance to any such mortgagees. The policies shall provide that payments by the insurer for losses shall be made to the Developer for the benefit of the Developer, the members and Institutional Mortgagees, as their interests may appear.

10.3 It shall be the obligation of each Owner to obtain insurance on his Living Unit, his lot and all improvements thereon.

10.4 Coverage. The coverage of any insurance purchased by the Association shall be established by the Association, and shall be of such types and in such amounts as the Association shall deem necessary.

10.5 Premiums. Premiums upon insurance policies purchased by the Association shall be paid by the Association. The cost of insurance premiums and other incidental expenses incurred by the Association in administering and carrying out any of the provisions of this Article shall be a Common Expense.

10.6 Distribution of Proceeds. In the event of a loss, the Board shall determine the manner in which any proceeds from insurance shall be distributed.

10.7 Association's Power to Compromise Claims. The Board of Directors of the Association is hereby irrevocably appointed agent for each Owner and for each Institutional Mortgagee or other lien holder, for the purpose of compromising and settling all claims arising under insurance policies purchased by the Association, and to execute and deliver releases therefor upon payment of claims.

11. RECONSTRUCTION OR REPAIR AFTER CASUALTY.

11.1 Determination to Reconstruct or Repair. If any part of the Common Property or the Association Property shall be damaged by casualty, whether or not it shall be reconstructed or repaired shall be determined by the Board, in its sole discretion.

11.2 Special Assessments. In the event the Developer chooses to reconstruct or repair the damaged property, the amount by which an award of insurance proceeds is reduced on account of a deductible clause in an insurance policy shall be assessed equally against all Owners as a Special Assessment. If the proceeds of such Special Assessment and of the insurance are not sufficient to defray the estimated costs of reconstruction, replacement and repair by the Association, or if at any time during reconstruction, replacement and repair, or upon completion of reconstruction and repair, the funds for the payment of the costs or reconstruction and repair are insufficient, Special Assessments shall be made against the Owners in sufficient amounts to provide funds for the payment of such costs.

12. INDEMNIFICATION OF DIRECTORS AND OFFICERS

12.1 Every Director and Officer shall be indemnified by the Association against all expenses and liability, including attorneys' fees, incurred by or imposed upon him in connection with any proceeding to which he may be a party or in which he may become involved by reasons of his having been a Director or Officer, whether or not he is a Director, Officer or member at

the time such expenses are incurred, except in such cases where the Director, Officer or member is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties; provided however, that in the event a claim for reimbursement or indemnification hereunder is based upon a settlement by the Director, Office or member seeking such reimbursement or indemnification, the indemnification herein shall apply only if the Board of Directors approves such settlement. 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.

13. SALE, RENTAL OR OTHER ALIENATION OR MORTGAGING OF LIVING UNITS.

In order to maintain a community of congenial residents who are financially responsible and thus protect the value of the Property, the transfer of a Living Unit by any Owner other than the Developer shall be subject to the following provisions:

13.1 Sale or Lease. No Owner may dispose of a Living Unit or any interest therein by sale or lease without the prior written approval of the Association. In addition, changes of beneficial ownership of a Living Unit through sale or acquisition of stock in a corporation, change in corporate officers, change in rights in a partnership or trust, shall constitute a sale, and said transfer shall be subject to prior approval by the Association.

13.2 Method of Approval. An Owner intending to make a bona fide sale or lease of his Living Unit, or any interest in it, shall give to the Association notice of such intention, in writing, together with the name and address of the intended purchaser or lessee, and such other information concerning the intended purchaser or lessee as the Association may reasonably require, together with an executed copy of the proposed sale contract or lease. Within thirty (30) days of receipt of such notice and information, the Association must either approve or disapprove the proposed transaction. If approved, the Association, through its Board of Directors, shall cause a Certification of Approval, to be executed by any office of the Association provided however that no such approval shall be issued if the Owner is delinquent in maintenance payments. In the case of a sale, the Certificate of Approval shall be recorded together with the Deed.

13.3 Transfer Void. Any sale, lease, or other transfer not authorized pursuant to the terms of this Declaration shall be void unless subsequently approved by the Association.

13.4 Exceptions. The foregoing provisions of this Article shall not apply to a transfer Amendment mortgage upon the Living Unit concerned, and this shall be so, whether the title is acquired by deed from the mortgagor, his successors or assigns, or through foreclosure; nor shall such provisions apply to a transfer, sale, or lease by an Institutional Mortgage that so acquires its title. Neither shall such provisions require the approval of a purchaser who acquires title to a parcel in a duly advertised public sale with open bidding provided by law, such as, but not

limited to, execution sale, foreclosure sale, judicial sale, or tax sale, nor shall such provisions apply to any transfer by the Developer.

13.5 Limitation on Number of Rentals and Rental Period. No lease of a Living Unit shall be for less than four (4) months in duration, nor shall any Owner be permitted to lease his Living Unit more than two (2) times in one calendar year.

14. GENERAL PROVISIONS.

14.1 Assignment. All of the rights, powers, obligations, easements and estates reserved by, or granted to the Developer, may be subsequently assigned to the Association. After such assignment, Developer shall be relieved and released of all obligations with respect to such right, power, obligation, easement or estate.

14.2 Amendment. This Declaration may be amended upon the recordation of an appropriate instrument in the Public Records of the County; subject, however, to the following provisions:

(a) Prior to the Turnover Date, the Developer may amend this Declaration at any time without the joinder of the lot owners, or Institutional Mortgagees.

(b) Except as provided herein, an amendment initiated by any party other than the Developer must have the approval of at least two-thirds (2/3) of the Owners; provided however, until such time as the Developer relinquishes control of the Association, all amendments shall require the joinder of the Developer.

(c) Any duly adopted amendment to this Declaration shall run with and bind the Property for the same period and to the same extent as do the covenants and restrictions set forth herein.

14.3 Duration. All of the covenants, restrictions and other provisions of this Declaration shall run with and bind the property for a term of twenty-five (25) years from the date of recordation of this Declaration, after which time they shall be automatically extended for successive periods of ten (10) years each, unless an instrument executed by at least seventy percent (70%) of the then Owners, and by all Institutional Mortgagees, has been recorded, agreeing to change or terminate these covenants and restrictions.

14.4 Covenants Running with the Property. The agreements, covenants, conditions, restrictions, assessments, liens and other provisions contained herein shall constitute a servitude upon the Property and each portion thereof, shall run with the Property, shall be binding upon the Owners of any portion thereof, and shall inure to the benefit of Developer, the Association and the Owners of Living Units or Lots within the Property.

14.5 Enforcement of Declaration. The enforcement of this Declaration may be sought by a proceeding at law for damages or in equity to compel compliance with its terms or to prevent violation or breach of any of the covenants or terms herein. Enforcement may be sought by the Developer, the Association or any Owner, and should the parties seeking enforcement be the prevailing party then the person against whom enforcement has been sought shall pay all costs and reasonable attorney's fees at all trial and appellate levels to the prevailing party. The failure or refusal of Developer, the Association or any Owner to enforce any of the provisions of this Declaration shall in no event be deemed to constitute a waiver of the right to do so thereafter. This right of enforcement shall likewise apply to any additional covenants, restrictions, reservations, assessments, liens and other terms and provisions additionally imposed.

14.6 Notices. Any notice required to be sent to any Owner under the provisions of this Declaration shall be deemed to have been properly given when mailed, postage paid, to the last known address of the person who appears as an Owner or member of the records of the Association at the time of such mailing.

14.7 Severability. Invalidation of any one of the covenants or restrictions contained herein by judgment or court order shall in no way affect any other provision hereof, which shall remain in full force and effect.

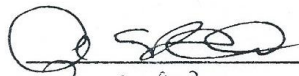
14.8 Effective Date. This Declaration shall become effective upon its recordation in the Public Records of the County.

IN WITNESS WHEREOF, Developer and the Association have caused this Declaration to be executed the day and year first above written.

Signed, sealed and delivered
in the presence of:

"Developer"

CARL W. JOHNSON
D/B/A LANDIN COMPANIES



Regina L. Bell



CARL W. JOHNSON

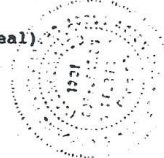
"Association"

ST. LUCIE GARDENS HOMEOWNERS ASSOCIATION, INC.

Richard M. Schmitt
Regina L. Beltz

By: Alan E. Hill
ALAN E. HILL, President

(Corporate Seal)



STATE OF FLORIDA
COUNTY OF ST. LUCIE

The foregoing instrument was acknowledged before me this 15th day of October, 1991 by Carl W. Johnson, doing business as LANDIN COMPANIES.

(NOTARY SEAL)

Deborah P. Brady
NOTARY PUBLIC

My Commission Expires:

NOTARY PUBLIC, STATE OF FLORIDA AT LARGE
MY COMMISSION EXPIRES NOVEMBER 28, 1993
BONDED THRU AGENT'S NOTARY BROKERAGE

STATE OF FLORIDA
COUNTY OF ST. LUCIE

The foregoing instrument was acknowledged before me this 15th day of October, 1991 by Alan E. Hill, well known to me to be President of ST. LUCIE GARDENS HOMEOWNERS ASSOCIATION, INC., a Florida corporation not for profit, for and on behalf of the corporation.

(NOTARY SEAL)

Deborah P. Brady
NOTARY PUBLIC

My Commission Expires:

NOTARY PUBLIC, STATE OF FLORIDA AT LARGE
MY COMMISSION EXPIRES NOVEMBER 28, 1993
BONDED THRU AGENT'S NOTARY BROKERAGE