

**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
OF
SHEPHERDS GROVE SUBDIVISION
"Declaration"**

THIS DECLARATION is made on this 16th day of March, 2007, by JBF Investments, LLC, a Florida limited liability company, whose address is 616 Orby Street, Pensacola, Florida 32534, hereinafter referred to as the "Declarant".

WITNESSETH:

WHEREAS, the Declarant is the owner of certain property in Escambia County, Florida ("the Property"), more particularly described as follows:

Those lands described in and shown on the Plat of SHEPHERDS GROVE SUBDIVISION as recorded in Plat Book 18, Page 72 of the Public Records of Escambia County, Florida, except to the extent dedicated to the public on the Plat.

WHEREAS, Declarant intends to develop the Property into a residential community of single family homes; and

WHEREAS, Declarant desires to impose a common plan of development and enjoyment upon the Property to protect its value and desirability;

NOW, THEREFORE, the Declarant hereby declares that the Property shall be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with, said real property and be binding on all parties having any right, title or interest therein or any part thereof, their respective heirs, personal representatives, successors and assigns, and shall inure to the benefit of each Owner thereof.

**ARTICLE I
DEFINITIONS**

Unless the context expressly requires otherwise, the following terms mean as follows wherever used in this Declaration.

Section 1. "Architectural Committee" shall mean the Architectural Committee, provided in Article VI hereof.

Section 2. "Articles" means the Articles of Incorporation of the Association, as amended from time to time.

Section 3. "Assessment" means the amount of money assessed against an Owner for the payment of the Owner's share of common fees, expenses and any other funds which an

Owner may be required to pay to the Association as set out by this Declaration, the Articles or the By-Laws.

Section 4. "Association" means SHEPHERDS GROVE HOMEOWNERS ASSOCIATION, INC., a corporation not for profit organized pursuant to Chapter 617, Florida Statutes, its successors and assigns.

Section 5. "Board" means the Association's Board of Directors.

Section 6. "Common Area" means collectively all property whether improved or unimproved, or any interest therein such as an easement, which from time to time is owned by the Association for the common use and enjoyment of all Owners.

Section 7. "Declarant" means JBF Investments, LLC, a Florida limited liability company, and its successors and assigns, if such successors and assigns are designated in writing, and recorded in the Public Records of Escambia County, Florida, by the Declarant as the successors and assigns of Declarant's rights hereunder.

Section 8. "Declaration" means this Declaration of Covenants, Conditions and Restrictions of SHEPHERDS GROVE SUBDIVISION, as recorded, and as amended, modified or supplemented from time to time.

Section 9. "Dwelling" shall mean a single family detached residence constructed upon a Lot not to exceed two stories in height.

Section 10. "Law" includes any statute, ordinance, rule, regulation, or order validly created, promulgated, or adopted by the United States, or any of its agencies, officers or instrumentalities, or by the State of Florida, or any of its agencies, officers, municipalities, or political subdivisions, or by any officer, agency, or instrumentality of any such municipality or subdivision, and from time to time applicable to the Property or to any activities on or about the Property.

Section 11. "Lot" means each platted lot shown on the Plat.

Section 12. "Maintenance" means the exercise of reasonable care to keep any Dwelling, other approved buildings, driveways, landscaping, lighting, and other related improvements and fixtures in a condition comparable to their original condition, normal wear and tear excepted. Maintenance of landscaping shall further mean the exercise of generally accepted landscape management practices necessary to promote a healthy weed-free environment for optimum plant growth, and which shall, at a minimum, include the mowing and edging of all grass on a Lot, periodic trimming of all bushes and trees and removal of dead or fallen branches.

Section 13. "Member" means every person or entity who holds membership in the Association.

Section 14. "Mortgage" means any mortgage or other instrument encumbering or transferring any interest in a Lot as security for the performance of an obligation. "First Mortgage" means any Mortgage constituting a valid lien prior in dignity to all other Mortgages encumbering the same Lot.

Section 15. "Mortgagee" means any person named as the obligee under any Mortgage, or the successor in interest to such person.

Section 16. "Occupant" means the person or persons, other than the Owner, in possession of a Lot, and may, where the context so requires, include the Owner.

Section 17. "Owner" means the record owner, whether one or more persons, of the fee simple title to any Lot, but excluding any other person holding such fee simple title only as security for the performance of an obligation. As the context may permit, "Owner" includes all persons (i) claiming any right, title or interest in a Lot by, through, or under any Owner, or (ii) lawfully upon the Property with the consent of any Owner, express or implied, such as an Occupant.

Section 18. Person means any natural Person or legal entity having legal capacity.

Section 19. "Plat" means (a) the final plat of SHEPHERDS GROVE SUBDIVISION recorded in Plat Book _____, Page _____, of the Public Records of Escambia County, Florida, including any amendments or additions thereto, and shall include the subdivided real property therein described.

Section 20. "Property" means the lands described on the Plat referenced herein, except to the extent dedicated to the public on the Plat.

Section 21. "Recorded" means filed for record in the public records of Escambia County, Florida.

Section 22. "The Work" means the initial development of the Property by Declarant and may include changes in the initial development where deemed appropriate by Declarant so long as such changes are not inconsistent with the initial development.

ARTICLE II PROPERTY RIGHTS

Section 1. Easements and Enjoyment. Each Owner has a nonexclusive right and easement of enjoyment in and to the Common Area that is appurtenant to, and will pass with, the title to every Lot, subject to the following:

(a) Fees. The Association's right to charge reasonable fees for the use, safety and maintenance of the Common Area and any common facilities from time to time situated thereon and the Common Area, to the extent required to be maintained by the Association herein.

(b) Suspension. The Association's right to suspend such Owner's right to use any facility owned or controlled by the Association for the same period of unpaid Assessments; and to suspend any Owner's right to use any such facility for any infraction of the Association's valid rules and regulations for a period not to exceed 60 days.

(c) Dedication. The Association's right to dedicate, transfer or mortgage all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as the Association considers advisable. Any such dedication or transfer requires the approval of seventy-five percent (75%) of each class of the Members.

(d) Delegation of Use. Subject to such limitations as may be imposed by the By-Laws or reasonable rules and regulations adopted by the Association, each Owner may delegate his right of enjoyment in and to the Common Area and accompanying facilities, if any, to members of his family, his guests, tenants and invitees.

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

Section 2. Permanence. The benefit of all rights and easements granted by the Declaration constitutes a permanent appurtenance to, and will pass with, the title to every Lot enjoying such benefit. Whenever any such right or easement is described as nonexclusive, its benefit, nevertheless, is exclusive to all Lots granted such benefit by this Declaration unless this Declaration expressly grants such benefit to additional persons. In no event shall the benefit of any such easement extend to the general public except as provided in the next Section. The burden of all rights and easements granted by this Declaration constitutes a permanent servitude upon the lands affected.

Section 3. Public and Private Easements. Declarant may dedicate and/or convey portions of the Property described on the Plat for use and maintenance of utility, drainage, wall and landscape easements, together with a right of ingress and egress over and across the easement areas for such purposes. Easements for installation and maintenance of utilities, drainage facilities, walls and landscaping are reserved as shown on the Plat. Within the drainage and utility easements, no structure, fence, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities, drainage structures or walls, or which may impede the flow of water through drainage structures in the easements. Easement areas within a Lot and all improvements in it shall be maintained continuously by the Owner of the Lot, except for those improvements for which a public authority or utility company is responsible.

Section 4. No Partition. There shall be no judicial partition of any Lot, nor shall Declarant, or any Owner, or any person acquiring any interest in the Property or any part thereof, seek judicial partition thereof, including any attempted judicial partition of any Lot owned.

Section 5. General Restrictions. Except with the Association's prior written consent or in accordance with the Association's rules and regulations:

(a) Obstructions. There will be no obstruction of the Common Area, nor will anything be kept or stored on the Common Area except items installed by Declarant as part of the Work, and their replacement.

(b) Alterations. Nothing will be altered, constructed upon, or removed from the Common Area except with the specific approval of the Board.

(c) Activities. All uses and activities upon or about the Common Area are subject to the Association's rules and regulations.

(d) Signs. No sign of any kind will be displayed to public view within the Property except (i) customary name and address signs on each Lot, (ii) one (1) Lot sign of not more than six (6) square feet in size, placed in the front yard only, advertising a Lot for sale or rent, or (iii) no trespassing, no solicitation, beware of dog or such similar signs affixed to the front of a Dwelling, not to exceed one-half (1/2) square foot in size, and approved by the Association as to color and content. No sign shall be lighted. No advertising or third-party signs shall be permitted except as provided in (ii) above. All signs permitted by this subsection are subject to the Association's rules and regulations, provided however that these restrictions shall not apply to signs used by Declarant or its designee to advertise the Property during the promotion and construction of Dwellings and sale of Lots.

(e) General Prohibitions. No activity is permitted, nor may any object or substance be kept, stored, or permitted anywhere within the Property in violation of law. No Owner shall cause or permit any unreasonable or obnoxious noises or odors and no obnoxious, destructive, illegal, or offensive activity that constitutes a nuisance to any Owner or to any other person lawfully residing within the Property is permitted anywhere within the Property.

(f) Use of Lots. Each Lot may be improved and used for residential purposes only and only one Dwelling, approved in accordance with Article VI may be constructed thereon. No trade, business, or profession of any kind may be conducted on any Lot except for the business of the Declarant and its transferees in developing the Property.

Section 6. Animals. No animals, livestock, or poultry may be raised, bred or kept anywhere within the Property, except that no more than two (in the aggregate) dogs, cats or other conventional household pets may be kept upon any Lot so long as they are not kept, bred or maintained for any commercial purpose. Each owner shall have the responsibility to clean up the waste produced by his or her pet immediately. No pet shall be permitted to run at large outside a Lot. Each Owner and Occupant shall insure that his or her pet shall not disturb other Owners and Occupants with excessive or repetitive noise. All pets outside a Dwelling shall be properly leashed or shall be kept within an approved fence, shall be otherwise controlled in whatever manner is most practical on or off a Lot, and shall be subject to all applicable local ordinances

existing from time to time. No outside animal pen, cage or shelter shall be constructed without approval of the Architectural Committee. No fenced dog runs are permitted.

Section 7. Trash and Site Cleanup. Except for regular curbside collection and disposal, no rubbish, trash, garbage or other waste material or accumulations may be kept, stored or permitted anywhere within the Property, except inside a Dwelling, or in sanitary containers completely concealed from view. No trash containers shall be placed at curbside for pickup more than twenty-four (24) hours prior to the scheduled pickup. All construction sites must be maintained in a neat and orderly fashion. All contractors are required to provide at least one (1) dumpster for every Dwelling under construction. The contractor shall be responsible for trash that blows off the site and shall retrieve said trash immediately. No trash or debris will be stockpiled on any Lot. Contractors will only use utilities provided on the Lot on which they are working. It will be the responsibility of the Owner of each Lot to insure compliance of these terms by the Contractor.

Section 8. Appurtenances. No porch, deck, patio, fence, screened enclosure, carport or other attached or detached structure (whether free-standing, structural or non-structural and whether in the front, side or rear of a Dwelling) shall be constructed without the approval of the Architectural Committee. No permanent outdoor clothes lines may be installed or maintained on any Lot. Screen doors shall be permissible anywhere on a Dwelling with the prior written approval of the Architectural Committee. No basketball hoops, whether temporary or permanent, including portable hoops, shall be installed on any Lot that is visible from the street. No aboveground swimming pools, storage sheds or outbuildings, screening of front porches or garages, satellite dishes or antennas of any kind, or solar collectors are permitted on any Lot that is visible from the street.

Section 8.1 Sheds. Sheds may be built upon a Lot in accordance with the following requirements:

Sheds may be permitted if approved by the Architectural Committee. A shed cannot be seen from any street in the subdivision and must be located within a fenced area. All of the requirements of the Declaration concerning approval of architectural changes as set forth in Article VI hereof shall be strictly adhered to by an Owner desiring to install a shed, and maintenance requirements of Article IV, Section 4 shall apply thereto. The Committee may also adopt additional requirements for wind load and compliance with the Escambia County Code

Section 9. Storage or Location of Recreational Vehicles, Watercraft, Machinery, Equipment or satellite discs or towers. No recreational vehicle (motorized or non-motorized, licensed or not), no watercraft (motorized or non-motorized), no trailer of any kind (licensed or not), no machinery or equipment (whether mobile, licensed or not), and no satellite discs, towers or the like, shall be parked, stored or located on any Lot unless it is not visible from any portion of the roadway in front of any Lot in the subdivision.

Section 10. Maintenance. Each Owner shall, as necessary from time to time, repair, replace and maintain the roofs, gutters, downspouts, lawn, shrubs, landscaping, walks, fencing,

exterior building surfaces, windows, doors, trim members, driveways, and other exterior improvements and attachments from time to time situated on such Owner's Lot. Each Owner's duty of maintenance includes any and all easement areas upon such Owner's Lot as set forth on the Plat. No Owner shall permit any waste to the exterior portions of such Owner's Dwelling or the Lot. Each Owner shall make all repairs, maintenance and replacements necessary to keep attachments and appurtenant driveways, if any, in a safe, sanitary and reasonably attractive condition.

Section 11. Rules and Regulations. No Owner, Occupant, or person residing within a Dwelling, or their invitees, may violate the Association's rules and regulations for the use of the Property, and all such persons shall comply with such rules and regulations at all times. Wherever any provision of this Declaration restricts or prohibits any activity, condition or structure within the Property except as permitted by the Association's rules and regulations, such restriction or prohibition is self-executing until the Association promulgates rules and regulations expressly permitting such activity, condition or structure. Without limitation, any rules or regulations will be deemed "promulgated" when mailed to all Owners at the address shown on the Association's books or when posted at a conspicuous place on the Property from time to time designated by the Association for such purpose.

Section 12. Dwellings and Prohibitions. Only one Dwelling may be constructed on any Lot. The minimum square footage of each Dwelling shall be 2200 square feet of air-conditioned living space, with each Dwelling containing an attached two (2) car or larger garage of the same architectural style as the air-conditioned portion of the Dwelling, unless otherwise approved by Declarant or the Architectural Committee. In addition to the above covenant, if the structure is two story, the ground floor must contain at least 1600 square feet of air conditioned space. In addition to the prohibitions in Section 8, no trailer, manufactured home, manufactured building, mobile home, tent, shack, garage, barn, storage shed, structure of a temporary character, or other outbuilding shall be constructed or parked on any Lot at any time, except for a temporary toilet during construction of a Dwelling. Any Dwelling constructed on a Lot shall be in accord with the front yard, side yard and rear yard setback requirements set forth in the Escambia County Zoning Regulations. All exterior portions of the Dwelling must be of stone, brick, stucco or a combination thereof. No vinyl or other similar type siding shall be allowed. All garage doors shall have a side entry and shall not face the front roadway in front of the Lot. All utilities on any Lot must be underground. All front yards of each Lot must have an underground sprinkler system. No structural or non-structural additions shall be permitted without written permission of the Architectural Committee.

Section 13. Access By Association. The Association has a right of entry onto each Lot (but not inside a Dwelling) to the extent reasonably necessary to discharge its rights or duties of exterior maintenance, if any, or for any other purpose reasonably related to the Association's performance of any duty imposed, or exercise of any right granted by this Declaration. The Association shall also have a right of entry and a right of ingress and egress through and across the easement area across Lots 17 and 18 for the limited purpose of maintaining the conservation areas located behind Lots 17 and 18 when such maintenance is required. Such right of entry and access shall be exercised in a peaceful and reasonable manner at reasonable times

and upon reasonable notice whenever circumstances permit. Entry into any Dwelling shall not be made without the consent of its Owner or Occupant for any purpose, except pursuant to Court order or other authority granted by Law. No Owner shall withhold consent arbitrarily to entry upon a Lot by the Association for the purpose of discharging any duty or right of exterior maintenance if such entry is upon reasonable notice, at a reasonable time, and in a peaceful and reasonable manner. The Association's right of entry may be exercised by its agents, employees and contractors.

Section 14. Fences. No fences shall be erected or maintained on any Lot which shall be in excess of six feet in height. No chain link fences are permitted on any Lot except as installed by Declarant as part of the Work. No hedges or shrubbery shall exceed a height of six feet. Fences located in front of the front wall of the living area of the Dwelling are prohibited. All fences shall comply with County regulations and shall be subject to review by the Architectural Committee as provided in Section VI. Any wood fences must be in a shadow box design. Each Owner shall keep the fence maintained so as to keep such fence of a uniform appearance throughout the Lot.

Section 15. Replacement. In the event a Dwelling is damaged or destroyed by casualty, hazard or other loss, then within twelve (12) months after such incident, the Owner shall either rebuild or repair the damaged Dwelling or promptly clear the damaged improvements and re-sod and landscape the Lot in a sightly manner.

Section 16. Mailboxes. The Architectural Committee shall approve standard mailbox designs for use throughout the Property. No mailboxes shall be installed on any Lot which do not meet the standard mailbox designs.

ARTICLE IV THE ASSOCIATION

Section 1. Membership. Every Owner of a Lot is a Member of the Association. If title to a Lot is held by more than one person, each such person is a Member. An Owner of more than one Lot is entitled to one membership for each Lot owned. Each membership is appurtenant to the Lot upon which it is based and is transferred automatically by conveyance of title to that Lot and may not be separated from ownership of a Lot. No person except an Owner may be a Member of the Association, and membership in the Association may not be transferred except by transfer of title to a Lot. An Owner who is a contract seller may assign such Owner's membership and voting rights to such Owner's contract vendee in possession.

Section 2. Voting. The Association shall have two classes of voting membership:

Class A. The Class A Members shall be all Owners, with the exception of Declarant, and shall be entitled to one vote for each Lot owned. When more than one person holds an ownership interest in a Lot, all such persons shall be members. The vote for such Lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any Lot.

Class B. The Class B member shall be the Declarant who shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of the earlier of:

- (a) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership; or
- (b) on the anniversary date two years from the date when the first Lot is conveyed to a Class A Member; or
- (c) on a date specified at the option of the Declarant.

Section 3. Common Area. Subject to the rights and duties of Owners set forth in this Declaration, the Association has exclusive management and control of the Common Area, its improvements, if any, and all related furnishings, equipment, walls, fences and other personal property, if any. The Association's duties with respect to the Common Area include the management and operation of improvements, equipment and personal property, so as to keep all of the foregoing in good, clean, attractive, sanitary, safe and serviceable condition, order and repair; the payment of all taxes validly levied, assessed, or imposed with respect to the Common Area; and the maintenance of adequate public liability and property damage insurance with respect to the Common Area.

Section 4. Exterior Maintenance. The Association has no duty of maintenance with respect to any Lot or Dwelling; and, as more particularly provided in Article II, Section 10 hereinabove, each Owner shall maintain such Owner's Lot and Dwelling, including any appurtenant driveways, in a safe, sanitary and reasonably attractive condition. If:

- (a) any Owner refuses or fails to make any maintenance, repairs, or replacements required by Article II, Section 10, above; and
- (b) as a result, any condition on or adjoining such Owner's Lot becomes a hazard or nuisance to any other Owner, or diminishes or impairs the value or marketability of any other Lot, or is visually objectionable to persons lawfully upon the Property; and
- (c) at least seventy-five percent (75%) of the members of the Board find that the Owner was provided reasonable notice of the failure of repair, maintenance or replacement and the Board's consideration thereof, and such Owner was given a reasonable opportunity to be heard by the Board,;

then, upon the occurrence of all of the foregoing, the Association may make or perform such repairs, maintenance, or replacements as are reasonably necessary to correct such condition and assess all costs so incurred against such Owner's Lot as provided in Article V, Section 4 below.

Section 5. Services. The Association may obtain and pay for the services of any person to manage its affairs to the extent the Board deems advisable, as well as such other personnel as the Board determines are necessary or desirable for the proper operation of the Property, whether such personnel are furnished or employed directly by the Association or by any person with whom it contracts. Without limitation, the Board may obtain and pay for management, legal and accounting services necessary or desirable in connection with the operation of the Property or the enforcement of this Declaration, the Articles, By-Laws, or the rules and regulations.

Section 6. Rules and Regulations. As provided in the By-Laws, the Association, from time to time may adopt, alter, amend, rescind and enforce reasonable rules and regulations governing the use of the Property, consistent with the rights and duties established by this Declaration. The Association's procedures for enforcing its rules and regulations at all times shall provide the affected Owner with reasonable prior notice and a reasonable opportunity to be heard, in person, or through representatives of such Owner's choosing, or both.

Section 7. Capital Improvements. Except for replacement or repair of those items installed by Declarant, if any, which the Association is obligated to maintain hereunder, the Association may not authorize capital improvements to the Common Area without the prior approval of a majority of the Members present and voting in person or by proxy at a meeting duly convened for such purposes as provided in Article VII, Section 2, below.

ARTICLE V ASSESSMENTS

Section 1. Assessments Established. For each Lot, Declarant covenants, and each Owner of a Lot by acceptance of a deed thereto, whether or not it is so expressed in such deed, is deemed to covenant and agree, to pay to the Association:

- (a) an annual assessment, as provided in Section 2 of this Article; and
- (b) special assessments, as provided in Section 3 of this Article; and
- (c) specific assessments; as-provided in Section 4 of this Article; and
- (d) all excise taxes, if any, that from time to time may be imposed by law upon all or any portion of the assessments established by this Article; and .
- (e) interest and costs of collection of such assessments, including reasonable attorney's fees, as provided in this Declaration; and

all of the foregoing are a continuing charge on the Lot and secured by a continuing lien upon the Lot against which each assessment is made, as provided in Section 8, below. Each such assessment, together with excise taxes (if any), interest and all costs and expenses of collection, including reasonable attorney's fees, also is the personal obligation of the person who was the Owner of such Lot when such assessment became due. Such personal obligation will not pass to an Owner's successors in title unless assumed expressly in writing.

Each member shall, through the assessments, share in the expenses of the Association in an amount proportional to a fraction of which the numerator is one and the denominator is the number of platted Lots in the Property. There shall be no assessments of any nature on Class B Lots owned by the Declarant. Declarant, however, while it owns Class B Lots, shall pay the

operating expenses (but no other liabilities) of the Association, including reserves, which exceed the assessments received from Class A Lot Owners and other income of the Association.

Section 2. Annual Assessment. The annual assessment shall be due on January 1st of each year. The annual assessment shall be used exclusively to promote the recreation, health, safety and welfare of the Owners, including (i) the operation, management maintenance, repair, servicing, renewal, replacement and improvements of the Common Area and other areas required to be maintained by the Association and the establishment of reserve accounts therefor; and (ii) the cost of labor, equipment, materials, management and, supervision of the Common Area required to be maintained by the Association; and (iii) all other general activities and expenses of the Association.

Section 3. Special Assessments for Nonrecurring Maintenance and Capital Improvements. In addition to the annual assessment authorized above, the Association may levy special assessments as follows:

(a) In an assessment year, a special assessment (in addition to the annual assessment or the assessment provided in subsection (a) above) which is applicable to that year only for the purpose of defraying, in whole or in part, the cost of any nonrecurring maintenance, or the acquisition, construction, reconstruction, repair or replacement of a capital improvement upon the Common Area required to be maintained by the Association, including fixtures and personal property related thereto may be assessed. The Association shall separately account for the proceeds of such special assessments and proceeds shall be used solely and exclusively to fund the nonrecurring maintenance or improvements in question, provided such assessment first is approved by a majority of the Members present and voting in person or by proxy at a meeting duly convened for such purpose. Any such special assessment shall be due on the date fixed by, and may be payable in one or more installments (with or without interest), as the Board determines.

Section 4. Specific Assessments. Any and all accrued, liquidated indebtedness of any Owner to the Association arising under the provision of this Declaration, or by contract expressed or implied, or because of any act or omission of any owner or person for whom such owner is responsible, also may be assessed by the Association against such Owner's Lot after such Owner fails to pay it within thirty (30) days after written demand.

Section 5. Amount. Until the close of the fiscal year in which the first Lot is conveyed by Declarant, the annual assessment will not exceed \$300.00 per Lot. At least thirty (30) days before the end of each calendar year, the Board shall prepare and distribute to each Owner a proposed budget for the Association's operations during the next ensuing fiscal year. If such budget requires an annual assessment of one hundred fifteen percent (115%) or less of the annual assessment for the fiscal year then ending, the assessment so proposed shall take effect at the commencement of the next ensuing calendar year without further notice to any Owner. However, if such budget requires an annual assessment that is more than one hundred fifteen percent (115%) of the annual assessment then in effect, the Board shall call a membership

meeting on not less than fifteen (15) days prior notice for the purpose of approving such increase. A majority of the votes, pursuant to Article IV, Section 2 of those Members present and voting is sufficient for such approval, and the assessment approved will take effect at the commencement of the next ensuing fiscal year without further notice to any Owner. If the proposed assessment is disapproved, a majority of the Members voting shall determine the annual assessment for the next ensuing fiscal year, which may be in any amount not exceeding that stated in the meeting notice. Each annual assessment may be payable in such number of installments, with or without interest, as the Board determines. In the absence of any action by the Board or the membership to the contrary prior to the commencement of any fiscal year, the annual assessment then in effect automatically will continue for the ensuing year.

Section 6. Commencement. Subject to Section 1 and Section 10, the assessments provided by this Article shall commence as to all Lots on the first day of the first month following Declarant's first conveyance of title to any Lot to a third party and shall be prorated on the basis of the number of months then remaining in the Association's fiscal year.

Section 7. Assessment Lien. All sums assessed to any Lot, together with interest and all costs and expenses of collection, including reasonable attorneys fees, are secured by a continuing lien on such Lot in favor of the Association. Such lien is subject and inferior to the lien for all sums secured by any First Mortgage encumbering such Lot if no lien is recorded in the public records of Escambia County prior to the recording of the First Mortgage, but all other lienors acquiring liens on any Lot after this Declaration is recorded are deemed to consent that such liens are inferior to the lien established by this Declaration, whether or not such consent is set forth in the instrument creating such lien. The recordation of this Declaration constitutes constructive notice to all subsequent purchasers and creditors, or either, of the existence of the Association's lien and its priority. The Association may, but is not required to, from time to time, record a Notice of Lien to further evidence the lien established by this Declaration.

Section 8. Association Remedies. Any assessment not paid within thirty (30) days after its due date shall be deemed delinquent and shall bear interest from its initial due date at the maximum rate of interest allowed by law. The Association may sue the Owner personally obligated to pay such assessment for a money judgment, or it may foreclose its lien against such Owner's Lot, or both. A suit to recover a money judgment for unpaid assessments may be maintained without foreclosing, waiving, or otherwise impairing the security of the Association's lien, or its priority. No Owner may waive or escape liability for the Association's assessments by non-use of the Common Area or by abandonment of such Owner's Lot.

Section 9. Foreclosure. The lien for sums assessed pursuant to this Article may be enforced by a judicial foreclosure in the same manner in which mortgages on real property from time to time may be foreclosed in the State of Florida. In such foreclosure, the Owner is required to pay all costs and expenses of foreclosure including reasonable attorney's fees. All such costs and expenses are secured by the lien foreclosed. Such Owner also is required to pay to the Association all assessments against the Lot that become due during the period of foreclosure, which also are secured by the lien foreclosed and will be accounted and paid as of the date the owner's title is divested by foreclosure. The Association has the right and power to bid at the

foreclosure sale, or to acquire such Lot by deed or other proceeding in lieu of foreclosure, and thereafter to hold, convey, lease, rent, use and otherwise deal with such Lot as its Owner for purposes of resale only. If any foreclosure sale results in a deficiency, the Association may petition the Court having jurisdiction of the foreclosure to enter a personal judgment against the Owner for such deficiency.

Section 10. Exempt Lots. Any and all Lots from time to time owned by the Association are exempt from the assessments established by this Article during the period of such ownership.

Section 11. Lien Subordination. The Association's lien established by the Declaration is subordinate to the lien of any First Mortgage if no lien is recorded in the public records of Escambia County prior to the recording of the First Mortgage. Sale or transfer of any Lot does not affect the assessment lien, except that the sale or transfer of any lot pursuant to a judicial sale upon foreclosure of any First Mortgage, or any deed in lieu thereof, extinguishes the Association's lien as to payments that became due prior to such judicial sale or deed in lieu of foreclosure, without prejudice, however, to the Association's right to collect such amounts from the owners personally liable for their payment. No such sale or transfer relieves such Lot from liability for assessments thereafter becoming due or from the lien thereof. Any lienholder may pay, but is not required to pay, any amount secured by the lien created by this Article; and, upon such payment, such lienholder will be subrogated to all rights of the Association with respect to such lien, including priority.

Section 12. Homestead. By acceptance of a deed thereto, each Owner of each Lot is deemed to acknowledge conclusively that (i) the assessments established by this Article are for the improvement and maintenance of any homestead thereon; and (ii) the Association's lien for such assessments has priority over any such homestead; and (iii) such Owner irrevocably waives the benefit of any homestead exemption otherwise available with respect to all amounts secured by such lien.

ARTICLE VI ARCHITECTURAL CONTROL

Section 1. Authority. No Dwelling, or any other improvement or construction not prohibited in this Declaration, or any color change, or exterior alteration may be made on any Lot unless and until approved by the Architectural Committee ("Committee"). Such approval will not be unreasonably withheld for replacements or reconstructions that conform in design, materials, appearance and quality to that of the original work.

Section 2. Procedure. All applications to the Architectural Committee must be accompanied by reasonably detailed plans and specifications. If the Committee does not approve or disapprove any application within forty-five (45) days after receipt of an application consisting of a complete set of plans and specifications, it shall be deemed approved. In all events, approval must be in writing. The procedures for approval at all times must afford any affected Owner with reasonable prior notice and a reasonable opportunity to be heard in person or by representatives

of such Owner's choosing, or both. The Committee may assess a reasonable fee against the Owner seeking approval for any such review.

The approval or consent of the Committee to any Plans and Specifications for any work done or proposed or in connection with any other matter requiring the approval or consent of the Committee, shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any Plans or Specifications or other matters subsequently or additionally submitted for approval or consent to the same for a different person.

Section 3. Committee Membership. The Committee membership shall be initially composed of James B. Fiveash, Sara G. Fiveash and T. Gary Fiveash, who by majority vote may designate a representative (herein called "Designated Representative") to act for and on behalf of the Committee and to exercise all powers and perform all duties of the Committee. At such time as all of the Lots which are subject to this Declaration have been sold by Declarant, the powers and duties of the Committee shall immediately vest in and be assigned to the Association, and the Committee shall thereafter exist as a committee of the Association under the control of the Board.

Section 4. Replacement. In the event of the death, inability to serve because of disability, or resignation of any member or members of the Committee, the Board shall appoint a successor member or members, and until such successor member or members shall have been so appointed, the remaining member or members shall have full authority to exercise the powers and perform the duties of the Committee.

Section 5. Standards. In reviewing any particular application, the Committee shall consider whether its action will: (i) assure harmony of external design, materials and location in relation to surrounding buildings and topography within the Property; and (ii) preserve the value and desirability of the Property as a residential community; and (iii) be consistent with the provisions of this Declaration; and (iv) be in the best interest of all Owners in maintaining the value and desirability of the Property as a residential community.

Section 6. Time Limit to Build. Construction of a Dwelling (other than by Declarant) shall be completed within two hundred and seventy (270) days from the date of the commencement of construction thereof; provided, however, that the Committee may grant a reasonable time extension upon receipt of a written application for such extension by Owner, which application shall advise the number of days for which the extension is requested and the reason that such extension is necessary. All construction shall be diligently pursued to completion within a reasonable time after such work has begun.

ARTICLE VII GENERAL PROVISIONS

Section 1. Enforcement. The Association, or any Owner has the right to enforce, by any appropriate proceeding, all restrictions, conditions, covenants, easements, reservations, rules, regulations, liens and charges now or hereafter imposed by, or pursuant to, the provisions of this

Declaration. If any Owner or the Association is the prevailing party in any litigation involving this Declaration, then such party also has the right to recover all costs and expenses incurred, including reasonable attorneys' fees for all trial and appellate proceedings, if any. If the Association employs an attorney to enforce the provisions of this Declaration against any Owner, regardless of whether suit is brought, the costs and expenses of such enforcement, including reasonable attorneys' fees, may be assessed against such Owner's Lot as provided in Article V, Section 4. Failure by the Association or any Owner to enforce any provisions contained in this Declaration does not constitute a waiver of the right to do so at any time. Declarant also has the right to enforce all provisions of this Declaration relating to the use, maintenance, and preservation of the Property; and, if Declarant is the prevailing party in any litigation involving this Declaration, to recover all of Declarant's costs and expenses incurred, including reasonable attorneys' fees.

Section 2. Meeting Requirements. Wherever any provision of this Declaration, the Articles or the By-Laws requires any action to be approved by seventy-five percent (75%) or more of the votes, pursuant to Article IV, Section 2, of membership at a meeting duly convened for such purpose, written notice of such meeting must be given to all Members not less than fifteen (15) days in advance, setting forth its purpose. At such meeting the presence in person or by proxy of Members entitled to cast at least fifty percent (50%) of the votes, pursuant to Article IV, Section 2, outstanding constitutes a quorum.

Section 3. Rights of Mortgagees. By agreement between any owner and the holder of any mortgage on such Owner's Lot, any and all membership rights of such Owner may be assigned to, and exercised by, such Mortgagee as collateral or additional security for performance of the obligations secured by such mortgage; but no such assignment or delegation will bind the Association until the Association has received written notice thereof.

Section 4. Severability. Invalidation of any particular provision of this Declaration by judgment or court order will not affect any other provision, all of which will remain in full force and effect provided, however, any court of competent jurisdiction is hereby empowered, to the extent practicable, to reform any otherwise invalid provision of this Declaration when necessary to avoid a finding of invalidity which impedes Declarant's intent of providing a comprehensive plan for the use, development, sale and beneficial enjoyment of the Property.

Section 5. Amendment. The provisions of this Declaration will run with and bind the Property, and will inure to the benefit of and be enforceable by the Association for so long as the Property is used in whole or in part as a residential community, and in all events, for at least twenty-five (25) years following the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten years. This Declaration may be amended during the first twenty-five (25) year period by an instrument signed by Members entitled to cast not less than eighty percent (80%) of the votes pursuant to Article IV, Section 2 hereof, and thereafter by an instrument signed by Members entitled to cast not less than sixty percent (60%) of the votes pursuant to Article IV, Section 2, hereof. No amendment shall be effective which shall impair or prejudice the rights or priorities of the Declarant or any First Mortgagee without the specific written Approval of the Declarant or any First Mortgagee affected thereby. No

amendment shall be effective to modify any provision regarding the surface water management system or water management portions of the Plat without the prior written approval of any applicable governmental body.

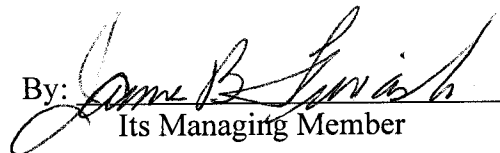
Section 6. Annexation of Additional Property. The Association may, subject to compliance with Section 4 above, add lands to the Property described herein, by the filing of a supplemental declaration, declaring such annexed lands to be subject to the provisions hereof, with such modifications and additions as may be applicable to such annexed lands. Upon the filing of such a supplemental declaration, the Lots and lands annexed thereby shall become subject to this Declaration, to the assessment provisions hereof, and to the jurisdiction of the Architectural Committee and the Association.

Section 7. Easements for De Minimis Unintentional Encroachments. Where necessary and appropriate, Declarant and/or the Association, whichever is in control of the particular portion of the Property at the time, may grant easements for de minimis unintentional encroachments.

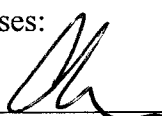
Section 8. Interpretation. Unless the context expressly requires otherwise, the use of the singular includes the plural, and vice versa; the use of the terms "including" or "include" is without limitation; the terms "Common Area", "Lot", and "Property" include both any portion applicable to the context and any and all improvements, fixtures, trees, vegetation, and other property from time to time situated thereon; and use of the words "must", "will" and "should" is intended to have the same legal effect as the word "shall". This Declaration should be construed in favor of the party seeking to enforce its provisions to effectuate its purpose of protecting and enhancing the value, marketability, and desirability of the Property as a residential community by providing a common plan for their development and enjoyment.

IN WITNESS WHEREOF, we have executed this Declaration this 16 day of March, 2007, at Escambia County, Florida.


JBF Investments, LLC, a Florida limited liability company

By: 
Its Managing Member

Witnesses:



Signature of Witness #1

Charles L Hoffman, Jr.
Printed Name of Witness #1


Signature of Witness #2

Monicas.cone
Printed Name of Witness #2

The foregoing instrument was acknowledged before me this 16th day of March, 2007, by James B. Fiveash, the managing member of JBF Investments, LLC, on behalf of the company. He is personally known to me.



NOTARY PUBLIC
Charles L Hoffman, Jr.
Printed Name of Notary Public

PREPARED BY AND RETURN TO:
CHARLES L. HOFFMAN, JR., OF
SHELL, FLEMING, DAVIS & MENGE, P.A.
226 PALAFOX PLACE
SEVILLE TOWER - NINTH FLOOR
PENSACOLA, FLORIDA 32501

