



101.00

**DECLARATION OF COVENANTS,  
CONDITIONS AND RESTRICTIONS**

**VILLA DE PALMAS SYKES COVE SECTION 1  
BREVARD COUNTY, FLORIDA**

REC. FEE \$ 101.00 REC'D PAYMENT AS  
DOC ST \$ \_\_\_\_\_ INDICATED EGN CLASS  
INT TAX \$ \_\_\_\_\_ C. INTEREST & DOC  
SER CHG \$ \_\_\_\_\_ STAMP TAXES SIGNED  
REFUND \$ \_\_\_\_\_

*Alcedo*

THIS DECLARATION, made as of the 22 day of DECEMBER 1986, by RIVERSIDE GROUP, INC., a Florida corporation formerly known as Western Grain International, Inc., hereinafter referred to as "Declarant."

**RECITALS**

A. Declarant is the owner of certain property in Brevard County, Florida (the "Property"), described as Villa de Palmas, Sykes Cove Section 1, according to the plat thereof as recorded in Plat Book 39, Page 39 of the public records of Brevard County, Florida.

B. Declarant intends to develop the Property as a neighborhood of single family homes.

C. To preserve and enhance the Property, Declarant wishes to subject the Property to the covenants, conditions and restrictions of this Declaration.

D. Additional properties within the community known as Sykes Cove at Villa De Palmas may be annexed to the Property and made subject to this Declaration. Such additional properties may be developed for single-family, townhouse or multi-family use.

E. Although the Property as originally established will contain no common area, Declarant anticipates that a landscaped entrance island and other common area may be contributed later. To maintain any common area which may be contributed, and to ensure the long-term maintenance of the Property, Declarant wishes to provide for the later establishment of a homeowners' association, all for the benefit of the Property and each owner of a portion thereof.

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**DECLARATION**

NOW, THEREFORE, Declarant hereby declares that the Property shall be held, sold and conveyed subject to the following conditions, restrictions, easements, limitations and covenants hereinafter set forth which are for the purpose of protecting the value and desirability of, and which shall run with, the real property and be binding upon all parties having any right, title or interest in the described properties or any part thereof, their legal representatives, heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

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**ARTICLE I**

**DEFINITIONS**

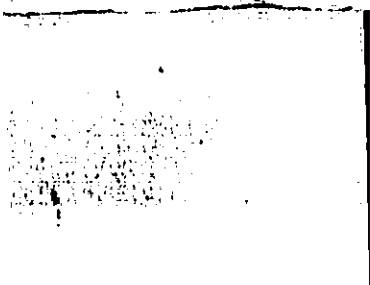
The following definitions shall apply wherever the capitalized terms appear in this Declaration:

(a) "Association" shall mean and refer to the nonprofit corporation which may be formed in accordance with this Declaration, its successors and assigns. The proposed name for the Association is Sykes Cove Community Association, Inc.

PREPARED BY:  
R.A. BECKER  
P.O. BOX 1914  
TARBENT ISLAND FL.

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- (b) "Board" shall mean and refer to the Board of Directors of the Association.
- (c) "Bylaws" shall mean and refer to the Bylaws of the Association. The form of the initial Bylaws, as proposed, is attached to this Declaration.
- (d) "Common Area" shall mean any real property or easement rights specifically granted to the Association, which shall be owned by the Association for the common use and enjoyment of the Owners, subject to utility easements granted on, in and under the Common Area for the benefit and use of the Property and any other recorded easements. The Common Area is not dedicated for the use of the general public.
- (e) "Declarant" shall mean and refer to Riverside Group, Inc., its successors and assigns. Declarant may assign any of its rights to any person or entity (including the Association), and may assign all of its rights under this Declaration to any purchaser of any portion of Sykes Cove, who shall then become the Declarant for all purposes under this Declaration.
- (f) "Lot" shall mean and refer to any plot of land identifiable by block and lot number as shown upon a recorded subdivision map of the Property.
- (g) "Member" shall mean and refer to every person or entity entitled to membership in the Association.
- (h) "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot, but shall not include those having such interest merely as security for the performance of an obligation.
- (i) "Property" shall mean and refer to the property defined above and any additional property added in accordance with this Declaration.
- (j) "Sykes Cove" shall mean and refer to all of that property described on Exhibit A.

## ARTICLE II

### COVENANTS AND RESTRICTIONS

Section 1. Single Family Residence Only. Except as provided elsewhere in this Declaration, no structure shall be erected, altered or permitted to remain on any Lot other than for use as a single family residence. No building on any Lot shall be owned, rented or leased separately from the ownership, rental or lease of the entire Lot. No trailer, basement, garage or any outbuilding of any kind (other than a guest house or servants' quarters, if otherwise permitted) may be used as a residence either temporarily or permanently.

Section 2. Lot Description. Only one residence may be built on a Lot. No Lot shall be further subdivided or separated into smaller parcels without the consent of the Declarant; provided, however, that this shall not prohibit corrective deeds or similar corrective instruments. Each Lot shall be conveyed as a separately designated and legally described freehold estate subject to the terms, conditions and provisions of this Declaration.

Section 3. Minimum Square Footage. The residence constructed on the Lot must be of at least the following minimum size, exclusive of screened porches, garages and storage rooms:

- (a) For a one-story residence which is not waterfront, 1,800 square feet.

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(b) For a one and one-half story, split-level or two-story residence, or a waterfront residence, 2,000 square feet.

**Section 4. Maximum Height.** Unless approved in writing by Declarant, the height of the main residence on each Lot shall be no more than two full stories above the normal surface of the ground.

**Section 5. Setbacks: Other Requirements.**

(a) **Front lot line.** No building or part of a building, except eaves and cornices, shall be located nearer than twenty-five (25) feet to the front lot line. The front lot line of all Lots, including canal Lots, is the right-of-way line of the street on which it fronts.

(b) **Side lot lines.** No building or part of a building, except eaves and cornices, shall be located nearer than seven and one-half (7-1/2) feet to one side lot line, or nearer than ten (10) feet to the other side lot line. If the side of the lot is bounded by a street, the building may not be constructed nearer than fifteen (15) feet to the right-of-way line of the street.

(c) **Fences, walls and hedges.** No fence or wall may be built, or hedge maintained, forward of the front line of the main residence, except that small privacy gardens known as "lanais" may be fenced or walled with the written consent of Declarant. On a corner Lot, no fence or wall may be built, or hedge maintained, closer than 25 feet to a right-of-way line. The height of fences, walls and hedges is restricted to no more than six feet from the normal surface of the ground. All fence and wall supports shall be constructed on the residence side of the fence. If in Declarant's judgment any fence, wall, hedge, shrub, bush, tree or any other object, natural or artificial, will obstruct the view of motorists upon any street within the Property, Declarant shall have the right but not the obligation to require the Owner to remove it.

(d) **Other structures.** With the consent of Declarant, buildings, structures or objects may be erected within the rear yard at least 25 feet away from any street. All structures shall be walled, fenced or sufficiently landscaped so as to be shielded from view from outside the Lot.

**Section 6. Garage.** No carports shall be built on any Lot. Each house shall have a garage with a capacity of at least two automobiles, equipped with automatic garage door openers. No fiberglass garage doors are permitted.

**Section 7. No Parking of Vehicles, Boats, etc.** Wheeled vehicles of any kind, boats or any other offensive objects may not be parked or kept on any part of a Lot forward of the house, except that private automobiles without commercial signs may be parked in the driveway. Boats, recreational vehicles, trailers, mobile homes, pick-up trucks, camping trailers and all commercial vehicles must be completely housed within the closed garage. All vehicles and boats shall be in good running condition; repair of vehicles or boats (other than emergency repair) or storage of disabled vehicles or boats is not permitted within the Property.

**Section 8. Air Conditioners.** No air conditioning units shall be installed on the front of any building (or the side of a building which faces a street), unless previously approved in writing by Declarant. Air conditioning units may be installed at the side or back of the residence, provided they are at least three and one-half (3-1/2) feet from the closest property line. Each unit must be adequately and ornamentally screened if visible from the street.

**Section 9. No Overhead Wires.** All telephone, electric and other utility lines and connections between the main utility lines and the residence and other buildings located on each Lot shall be concealed and located underground so as not to be visible. Electric service is provided by Florida Power and Light, through underground primary service lines running to transformers. Developer

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shall have no responsibility or liability for the maintenance, operation, safety, repair or replacement of any electrical system serving any improvements on a Lot.

**Section 10. Completion of Construction.** Once construction of any building is begun, work shall be diligently continued until full completion. The main residence and all related structures shown on the plans and specifications approved by Declarant must be completed within eight (8) months after the start of construction unless such completion is made impossible as the direct result of strikes, fires, national emergencies or other calamities outside the control of the builder. Prior to completion of construction, the Owner shall install at his expense a suitable concrete driveway from the paved portion of the street to his garage entrance. During construction on any Lot, all delivery trucks and other vehicles involved in the construction (except those heavy enough to damage the driveway) shall enter the Lot only at this location.

**Section 11. No Temporary Structures.** No mobile homes, trailers, sheds, shacks or tents or other structures of a temporary nature (except adequate sanitary toilet facilities for workers during the course of construction) shall be erected or permitted to remain on any Lot. No picnic areas and no detached outbuilding shall be erected or permitted to remain on any Lot prior to the start of construction of a permanent residence.

**Section 12. Signs.** No sign of any character shall be displayed or placed upon any Lot except "For Rent" or "For Sale" signs, which signs may refer only to the particular premises on which displayed, and shall be of materials, size, height and design specified by Declarant. Declarant may enter upon any Lot and summarily remove any signs which do not meet the provisions of this section.

**Section 13. Aerials and Antenna.** No radio or television aerial, antenna, satellite dish or any other exterior electronic equipment or devices of any kind shall be installed or maintained on any Lot or the exterior of any structure located on a Lot without the permission of Declarant.

**Section 14. Mail Boxes.** No mail box or paper box or other receptacle of any kind used in the delivery of mail, newspapers, magazines or similar material shall be erected on any Lot unless the size, location, design and type shall have been approved by Declarant. When the United States mail service or the newspaper or newspapers involved begins making delivery to wall receptacles attached to the residence, each Owner shall replace the boxes or receptacles previously employed for such purpose with wall receptacles.

**Section 15. Pets.** No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot, except that a reasonable number of dogs, cats or other household pets which are not kept, bred or maintained for any commercial purposes may be kept by an Owner on his Lot if such pets do not cause a disturbance or annoyance on the Property. Pets shall not be permitted to run free. If any pet becomes dangerous or an annoyance or nuisance to other residents of the Property or surrounding areas, or destructive of wildlife or Property, the pet must be permanently removed from the Property. Each Owner shall be responsible for any and all damage caused by pets.

**Section 16. No Offensive Activities.** No illegal, noxious or offensive activity shall be permitted on any part of the Property nor shall anything be permitted or done which is, or may become, a nuisance to others within the Property. Every Owner shall maintain his Lot and all improvements on it in good order and repair, free from trash, garbage, rubbish, debris, waste material, or other refuse. Grass must be mowed regularly and landscaping must be regularly maintained. No fires for burning of trash, leaves, clippings or other refuse shall be permitted on any Lot or road right of way.

**Section 17. Well Limitation; Water Supply.** The central water supply system now established for the Property shall be used as the sole source of water for all water spigots and outlets within all

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buildings and improvements located on each Lot. Each Owner shall, at his expense, connect his water lines to the water distribution main provided to serve that Owner's Lot and shall pay water meter charges established or approved by the appropriate regulatory authority. After such connection, each Owner shall pay when due the periodic charges or rates for furnishing of water made by the supplier thereof. No individual water supply system or well shall be permitted on any Lot except solely to supply water for use on the Lot for air-conditioning, heating, irrigation, swimming pools or other exterior use. All pumps shall be located on the side or rear yard. Any pump within a side yard must be adequately or ornamentally screened so as to be shielded from view from the street.

**Section 18. Sewage Disposal.** Each Owner, at his expense, shall connect his sewage disposal line to the sewage collection line provided to serve that Owner's Lot. After such connection, each Owner shall pay when due the periodic charges or rates for the furnishing of such sewage collection and disposal service. No septic tank or other private sewage disposal unit shall be installed or maintained on any Lots and no sewage shall be discharged onto the open ground or into any river, marsh, pond, park, ravine, drainage ditch or canal access way, unless required by the appropriate governmental authority.

**Section 19. Waterfront Lots.** The following applies to all waterfront Lots:

(a) **No commercial use.** The waterfront of the Property shall not be used for any commercial purpose, or for any other use which is objectionable to Declarant or a majority of Owners of waterfront Lots within the Property.

(b) **Waste.** No trash, garbage, sewage, waste water (other than surface drainage and water discharged from swimming pools), rubbish, debris, ashes or other refuse shall be deposited in the water.

(c) **Bulkhead Line.** No Lot shall be increased in size beyond the established bulkhead by filling in the waters on which it abuts. No changes in elevations of the land shall be made which will cause undue hardship to adjoining property.

(d) **Docks.** No docks, boat slips, mooring pilings or any other construction shall be erected on the waterfront without the written consent of Declarant, in addition to any other federal, state or local permit required. No plan will be approved if it is deemed to cause undue hardship to adjoining property owners.

**Section 20. Construction: Sales Offices.** Nothing contained in this Declaration shall prevent Declarant or any person designated by Declarant from erecting or maintaining such commercial or display signs and such temporary dwellings, model houses, sales offices and other structures that Declarant may deem advisable for development of the Property or selling of Lots.

### ARTICLE III

#### ARCHITECTURAL REVIEW

**Section 1. Construction Subject to Review.** No construction, modification, alteration or improvement of any nature whatsoever (except interior alterations not affecting the external structure or appearance) shall be undertaken on any Lot unless and until a plan of such construction or alteration shall have been approved in writing by the Declarant in accordance with this Article. Modifications subject to architectural control specifically include, but are not limited to, painting or other alteration of a building (including doors, windows and roof); installation of antennas, satellite dishes or receivers, solar panels or other devices; construction of fountains, swimming pools, whirlpools or other pools; construction of walls or fences; addition of awnings, gates, flower

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boxes, shelves, statues or other outdoor ornamentation or patterned or brightly colored window coverings; and any alteration of the landscaping or topography of the Lot, including without limitation any planting, cutting or removal of trees or plants.

**Section 2. Procedures.** The plans to be submitted for approval shall include (a) the construction plans and specifications, including all proposed grading and landscaping, (b) an elevation or rendering of all proposed improvements, and (c) such other items as Declarant may deem appropriate. If Declarant fails to approve or disapprove the plans within thirty (30) days after submission of all requested plans and specifications, approval shall be deemed to have been granted unless the applicant agrees to an extension. Declarant shall have the right to charge a reasonable fee for its review of plans.

**Section 3. Basis for Decision.** The Declarant shall approve or disapprove the application in its discretion, based on the nature, kind, shape, height, materials and location of the proposed improvements, harmony with surrounding structures and topography, and other factors, including purely aesthetic considerations, which in the sole opinion of the Declarant will affect the desirability or suitability of the construction. Declarant reserves the right to grant variances from the provisions of this Declaration based on architectural merit or existing landscape conditions.

**Section 4. Construction.** If approval is given or deemed to be given, construction of the improvements applied for may be begun, provided that all such construction is in accordance with the submitted plans and specifications. Declarant shall have the right to enjoin any construction not in conformance with approved plans and specifications, and shall have all other remedies at law or equity.

**Section 5. Liability.** Approval by Declarant shall not constitute a basis for any liability of Declarant or any officer thereof as regards failure of the plans to conform to any applicable building codes or inadequacy or deficiency in the plans resulting in defects in the improvements.

#### ARTICLE IV

#### ASSOCIATION

**Section 1. Creation.** Because the Property as originally established by this Declaration does not include any Common Area, no Association will be created at the time of the recording of this Declaration. An Association may be formed at any time in the future by the filing of Articles and Bylaws, in substantially the same form as those attached as Exhibits B and C, by either of the following:

- (a) Declarant, so long as Declarant is the Owner of any property within Sykes Cove, or
- (b) When Declarant no longer owns any property in Sykes Cove or five years from the date of this Declaration, whichever occurs first, by a majority of the Owners of Lots within the Property.

Upon creation, the Association shall be responsible for maintenance of any Common Area and the exercise of any rights granted to it by this Declaration or Declarant.

**Section 2. Membership.** Upon creation of an Association in accordance with Section 1, every Owner of a Lot shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot.

**Section 3. Voting Rights.** The Association shall have two classes of voting members as follows:

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**Class A.** Class A Members shall be all Owners with the exception of Declarant while it is a Class B Member. Class A Members shall be entitled to one vote for each Lot owned. When more than one person holds an interest in a given Lot, all such persons shall be members and the vote for such Lot shall be exercised as they may determine among themselves.

**Class B.** The Class B Member shall be Declarant, who shall be entitled to three votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership, but no later than five years after the date of creation of the Association.

**Section 4. Annexation of Additional Property.** As development of Sykes Cove continues, it may be efficient to annex additional properties to the Property subject to this Declaration, so that the Property and the additional property would be considered as a single property, subject to this Declaration and administered by the Association. Alternatively, it may be desirable to add additional homeowners within Sykes Cove as members of the Association, so that the Association would administer two or more properties, each of which would be subject to separate declarations. Such annexation or expansion may be accomplished in either of the following ways:

(a) **By Declarant.** Declarant shall have the right, but not the obligation, for a period of thirty (30) years from the date hereof, from time to time in its sole discretion, to annex to the Property other properties within Sykes Cove, or to add additional homeowners within Sykes Cove as members of the Association. In the event of such annexation or expansion, Declarant shall have the right to change the name of the Association or the Declaration or both to more accurately reflect the interests of the resulting Association or Property.

(b) **By Owners.** Beginning five years after the date of this Declaration, additional property may be annexed, or additional homeowners added as members of the Association, by the consent in writing of a majority of the Class A Members, and the assent of the Class B Member, if any.

**Section 5. Management Agreements.** The Association shall have the right to employ professional management, and each Owner agrees to be bound by the terms and conditions of all management agreements entered into by the Association. A copy of all such agreements shall be available to each Owner. Any and all management agreements entered into by the Association shall provide that said management agreement may be cancelled at any time by an affirmative vote of a majority of the Members of the Association.

**Section 6. Action Without Meeting; Proxies; Telephone Conferences.** Any action required under this Declaration or Bylaws to be taken by vote or assent of the Members may be taken in the absence of a meeting (or in the absence of a quorum at a meeting) by obtaining the written approval of the requisite percentage of the Membership. Any action so approved shall have the same effect as though taken at a meeting of the Members, and such approval shall be duly filed in the minute book of the Association. Members present by proxy or by telephone conference shall be considered as present at a meeting for the purposes of a quorum, and may vote in any matters presented for a vote of the membership.

**Section 7. Assignment of Declarant's Rights.** Declarant may at any time assign any or all of its rights under this Declaration to the Association, to be exercised either exclusively by the Association or concurrently with the Declarant, as determined by Declarant at the time of the assignment. When Declarant no longer owns any property in Sykes Cove, all of Declarant's rights under this Declaration shall be automatically assigned to the Association.

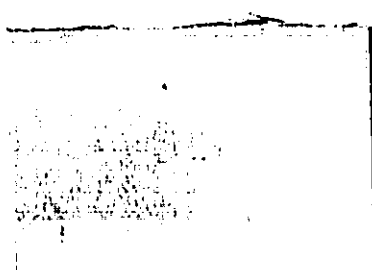
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ARTICLE V  
COMMON AREA

Section 1. Conveyance of Common Area. Declarant may, but is not required to, convey to the Association certain real property which shall upon conveyance be considered Common Area. The Association shall be required to accept conveyance of the Common Area.

Section 2. Maintenance. After conveyance, the Association shall maintain all improvements upon the Common Area, including, but not limited to, signs, trees, shrubs, grass, walks, roads, driveways, parking areas, painting and other maintenance and repair of improvements and equipment located on the Common Area.

Section 3. Damage. If any Common Area or part thereof is damaged through the negligent or wilful acts of an Owner, his family, guest or invitee, the cost of any necessary repair shall be assessed to that Owner as an Individual Lot Assessment, as that term is defined below.

ARTICLE VI  
ASSESSMENTS

Section 1. Obligation for Assessments. Declarant, for each Lot owned within the Property, hereby covenants, and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association after the Association's creation the following (to be known collectively as "Assessments"):

- (a) General Assessments, both Annual and Special, and
- (b) Individual Lot Assessments for any charges particular to that Lot,

together with a late fee, interest and cost of collection when delinquent, including a reasonable attorney's fee whether or not suit is brought.

Section 2. General Assessments.

(a) Purpose. The General Assessments levied by the Association, both Annual and Special, shall be used exclusively for the improvement, maintenance and operation of the Common Area, real property taxes on the Common Area (unless such taxes are included in the individual tax assessments on each Lot) and the management and administration of the Association. Such expenses may include, without limitation, the cost of wages, materials, insurance premiums, services, supplies and reasonable amounts, as determined by the Board, for working capital and for reserves.

(b) Rate. Annual General and Special Assessments shall be assessed uniformly based on the number of Lots owned by each Owner; provided, however, that any Lot owned by the Class B Member that consists of a Lot upon which no building is substantially complete shall, for assessment purposes only, be considered as one-fourth of a Lot.

Section 3. Individual Lot Assessments.

(a) Lot Maintenance. Each Owner shall be responsible for the improvement, maintenance and repair of his Lot or Lots and all improvements, including both the interior and

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exterior of buildings, and no such costs may be included within the Annual or Special General Assessments. If the Board determines in its discretion that any Owner has failed to maintain any part of his Lot, including improvements, in good order and repair, free from debris, the Association, by a majority vote of the Board and ten (10) days after notice to the Owner, shall have the right without liability to enter upon such Lot to correct, repair, restore, paint and maintain any part of the Lot and to have any objectionable items removed. All costs related to such action shall be assessed to the Owner as an Individual Lot Assessment.

(b) Other Charges. The Association may levy at any time an Individual Lot Assessment against a particular Lot for any other charges designated in this Declaration as an Individual Lot Assessment.

Section 4. Date of Commencement of Annual General Assessments; Due Date.

(a) First Year. The Annual General Assessments shall commence as to all Lots on the first day of the month following the creation of the Association. The first Annual General Assessments shall be adjusted according to the number of months remaining in the calendar year.

(b) Subsequent Years. The Board shall fix the amount of the Annual General Assessment for each Lot at least thirty days in advance of each calendar year and send notice of the assessment level to each Owner. The due dates shall be established by the Board, and unless the Board determines otherwise, each Owner shall be required to pay the stated assessment in a single, annual installment. The failure or delay of the Board in setting the Assessment level shall not constitute a waiver or release of an Owner's obligation to pay Annual General Assessments whenever the amount of such assessments is finally determined, and in the absence of notice of the new assessment level, each Owner shall continue to pay the assessment at the previous rate until notified otherwise.

Section 5. Special Assessments. In addition to the Annual General Assessments authorized above, the Association may levy, in any assessment year, a Special Assessment applicable to that year and not more than the next four succeeding years for the purpose of defraying, in whole or in part, the following:

(a) the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, or

(b) the cost of any unusual or emergency matters (including, after depletion of any reserves, any unexpected expenditures not provided in the budget or unanticipated increases in the amounts budgeted).

Any such Special Assessment which is more than half the amount of the Annual Assessment shall require the consent of a majority of Class A members at a meeting called for that purpose, and the assent of the Class B member, if any.

Section 6. Effect of Nonpayment of Assessments; Remedies of the Association.

(a) Late Fees; Interest. Any Assessment not paid when due shall be delinquent. If the Assessment is not paid within thirty days after the due date, the Assessment shall bear interest from the date of delinquency at the maximum rate allowed by law (or such lower rate approved by the Board), plus late fees determined by the Board.

(b) Nature of Obligation. All Assessments, along with any late fee, interest, and costs of collection when delinquent (including a reasonable attorney's fee, whether or not suit is brought) shall be charged on the land and shall be a continuing lien upon the Lot to which the

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charges relate. In addition, all such Assessments and charges shall be the personal obligation of the person or entity who was the Owner of such Lot at the time when the Assessment was levied, and of each subsequent Owner. Each Owner, by acceptance of title, expressly vests in the Association the right and power to bring all actions against such Owner personally for the collection of the charges as a debt and to enforce the charges by all methods available for the enforcement of liens, including foreclosure by an action brought in the name of the Association in a like manner as a foreclosure of a mortgage lien on real property. No Owner may waive or otherwise escape liability by non-use of the Common Area or abandonment of the Lot to which the Assessments or charges relate.

(c) Action on Lien. The lien provided for in this Section shall be in favor of the Association and shall be for the benefit of all other Owners. The Association, acting on behalf of the Owners, shall have the power to bid at a foreclosure sale and to acquire and hold, lease, mortgage and convey the same, and to subrogate so much of its right to such liens as may be necessary or expedient for an insurance company continuing to give total coverage notwithstanding nonpayment of such defaulting owners' portion of the premium. Each Owner hereby expressly grants to the Association a power of sale in connection with such lien.

(d) Subordination of the Lien to Mortgages. The lien of the Assessments provided for herein shall be subordinate to the first mortgage lien of any bank, savings and loan association or other institutional mortgagee. Sale or transfer of any Lot shall not affect the Assessment lien; however, the sale or transfer of any Lot pursuant to foreclosure of such a mortgage or any proceeding in lieu thereof shall extinguish the lien of such Assessments which became due prior to such sale or transfer. No sale or transfer shall relieve the transferees of such Lot from liability for any Assessments thereafter becoming due or from the lien for such new Assessments.

Section 7. Transfer of Title: Certificates. To assist the Association in maintaining a current list of Owners, any Owner (other than Declarant) who wishes to convey title to a Lot shall, at least ten (10) days prior to the conveyance, provide the Association with the name and address of the intended purchaser. Failure to so notify the Association shall make the Owner liable for a fine of up to \$250, which may be assessed to the Owner as an Individual Lot Assessment. The Association shall have the right but not the obligation to notify the intended purchaser of any unpaid assessments relating to the Lot being conveyed. In addition, the Association shall, upon demand and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments for the specified Lot have been paid. Such certificates shall be conclusive evidence of payment of assessments therein stated to have been paid.

Section 8. Exempt Property. All properties dedicated to and accepted by a local public authority or utility shall be exempt from Assessments. However, no land or improvements devoted to residential or commercial use shall be exempt from such Assessments.

## ARTICLE VII

### EASEMENTS

Section 1. Utilities. A perpetual easement is hereby reserved to Declarant, its successors, agents, assigns and licensees along, over, under, above and through a seven and one-half (7-1/2) foot strip along the front, side and rear of each Lot for the existence, installation and maintenance of gas, water, electric and sanitary and storm sewer lines and other utility installations of every kind.

Section 2. Encroachment. Each Lot and the Common Area are hereby made subject to, and are benefited by, reciprocal easements for minor encroachments due to accidental placement, settling or shifting of the improvements constructed thereon, provided such construction is otherwise in accordance with the terms of this Declaration. No easement for encroachment shall exist as to any

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encroachment occurring due to the willful or grossly negligent conduct of an encroaching Owner or for any encroachment which substantially impairs the use of the burdened property.

Section 3. Roads. Nothing in this Declaration shall be construed to permit any Owner to use any Lot for road purposes or easements to any lands not contained within the Property.

#### ARTICLE VIII

#### INSURANCE; CASUALTY

Section 1. Insurance. Except as required by law, the Board may, but is not required to, obtain such insurance as is reasonable, considering the value of the property to be insured, potential liability and the cost of such insurance. Such insurance includes but is not limited to the following:

(a) Insurance on Common Area, including extended coverage, vandalism, malicious mischief and windstorm endorsements and other coverage deemed desirable by the Board.

(b) Public Liability in such limits as the Board may from time to time determine, insuring against any liability arising out of, or incident to, the ownership and use of the Common Area.

(c) Director Liability Insurance insuring against personal loss for actions taken by members of the Board in the performance of their duties.

The cost of all insurance stated above shall be an Association expense and shall be included in the Annual General Assessments.

Section 2. Lots. Each Owner shall obtain and maintain at his own expense fire insurance and insurance against the perils customarily covered by an extended coverage endorsement in an amount not less than the full insurable value of the improvements, based upon replacement. Owners are responsible for insuring against personal property damage and loss, personal liability for that Lot and any other type of insurance the Owner may desire.

Section 3. Repair and Reconstruction after Fire or Other Casualty.

(a) Common Area. If fire or other casualty damages or destroys any of the improvements on the Common Area, the Board shall arrange for and supervise the prompt repair and restoration of such improvements substantially in accordance with the plans and specifications under which the improvements were originally constructed, or any modification approved by the Declarant. The Board shall obtain funds for such reconstruction first from the insurance proceeds, then from reserves for the repair and replacement of such improvements, and then from any Special Assessments that may be necessary after exhaustion of insurance and reserves.

(b) Lots. If fire or other casualty damages or destroys a house, commercial building or any other improvements on a Lot, the Owner of that Lot shall immediately proceed to rebuild and restore the improvements to the condition existing immediately prior to such damage or destruction, unless other plans are approved by the Declarant.

(c) Insurance Proceeds: Performance of Work. All insurance proceeds received by the Association shall be deposited in a bank or other financial institution, the accounts of which are insured by a federal governmental agency, with the provision agreed to by said bank or institution that such funds may be withdrawn only by signature authorized by the Board or an agent authorized by the Board. The Board may advertise for sealed bids with any licensed contractor,

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and may negotiate with any contractor, who shall be required to provide a full performance and payment bond for the repair or reconstruction.

ARTICLE IX  
GENERAL PROVISIONS

Section 1. Enforcement.

(a) Restrictive Covenants. The Association, Declarant or any Owner shall have the right to enforce, by any proceeding at law or in equity, all restrictions and covenants of Article II. Certain nonjudicial rights of enforcement are given to the Association elsewhere in this Declaration. In addition, Declarant shall have the right, but not the obligation, to enter upon the Lot where such violation exists (including, without limitation, Owner's obligation to keep his Lot in good order and repair, free from debris) and summarily abate, correct or remove the violation, all at the expense of the Owner of such Lot. Such expense shall be payable by such Owner to the Declarant on demand and shall be secured to Declarant in the same manner as an Individual Lot Assessment. Such entry and abatement, correction or removal shall not be deemed a trespass or make Declarant liable in any way for any damages.

(b) Costs. Any and all costs, including but not limited to attorneys' fees and court costs, which may be incurred by the Association or the Declarant in the enforcement of any of the provisions of this Declaration, regardless of whether such enforcement requires judicial action, shall be payable by the Owner to the Association or Declarant as applicable and shall be secured in the manner of an Individual Lot Assessment. Owners found in violation of the restrictive covenants shall be obliged to pay attorney's fees to the successful plaintiff in all actions seeking to prevent, correct or enjoin such violations or in damage suits thereon.

(c) Association's Failure to Act. If the Association fails or refuses to enforce any of its rights under this Declaration or assigned to it by Declarant, including without limitation the right to require all Owners to keep their Lots in good order and repair, Declarant shall have the right but not the obligation to act on behalf of the Association and shall have all rights and remedies permitted the Association, including but not limited to the right to assess the Owner for the Declarant's costs and to secure that charge in the same manner as an Individual Lot Assessment.

(d) No Waiver. Failure by the Association, Declarant or any Owner to enforce any provision shall not be deemed a waiver of the right to do so thereafter.

Section 2. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions, which shall remain in full force and effect.

Section 3. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land for a term of thirty (30) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years unless an instrument signed by the then Owners holding 75% of the voting power in the Association and the Declarant shall have been recorded, agreeing to terminate all of said provisions as of a specified date, which shall be not earlier than the expiration of an extended term of one (1) year from the date of such recording. Unless this Declaration is so terminated, the Association shall rerecord this Declaration or other notice of its terms at intervals necessary under Florida law to preserve its effect. This Declaration may be amended at any time by an instrument in writing signed by owners holding two-thirds of the total voting power of the Association, which amendment shall become effective upon recordation in the public records of Brevard County, Florida; provided, however:

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(a) As long as Declarant is an Owner of any unsold property in Sykes Cove, no amendment shall become effective without the written consent of Declarant,

(b) No amendment may modify rights of Declarant without its written consent; and


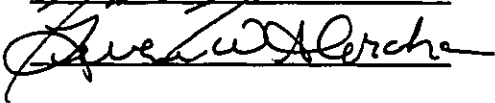
(c) Declarant specifically reserves the absolute and unconditional right, so long as it owns any Lot, to amend this Declaration without the consent or joinder of any party (i) to conform to the requirements of the Federal Home Loan Mortgage Corporation, Veterans Administration, Federal National Mortgage Association or any other generally recognized institution involved in the purchase and sale of home loan mortgages, (ii) to conform to the requirements of institutional mortgage lenders or title insurance companies, or (iii) to clarify the provisions herein.

Section 4. Notices. Any notice required to be sent to the Owner of any Lot under the provisions of this Declaration shall be deemed to have been properly sent when mailed, postage prepaid, or hand delivered to the Lot and, if different, to the last known address of the person who appears as Owner of such Lot as that address is stated on the records of the Association at the time of such mailing.

Section 7. Gender and Number. The singular shall include the plural, wherever the context so requires, and necessary grammatical changes required to make the provisions of this Declaration apply either to individuals, corporations or other entities, masculine or feminine, shall in all cases be assumed as though in each case fully expressed.

IN WITNESS WHEREOF, the undersigned, being the Declarant, has caused this Declaration to be executed as of the day and year first above written.

WITNESSES:

RIVERSIDE GROUP, INC.

By: Stuart B. Evans  
Its Senior Vice President

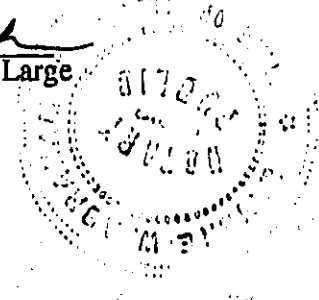
STATE OF FLORIDA  
COUNTY OF Duval

The foregoing instrument was acknowledged before me this 22<sup>nd</sup> day of December, 1986, by Stuart B. Evans as Senior Vice President of Riverside Group, Inc., a Florida corporation, on behalf of the corporation.

  
Notary Public, State of Florida at Large

My Commission expires:

NOTARY PUBLIC, STATE OF FLORIDA  
My commission expires Mar. 3, 1990



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[Exhibit A to Declaration: Legal Description for Sykes Cove]

A parcel of land lying in Sections 13 and 14, Township 24 South, Range 36 East, Brevard County, Florida, and being more particularly described as follows:

Begin at the Southeast corner of said Section 14; thence S.89°53'25"W., along the South line of said Section 14, a distance of 1320.59 feet to an intersection with the East line of the West  $\frac{1}{2}$  of the Southeast  $\frac{1}{4}$  of said Section 14; thence N.00°10'57"W., along said East line, a distance of 532.26 feet to an intersection with the South line of the North  $\frac{1}{2}$  of the South  $\frac{2}{5}$  of the West  $\frac{1}{2}$  of the Southeast  $\frac{1}{4}$  of said Section 14; thence S.89°55'55"W., along said South line, a distance of 1318.14 feet to an intersection with the West line of the Southeast  $\frac{1}{4}$  of said Section 14; thence N.00°00'30"E., along said West line, a distance of 529.12 feet to an intersection with the North line of the North  $\frac{1}{2}$  of the South  $\frac{2}{5}$  of the West  $\frac{1}{2}$  of the Southeast  $\frac{1}{4}$  of said Section 14; thence N.89°55'55"E., along said North line, a distance of 1316.69 feet to an intersection with the aforesaid East line of the West  $\frac{1}{2}$  of the Southeast  $\frac{1}{4}$  of said Section 14; thence N.00°10'57"W., along said East line, a distance of 815.05 feet to an intersection with the South line of the Plat of Villa De Palmas, Unit 5, as recorded in Plat Book 28, Page 45 of the Public Records of Brevard County, Florida; thence along said South line for the next three (3) bearings and distances; N.89°44'41"E., a distance of 110.00 feet; S.77°20'10"E., a distance of 61.56 feet; N.89°44'41"E., a distance of 856.80 feet to an intersection with the Centerline of Sykes Creek; thence along said Centerline of Sykes Creek for the next six (6) bearings and distances; S.05°54'11"E., a distance of 534.98 feet; S.32°27'46"E., a distance of 150.00 feet; S.67°07'46"E., a distance of 300.00 feet; S.45°27'46"E., a distance of 395.00 feet; S.64°07'46"E., a distance of 290.00 feet; S.09°05'44"W., a distance of 700.33 feet to an intersection with the South line of the Southwest  $\frac{1}{4}$  of aforesaid Section 13; thence N.89°24'02"W., along said south line, a distance of 544.36 feet to the Point-of-Beginning of this description.

Less and except Villa De Palmas, Unit Six, Plat Book 31, Page 70, of the Public Records of Brevard County, Florida.

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[Exhibit B to Declaration: Proposed Articles]

**ARTICLES OF INCORPORATION  
FOR  
SYKES COVE COMMUNITY ASSOCIATION, INC.**

The undersigned subscriber to these Articles of Incorporation, a natural person competent to contract, hereby forms a corporation under the laws of the State of Florida.

**ARTICLE I**

**NAME**

The name of the corporation is the SYKES COVE COMMUNITY ASSOCIATION, INC., hereinafter referred to as the "Association." The address of the Association is \_\_\_\_\_

**ARTICLE II**

**REGISTERED AGENT**

The initial Registered Agent of the Association is \_\_\_\_\_. The address of the Registered Agent is \_\_\_\_\_.

**ARTICLE III**

**PURPOSES**

The Association does not contemplate pecuniary gain or profit to its members. The Association's specific purposes are to provide for the maintenance and preservation of that certain tract of property (the "Property") described in the Declaration of Covenants, Conditions and Restrictions for Villa De Palmas Sykes Cove Section 1, recorded or to be recorded in the public records of Brevard County, Florida (the "Declaration") for the mutual advantage and benefit of the members of this Association, who shall be owners of lots within the Property. To promote the health, safety and welfare of the owners of lots in the Property and any additions thereto as may hereafter be brought within the jurisdiction of this Association, the Association shall have and exercise the following authority and powers:

(a) To exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in the Declaration, which is hereby incorporated by reference.

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

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

(d) To borrow money and, as provided in the Declaration, to mortgage, pledge or hypothecate any and all of its real or personal property as security for money borrowed or debts incurred.

(e) To dedicate, sell or transfer all or any part of the Common Area (as defined in the Declaration) to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument has been signed by seventy-five percent (75%) of the members, agreeing to such dedication, sale or transfer.

(f) To participate in mergers and consolidations with other nonprofit corporations organized for similar purposes or annex additional residential property and Common Properties.

(g) To act as purchasing agent for goods and services for the Association and for the benefit of the members of the Association only.

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

ARTICLE IV

MEMBERSHIP

Every person or entity who is a record owner of a lot within the Property shall be a 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. Membership shall be appurtenant to and may not be separated from ownership of any lot.

ARTICLE V

VOTING RIGHTS

The Association shall have two classes of voting membership, as described in the Declaration.

ARTICLE VI

BOARD OF DIRECTORS

The affairs of the Association shall be managed by a Board of Directors, who shall be members of the Association; provided, however, that until Class B membership has ceased and been converted to Class A membership in accordance with the provisions of the Declaration, the Directors need not be members of this Association. The number of Directors of the Association shall be not less than three (3) nor more than nine (9). The names and address of the persons who are to act in the initial capacity of Directors until the selection and qualification of their successors are:

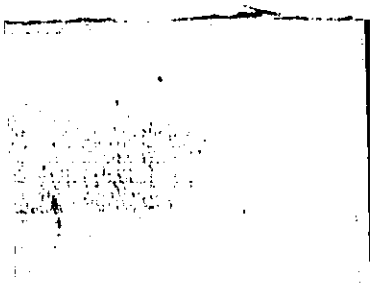
Name

Address

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Directors shall serve for a term of one year, and shall hold office until qualified successors are duly elected at the next annual meeting of members and have taken office. Directors may be re-elected for successive terms.

Any vacancy on the Board shall be filled for the unexpired term of the vacated office by the remaining directors.

While Class B membership is in existence, the Board shall be appointed and/or elected in accordance with the applicable provisions of the Bylaws of this Association.

ARTICLE VII

TERM OF EXISTENCE

This corporation shall have perpetual existence unless sooner dissolved in accordance with the provisions herein contained or in accordance with the laws of the State of Florida. The date on which corporate existence shall begin is the date on which these Articles of Incorporation are filed with the Secretary of State of the State of Florida.

ARTICLE VIII

DISSOLUTION

The Association may be dissolved with the assent in writing of not less than seventy five percent (75%) of each class of member. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of this Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this Association was created or for the general welfare of the residents of the county in which the Property is located. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any nonprofit corporation, association, trust or other organization to be devoted to similar purposes.

ARTICLE IX

OFFICERS

Subject to the direction of the Board, the affairs of this Association shall be administered by its officers, as designated in the Bylaws of this Association. Said officers shall be elected annually by the Board. The names and addresses of the officers who shall serve until the first annual meeting of the Board are as follows:

<u>Office</u>	<u>Name and Address</u>
President	
Vice President	

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Secretary/Treasurer

ARTICLE X

BYLAWS

The Bylaws of this Association shall be adopted by the first Board and recorded among the public records of Brevard County, Florida. The Bylaws may be altered, amended, modified or repealed by a majority of the Directors or at any duly called meeting of the members of this Association in a manner provided for in the Bylaws.

ARTICLE XI

AMENDMENTS

This Association reserves the right to amend or repeal any of the provisions contained in these Articles or any amendments hereto with the assent of two-thirds of the entire voting membership. No amendment shall conflict with the Declaration.

ARTICLE XII

SUPREMACY

These Articles and the Bylaws are subject to the Declaration and in the event of a conflict, the Declaration shall govern. In the event of a conflict between the Articles and Bylaws, the Articles shall govern.

ARTICLE XIII

INDEMNIFICATION

This Association shall indemnify and hold harmless any and all of its present or former directors, officers, employees or agents, to the full extent permitted by law. Said indemnification shall include but not be limited to the expenses, including the cost of any judgments, fines, settlements and counsel's fees actually and necessarily paid or incurred in connection with any action, suit or proceeding, whether civil, criminal, administrative or investigative, and any appeal thereof, to which any such persons or his legal representative may be made a party or may be threatened to be made a party by reason of his being or having been a director, officer, employee or agent as herein provided. The foregoing right of indemnification shall not affect any other rights to which any director, officer, employee or agent may be entitled as a matter of law or which he may be lawfully granted.

ARTICLE XIV

INCORPORATOR

The name and address of the incorporator of the corporation is:

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IN WITNESS WHEREOF, for the purpose of forming this Association under the laws of the State of Florida, the undersigned, being the incorporator of this Association, has executed these Articles of Incorporation this \_\_\_ day of \_\_\_\_\_, 19\_\_.

WITNESSES:

INCORPORATOR:

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_

STATE OF FLORIDA  
COUNTY OF \_\_\_\_\_

The foregoing instrument was acknowledged before me this \_\_\_ day of \_\_\_\_\_, 19\_\_,  
by \_\_\_\_\_ as incorporator.

\_\_\_\_\_  
Notary Public, State of Florida  
at Large

My commission expires:

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[Exhibit C to Declaration: Proposed Bylaws]

**BY-LAWS OF  
SYKES COVE COMMUNITY ASSOCIATION, INC.**

**ARTICLE I**

**MEMBERS**

1. **Membership.** The members of the Sykes Cove Community Association, Inc. (the "Association"), a corporation not for profit organized under Florida law, shall consist of the owners of lots ("Lots") in the property located in Brevard County, Florida, as described in the Declaration of Covenants, Conditions and Restrictions for Villa de Palmas Sykes Cove Section 1, recorded in the public records of Brevard County, Florida (the "Declaration"), and in any other property annexed in accordance with the Declaration. The membership of each Owner shall terminate when he ceases to be an Owner of a Lot. Upon the sale, transfer or other disposition of his ownership interest in a Lot, membership in the Association shall automatically be transferred to the new Lot Owner. The Association may issue certificates evidencing membership.

2. **Shares: Votes.** Each member shall have an interest in the funds and assets of the Association equal to the number of Lots owned by that member, as defined in the Declaration. The Association shall have two classes of voting membership as described in the Declaration.

3. **Quorum.** A quorum at Association or Board meetings shall consist of attendance in person, telephone conference or by proxy of members entitled to cast a majority of the votes of the Association or Board, as applicable. The joinder of a member in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such person for the purposes of determining a quorum.

4. **Proxies.** Votes may be cast in person or by proxy. Proxies shall be in writing, shall be valid only for the particular meeting designated thereon and must be filed with the Secretary before the appointed time of the meeting.

**ARTICLE II**

**MEETINGS OF MEMBERSHIP**

1. **Rules.** The meetings of the membership shall be held in accordance with the provisions of the Declaration and, subject to the Declaration, in accordance with these By-Laws. Except where in conflict with the Declaration, Roberts Rules of Order (as amended) shall govern the conduct of all membership meetings.

2. **Annual Meeting.** The annual meeting of the Association membership shall be held at the offices of the Association or at such other place in the state of Florida as shall be designated by the Board or the President of the Association. The annual meeting shall be held in October of each year unless otherwise determined by the Board.

3. **Special Meetings.** Unless specifically provided otherwise herein or in the Declaration, meetings of the membership shall be held when directed by the President or the Board or when requested in writing by members holding a majority of the votes having the right to vote at such meeting. The call for the meeting shall be issued by the secretary.

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4. Notice. Notice of all members' meetings, regular or special, shall be given by the President, Vice President or Secretary of the Association to each member unless waived in writing. Such notices shall be written or printed, and shall be mailed or personally delivered to each member as follows:

(a) For annual meetings, not less than fourteen nor more than sixty days prior to the date set for the meeting;

(b) For any meetings, annual or special, at which the budget of common expenses will be considered, not less than thirty nor more than sixty days prior to the date of the meeting;

(c) For special meetings called by the membership pursuant to Section 3 above, not less than ten nor more than sixty days prior to the meeting; and

(d) For any other special meetings, not less than forty-eight hours prior to the date of the meeting, unless the Board determines that an emergency exists, in which case the Board shall give such notice as is reasonable under the circumstances.

All notices may be sent to members by regular mail. In addition, except in an emergency, when such notice requirement shall be waived, written notice shall be posted at a conspicuous place on the Property not less than forty-eight (48) hours prior to any special meeting and not less than fourteen (14) days prior to the annual meeting.

5. Waiver. Any Owner may waive notice of a meeting or consent to the holding of a meeting without notice or consent to action taken without a meeting, by execution of a waiver or consent in writing. Such waiver or consent may be executed prior to, at, or subsequent to the meeting or Association action to which the waiver or consent relates.

6. Action Without Meeting. Any action required to be taken by vote or assent of the Members may be taken in the absence of a meeting (or in the absence of a quorum at a meeting) by obtaining the written approval of the requisite percentage of the Membership. Any action so approved shall have the same effect as though taken at a meeting of the Members, and such approval shall be duly filed in the minute book of the Association.

7. Telephone Conferences. Members present by telephone conference shall be considered as present at a meeting for the purposes of a quorum, and may vote in any matters presented for a vote of the membership.

### ARTICLE III

#### BOARD OF DIRECTORS

1. Election. The Board of Directors ("Board") of the Association shall consist of not less than three persons who shall be originally appointed as provided in the articles of incorporation ("Articles"). Thereafter, subject to the provisions of the Declaration and the Articles, the members at each annual meeting shall determine the number of directors for the Board and shall elect such directors. Directors shall hold office for a term of one year and until their successors shall be elected and qualified. At each election for directors, each member shall be entitled to vote for as many persons as there are directors to be elected. No cumulative voting shall be permitted. The candidates receiving the highest number of votes shall be declared elected.

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2. Qualifications. After termination of the Class B Membership (as defined in the Declaration), each director shall be a Lot Owner or the spouse of a Lot Owner (or, if a Lot Owner is a corporation, partnership or trust, a director may be an officer, partner or beneficiary of such Owner). If a director shall cease to meet such qualifications during his term, he shall thereupon cease to be a director and his place on the Board shall be deemed vacant.

3. Vacancy. Any vacancy occurring in the Board may be filled by a majority vote of the remaining members thereof; provided, however, that a vacancy resulting from removal of a director by the members shall be filled by a vote of the membership.

4. Meetings. An annual meeting of the Board shall be held immediately following the annual meeting of the membership and at the same place. Special meetings of the Board shall be held upon call by the President or a majority of the Board on not less than forty-eight (48) hours notice in writing to each director, unless the Board determines an emergency to exist, in which event the Board shall give such notice as is reasonable under the circumstances. All meetings of the Board shall be open to all members and, except in an emergency as provided above, notices of all meetings shall be posted in a conspicuous place on the Property at least 48 hours prior to the meeting. However, members shall not be entitled to vote or participate in any other way at the meeting.

5. Waiver. Any director or Owner may waive notice of a meeting or consent to the holding of a meeting without notice or consent to any action of the Board without a meeting. Such waiver or consent may be executed prior to, at, or subsequent to the meeting or Board action to which the waiver or consent relates.

6. Quorum. A quorum for the transaction of business shall consist of a majority of the directors present in person, proxy or by telephone conference. However, less than a quorum may adjourn a meeting from time to time. A majority of directors who are present at any meeting where a quorum is present shall decide any question before the meeting.

7. Action Without Meeting. Any action required to be taken by vote or assent of the Board may be taken in the absence of a meeting (or in the absence of a quorum at a meeting) by obtaining the written approval of the requisite percentage of the Board. Any action so approved shall have the same effect as though taken at a meeting of the Board, and such approval shall be duly filed in the minute book of the Association.

8. Removal. Except for directors appointed by the Declarant, any director may be removed from office, with or without cause, by at least a majority vote of all Owners, at a duly called meeting of Owners. Notwithstanding any other provisions herein, a special meeting of Owners to remove a director or directors from office may be called by ten percent (10%) of all Owners giving notice to all Owners of the meeting, which notice shall state the purpose of the meeting and shall be given to all Owners in writing as provided in Article II, section 4.

9. Compensation. Directors shall receive no compensation for their services unless expressly provided for in resolutions duly adopted by the Owners.

10. Powers and Duties. The Board shall have the following powers and duties:

- (a) To elect the officers of the Association as hereinafter provided;
- (b) To administer the affairs of the Association and the Property and formulate policies for such purposes;

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(c) To adopt administrative rules and regulations governing the administration, management, operation and use of the Property and to amend such rules and regulations from time to time;

(d) To provide for the maintenance, repair and replacement of those parts of the Property stated in the Declaration to be maintained by the Association;

(e) To provide for the designation, hiring and removal of employees and other personnel or service companies, including a property manager, to engage or contract for the services of others, to make purchases for the maintenance, repair, replacement, administration, management and operation of the Property and to delegate any such powers to the employees or agents of the Association;

(f) To estimate the amount of the annual budget, to provide the manner of assessing and collecting from the Owners their respective shares of such estimated expenses as hereinafter provided and to assess any supplemental assessment as the Board shall deem necessary;

(g) Unless otherwise provided herein or in the Declaration, to comply with the instructions of a majority of the Owners as expressed in a resolution duly adopted at any annual or special meeting of the Owners; and

(h) To exercise all other powers and duties of the Board provided for in the Declaration and the Articles.

#### ARTICLE IV

##### OFFICERS

1. Election. Subject to the provisions of the Declaration and Articles, at each annual meeting of the Board, the Board shall elect from the membership of the Association the following officers of the Association:

(a) A President, who shall be a director, shall preside over the meetings of the Board and of the Association and shall be the chief executive officer of the Association. In the recess of the Board, the President shall have general control and management of the business and affairs of the Association;

(b) One or more Vice Presidents, who shall in the absence or disability of the President, perform the duties and exercise the powers of the President;

(c) A Secretary, who shall keep the minutes of all meetings of the Board and of the membership and who shall perform all the duties generally incident to the office of Secretary;

(d) A Treasurer, who shall cause to be kept the financial records and books of account of the Association; and

(e) Such additional officers as the Board shall see fit to elect. An individual may hold more than one position.

2. Powers. The officers shall have the general powers usually vested in such officers of a not-for-profit corporation, provided that the Board may delegate any specific powers to any other officer or impose such limitations or restrictions upon the powers of any officer as the Board may deem necessary.

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3. Term. Each officer shall hold office for the term of one year and until his successor shall have been elected and qualified.

4. Vacancy. Vacancies in any office shall be filled by the Board at special meetings thereof. Any officer may be removed at any time, with or without cause, by the affirmative vote of a majority of the whole Board.

5. Compensation. Officers shall receive no compensation for their services, unless expressly provided for in a resolution duly adopted by the Owners.

#### ARTICLE V

#### ASSESSMENTS

1. Budget. The Board shall cause to be prepared an estimated annual budget for each fiscal year of the Association, taking into account the estimated expenses and cash requirements necessary to fulfill all of the obligations of the Association as set forth in the Declaration. To the extent that the assessments and other cash income collected during the preceding year shall be more or less than the expenditures for such preceding year, such surplus or deficit shall also be taken into account.

2. Approval. The estimated annual budget for each fiscal year as prepared by the Board shall be approved as provided in the Declaration. A copy of the proposed annual budget shall be mailed to Owners not less than ten (10) days prior to the meeting at which the budget is to be considered, together with notice of the meeting specifying the time and place at which it will be held.

3. Payment. Payment of the assessments shall be as provided in the Declaration. The Board may send to each Owner a statement of the assessment of such Owner for the period covered by the statement, but the failure to receive such statement shall not relieve any Owner of his obligation to pay his assessment to the Treasurer (or as otherwise directed) on or before the date owed.

4. Supplemental Budget. If during the fiscal year it appears to the Board that the assessments are insufficient to cover the estimated common expenses for the remainder of the year, then the Board shall prepare and approve a supplemental budget covering the estimated deficiency for the remainder of such year, which shall be approved in accordance with the Declaration.

5. Records. The Board shall maintain accounting records according to generally accepted accounting practices, which records shall be open to inspection by Owners at reasonable times and upon reasonable notice. These accounting records shall include a record of receipts and expenditures and a separate account for each Owner showing the assessments charged to and paid by such Owner. Within ninety (90) days after the end of each year covered by an annual budget, the Board shall cause to be furnished to each Owner a statement for such year showing the receipts and expenditures and such other information as the Board may deem desirable. Upon reasonable notice to the Board, any Owner shall be furnished a statement of his account setting forth the amount of any unpaid assessments or other charges due and owing from him.

6. Limitation. Without the approval of Owners holding at least 75% of the votes of the Association, the Board shall not approve any capital expenditures in excess of one thousand dollars (\$1,000.00) other than rebuilding, repairing or replacing damaged property or as specifically provided in the Declaration.

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ARTICLE VI  
RULES AND REGULATIONS

Uniform rules and regulations governing the use of the Property shall be adopted from time to time by the Board. All Owners shall obey the rules and regulations as adopted by the Board.

ARTICLE VII  
AMENDMENT

These By-Laws may be amended, altered or rescinded upon a majority vote of the membership at a regular or special meeting of the Association, notice of which shall state that such proposed amendment is to be voted on at the meeting. All amendments of these By-Laws shall be duly recorded as an Exhibit to the Declaration in the public records of Brevard County, Florida.

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