

**SECOND AMENDED AND RESTATED DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS
FOR
GARDEN GROVE**

THIS SECOND AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS is made this 21st day of April, 2016 by GARDEN GROVE CLUB, INC., a Florida not for profit corporation (hereinafter referred to as the "Association").

RECITALS

The original Declaration of Covenants, Conditions and Restrictions for Garden Grove was recorded in Official Records Book 800 at Page 2351, Public Records of Indian River County, Florida which was amended and restated by the Second Amended and Restated Declaration of Covenants, Conditions and Restrictions for Garden Grove, as recorded in Official Records Book 1636 at Page 634, as amended by that Certificate of Amended to the Amended and Restated Declaration of Covenants, Conditions and Restrictions for Garden Grove, as recorded in Official Records Book 2244 at Page 2151. Thee Amended and Restated Declaration of Covenants, Conditions and Restrictions for Garden Grove, with any amendments to date is hereby amended in part and then restated in its entirety.

Section 1. DEFINITIONS. The following definitions shall apply in the Declaration and in the Articles of Incorporation and By-Laws, unless the context otherwise requires:

1.1 "Articles" means the Amended and Restated Articles of Incorporation as amended from time to time.

1.2 "Architectural Advisory Committee" or "AAC" means the advisory committee appointed by the Board of Directors to assist the Board of Directors with review of Owner request for architectural modification requests pursuant to Section 7 hereof.

1.3 "Assessment" means a share of the funds required for the payment of common expenses which from time to time is assessed against the Lots.

1.4 "Association" means GARDEN GROVE CLUB, INC., a Florida corporation not for profit, its successors, assigns and legal representatives.

1.5 "Association Certificate" means a document which must be executed by the president or vice president and secretary or assistant secretary of the Association.

1.6 "Board of Directors" or "Board" means the representative body which is responsible for the administration of the Association's affairs.

1.7 "By-Laws" mean the Amended and Restated By-laws as amended

from time to time.

1.8 "Common Area" or Common Areas" means and refers to those Properties which are intended to be devoted to the common use and the enjoyment of the Owners and occupants, in this Declaration, as well as the portions of the Properties less the lots, and as well as all personal property owned, leased by or dedicated to the Association for the common use and enjoyment of the Owners and occupants, including those depicted as Common Area on the Subdivision Plat.

1.9 "Community" means Garden Grove, which is legally described in Exhibit "A" to this Declaration.

1.10 "County" means Indian River County, Florida.

1.11 "Declaration" means this instrument as amended from time to time.

1.12 "Dwelling Structure" means a residential single family home situated on a Lot, including all improvements associated with the home on the Lot. Unless the context specifically provides otherwise, reference to the term "Dwelling Structure" shall not include the Lot.

1.13 "General Plan of Development" means that plan as approved by appropriate governmental agencies which shall represent the total general scheme and general uses of land in the Properties, as it may be amended from time to time.

1.14 "Governing Documents" means and includes this Declaration and all Exhibits hereto, including the Articles of Incorporation and By-laws, as amended from time to time.

1.15 "Guest" means any person who: (A) is physically present in, or occupies the Lot at the invitation of the Owner or other legally permitted occupant, without requirement to contribute money, perform services or provide any other consideration to the Owner or lessee in connection with such presence or occupancy; (B) is not the Owner or lessee of the Lot on which he or she is present; and (C) is not a member of the family of the Owner or lessee of the Lot on which he or she is present. Notwithstanding the foregoing, an Owner or lessee of the Lot on which he or she is present shall be considered a Guest if he or she is not a permanent occupant of that Lot. Furthermore, a member of the family of the Owner or lessee of a Lot shall be considered a Guest unless he or she is a permanent occupant of such Lot.

1.16 "Institutional Mortgagee" means, the holder (or its assignee) of a mortgage against a Lot, which mortgagee is a bank, savings and loan association, mortgage company, insurance company, real estate mortgage investment trust, pension or profit sharing trust, the Federal Housing Administration, the Veterans Administration, or any agency of the United States of America. The term also refers to any holder of a mortgage against a Lot which mortgage is guaranteed or insured by the

Federal Housing Administration, the Veterans Administration, any agency of the United States of America, or by any other public or private corporation engaged in the business of guaranteeing or insuring residential mortgage loans, and their successors and assigns. "Institutional First Mortgagee" means the foregoing, but is limited to the holder of a first mortgage. "Institutional Mortgage" means a mortgage held by a Institutional Mortgagee.

1.17 "Lease" means the grant by an Owner of a temporary right of use of the Owner's Dwelling Structure and Lot for valuable consideration.

1.18 "Lot" means a residential parcel of real property as described in any of the recorded Subdivision Plat. Unless the context specifically provides otherwise, reference to the term "Lot" shall include the exterior Dwelling Structure and all other improvements on the Lot, but shall not require that a Dwelling Structure be on the Lot. The developers/declarants of Garden Grove has/have previously created "Custom Lots", which are comprised of all or a portion of two or more Lots. Each such Custom Lot as described is the deed conveying said Lot to an Owner shall for all purposes of this Declaration, specifically including but not limited to voting and assessment, be considered as a single Lot even though it may be composed of all or portions of two or more Lots as shown upon the Subdivision Plat. There shall be only one Dwelling Structure constructed on any such Custom Lot. All Custom Lots as described herein shall contain a minimum of 4500 square feet. The Owners of any Custom Lot shall be entitled to one vote by virtue of his or her ownership of a Custom Lot and shall be subject to the Lot assessment charged to the Owner of any Lot within the Properties by virtue of his or her ownership of a Custom Lot. When used throughout this Declaration the term "Lot" or "Lots" shall include all Lots and Custom Lots as described in this definition and shall apply equally to both.

1.19 "Member" or "Member of the Association" means a record Owner of a Lot, subject to that provided for in Section 4.3 below.

1.20 "Original Declaration" means that declaration of covenants, conditions and restrictions recorded in Official Record Book 800, Page 2351, Public Records of the County, together with exhibits and amendments thereto.

1.21 "Occupy" shall mean and refer to the act of being physically present on a Lot for two (2) or more consecutive days, including staying overnight. "Occupant" is a person who occupies a Lot. A "permanent occupant" means an Owner or lessee of a Lot or member of such Owner's or lessee's family who regularly resides on such Lot.

1.22 "Owner" means the record owner, whether one or e more persons or entities, of the fee simple title to any Lot, but excluding those having such interests merely as security for the performance of an obligation.

1.23 "Properties" means all real property, including improvements thereon, which are now or hereafter made subject to this Declaration.

1.24 "Rules and Regulations" means those rules and regulations promulgated from time to time by the Board of Directors, governing the use of the Properties, including the Lots, and the operation of the Association.

1.25 "Subdivision Plat" means the Plat of Garden Grove Phase I, as recorded in Plat Book 12, Pages 63, 63A and 63B, the Plat of Garden Grove Phase II, as recorded in Plat Book 12, Pages 100, 100A and 100B, and the Plat of Garden Grove Phase III, as recorded in Plat Book 13, Pages 43 and 43A, all of the Public Records of Indian River County, Florida.

1.26 "Voting Interest" means and refers to the arrangement established in the Governing Documents by which the Owners of each Lot collectively are entitled to one vote in Association matters.

Section 2. PROPERTY SUBJECT TO THIS DECLARATION. The real property which is and shall be transferred, sold, conveyed and occupied subject to this Declaration, is legally described in Exhibit "A" attached to and made a part of this Declaration.

Section 3. EASEMENTS. Where necessary for the validity of the following easements, the Original Declaration will be deemed in full force and effect.

3.1 Ingress and Egress. A perpetual non-exclusive easement is reserved and exists to the Association and to the owners, their families, Guests, and lessees upon, over and across the sidewalks, walkways, and right-of-way and other Common Areas, which are appurtenant to and shall pass with the title to each Lot.

3.2 Utilities. There is hereby reserved and exists a perpetual non exclusive easement to all utility or service companies servicing the Community upon, over, across, through, and under the Lots and Common Area for ingress, egress, installation, replacement, repair, and maintenance of all utility and service lines and systems including, but not limited to water, irrigation, sewer, gas, telephone, electricity, television cable or communication lines and systems, and including the police and fire departments. It shall be expressly permissible for the Association or the providing utility or service company to install and maintain facilities and equipment on said property, to excavate for such purposes and to affix and maintain wires, circuits and conduits on , in and under the roofs and exterior walls of the Dwelling Structures, providing such company restores any disturbed area to the condition existing prior to their activity; provided, however, that no utility service line or system may be installed or relocated within the Common Area without the consent of the Association. The easements over, across, through and under the Lots shall be limited to improvements as originally constructed. The Association further has the power to grant all needed easements for cable television and telecommunication services. This power to create or reserve an easement shall also include the power to modify or relocate easements which are created and /or which exist to date, except that where an easement crosses any Lot, the Owners of the Lot must approve of the modification or relocation. To the extent the Association is obligated by

governmental authority, if at all to maintain the water and sewer systems in the Community, except for the portion of said systems as lie within the boundaries of Lots, such obligations shall be fully performed by the Association. Said obligations shall be performed in a continuous and satisfactory manner.

3.3 Drainage and Storm Water Runoff. There is hereby reserved and exists an easement for drainage from each Lot onto an adjoining Lot and the Common Area. It shall be the responsibility of the Owner of the Lot for those benefit this easement exists, to ensure that the drainage flow from his Lot remains open and free. It shall be the responsibility of the Association to ensure that the drainage flow from the Common Area remains open and free. The Hawthorne Lane Lots shall drain to the streets.

3.4 Public Easements, Access Easements for Emergency Services.

- A. Fire, police health, sanitation and other public service personnel and vehicles shall have a perpetual, non-exclusive easement for ingress and egress over and across the Common Area.
- B. No structures or obstructions shall be permitted within access easements for emergency services indicated on the Subdivision Plat.

3.5 Easement for Unintentional and Non-Negligent Encroachments. If any Lot improvement shall encroach upon any portion of the Common Areas or upon an easement by reason of original construction of the building, then an easement for such encroachment shall exist so long as the encroachment exists. Such easement shall include the right of ingress and egress during reasonable times of day for the purpose of maintaining and repairing the encroachment. Any exercise of the right of ingress and egress for maintenance and repair shall not be deemed a trespass.

3.6 Association Easement. For the purpose solely of performing its duties and responsibilities authorized by the Declaration, and in addition to any other easements granted to it, the Association, through its duly authorized agents, employees or independent contractors, shall have the right, after reasonable notice to the Owner, to enter upon any Lot at reasonable hours of any day other than Sunday. In the event of an emergency, such right of entry shall exist, without notice and on any day, including Sunday. Each Owner hereby grants to the Association, its duly authorized agents, employees, or independent contractors such easements for ingress and egress, across the Lots and through improvements constructed upon the lots, as may be reasonably necessary to affect and perform the Association's duties. Notwithstanding the foregoing to the contrary, entry shall not lie into or through the Dwelling Structure.

Section 4. ASSOCIATION. The operation of the Community is by GARDEN GROVE Club, Inc., a Florida corporation not-for-profit, which shall perform its functions pursuant to this Declaration, and the following:

4.1 Articles of Incorporation. The Articles of Incorporation of the Association shall be the Amended and Restated Articles of Incorporation attached as Exhibit "B", as amended from time to time.

4.2 By-Laws. The By-Laws of the Association shall be the Amended and Restated By-Laws of the Association attached as Exhibit "C", as amended from time to time.

4.3 Membership and Voting Rights. The membership of the Association shall be as provided in the Articles of Incorporation and By-Laws. The Owners of each Lot shall collectively be entitled to the vote as more fully provided in the Articles of Incorporation and By-Laws.

4.4 Limitation on Association Liability. The Association shall in no event be liable for any damages resulting from an Owner's breach of his or her maintenance, repair and replacement responsibility under this Declaration.

4.5 Use Fees and Damage Deposits. The Association is empowered to charge damage deposits and use fees for use of the clubhouse only, in such amounts as determined by the Board of Directors from time to time.

Section 5. ASSESSMENTS AND LIENS: CHARGES. The Association has the power to levy and collect assessments against each Lot and Owner in order to provide the necessary funds for proper operation and management of the Community and for the operation of the Association, including both annual assessments for each Lot's share of the common expenses as set forth in the annual budget, and special assessments for any proper common expenses. The Association may also levy Charges against individual Lot(s) and Owner(s) for any amounts, other than for common expenses, which are properly chargeable against such Lot and Owner under the Governing Documents.

5.1 Common Expenses. Common expenses include all expenses of the operation, maintenance, repair, replacement or insurance of the Common Area, certain portions of the Lots, the expenses of operating the Association and for the promotion of the recreation, health, safety and welfare of the residents, bulk rate cable television and telecommunication fees and charges (if any), and any other expenses properly incurred by the Association for the Community, including any amounts (if any) budgeted for the purpose of funding reserve accounts.

5.2 Share of Common Expenses. All Lots shall be assessed equally.

5.3 Ownership. Assessments collected by or on behalf of the Association become the property of the Association. No Owner has the right to claim, assign or transfer any interest therein except as an appurtenance to his Lot. No Owner has the right to withdraw or receive distribution of his share of the common surplus, except

as otherwise provided in the Governing Documents or by law.

5.4 Who is Liable for Assessments. The Owner of each Lot, regardless of how title was acquired, is liable for all assessments or installments thereon coming due while he is the Owner. Multiple Owners are jointly and severally liable. Except as otherwise provided in Section 5.8.A below, whenever title to a Lot is transferred for any reason, the transferee is jointly and severally liable with the transferor for all unpaid assessments against the transferor, regardless of when incurred, without prejudice to any right the transferee may have to recover from the transferor any amounts paid by the transferee.

5.5 No Waiver or Excuse From Payment. The liability for assessments may not be avoided or abated by waiver of the use or enjoyment of any Common Area, by abandonment of the Lot on which the assessments are made, by interruption in the availability of the Lot or the Common Area for any reason whatsoever, by non-use of any services which are common expense, or by the dissatisfaction with the Association and/or its operation and policies. No Owner may be excused from payment of their share of the common expenses unless all Owners are likewise proportionately excused from payment, except as otherwise provided in Section 5.8.A below as to certain mortgages.

5.6 Application of Payments; Failure to Pay; Interest; Late Fees. Assessments and installments thereon paid on or before thirty (30) days after the date due shall not bear interest, but all sums not so paid shall bear interest at the highest rate of interest per annum which may be lawfully charged, calculated from the date due until paid. In addition, any assessments or installments not paid on or before thirty (30) days after the date due shall result in the imposition of a late fee in an amount equal to the higher of \$25.00 or five (5%) percent of the late payment. The Association may also charge an administrative fee over and above any bank charges for returned checks, as provided for in the Rules and Regulations. Assessments and installments thereon shall become due, and the Owner shall become liable for the assessments or installments, on the date established in the By-Laws or otherwise set by the Board of Directors of the Association for payment. All payments on account shall be applied in the following order irrespective of any restrictive endorsement, designation or instruction placed on or accompanying any payment: To interest, late fees, costs and attorney'/paralegals' fees, and annual and/or special assessments first due and owing. If payment is made by check which fails to clear, then the Owner shall be considered not to have made payment.

5.7 Liens. The Association has a lien on each Lot securing payment of past due assessments, including late fees, interest and attorneys' and paralegal fees and costs incurred by the Association incident to the collection of the assessment or enforcement of the lien, whether before, during or after a lien foreclosure suit or other lawsuit. The lien may result in the recording of a claim of lien in the public records of the County, stating the legal description of the Lot, the name of the record Owner, the assessments past due and the due dates. The lien is in effect until barred by law. The claim of lien secures all unpaid assessments and charges coming due prior to a final judgment of foreclosure. Upon full payment, the person making the payment is entitled

to a satisfaction of lien.

5.8 Priority of Lien. Subordination of the Lien to First Mortgages.

The lien of assessments, including interest, late charges (subject to the limitations of Florida law), and costs (including attorney's fees and disbursements) provided for herein, shall be subordinate to the lien of any first Mortgage upon any Lot. Transfer of any Lot pursuant to judicial foreclosure, nonjudicial foreclosure, or grant of a deed in lieu of foreclosure of a first Mortgage shall extinguish the lien of such assessments as to payments which became due prior to such transfer, but only to the extent provided in Section 720.3085 Florida Statutes, as may be amended. No sale or transfer shall relieve such Lot from lien rights for any assessments thereafter becoming due. Where the Mortgagee holding a first Mortgage of record or other purchaser of a Lot obtains title as provided above, it shall be liable for the share of the Common Expenses or assessments by the Association chargeable to such Lot which became due prior to such acquisition of title, to the extent provided in Section 720.3085 Florida Statutes, as presently constituted, and as hereafter amended. Any unpaid share of Common Expenses or assessments shall be deemed to be Common Expenses collectible from Owners of all the Lot, including such acquirer, its successors and assigns.

5.9 Foreclosure of Lien; Action at Law. The Association may bring an action in its name to foreclose its lien for unpaid assessments in the same manner in which mortgages are foreclosed in the State of Florida and may also bring an action to recover a money judgment for unpaid assessments without waiving any lien rights. In addition to any assessments due, the Association shall be entitled to recover interest, late fees, and all costs of collection, including court costs and paralegal and attorneys' fees. Whenever the Association shall bring a lien foreclosure action, the Association shall be entitled to receive a reasonable rental from the Owner, pending litigation, for that time period during which the Owner is in possession of the Lot either by himself, or tenants, guests or other occupants; the Association is entitled to an appointment of a receiver, which may be the Association, to collect the rent.

5.10 Certificate As To Assessments. The Association shall provide a certificate stating whether all assessments and other monies owed to the Association by the Owner with respect to the Lot have been paid, with fifteen (15) days after request by an Owner or mortgagee. Any person other than the Owner who relies upon such certificate shall be protected thereby.

5.11 Charges.

- A. Defined. Each Lot and Owner shall be liable for Charges levied by the Association against the Lot and Owner. Charges shall be deemed to include but not limited to: maintenance or other services furnished by the Association for the benefit of an Owner; damages; and any other sums other than assessments which are referred to as Charges in the Governing Documents.

- B. Who is Liable for Charges. The Owner of each Lot, regardless of how title was acquired, is liable for all Charges coming due while he is the Owner. Multiple Owners are jointly and severally liable. Except as provided in Section 5.11.E below, whenever title to a Lot is transferred for any reason, the transferee is jointly and severally liable with the transferor for all unpaid Charges against the transferor, regardless of when incurred, without prejudice to any right the transferee may have to recover from the transferor any amounts paid by the transferee.
- C. Application of Payments; Failure to Pay; Late Fees; Interest. Any Charges paid on or before thirty (30) days after the date due as specified in the notice of Charge from the Association shall not bear interest, but all Charges not so paid shall bear interest at the highest rate of interest per annum which may be lawfully charged, calculated from the date due until paid. In addition, any Charges or installments not paid on or before thirty (30) days after the date due shall result in the imposition of a late fee in an amount equal to the higher of \$25.00 or five (5%) percent of the late payment. All payments on account shall be applied in the following order irrespective of any restrictive endorsement, designation or instruction placed on or accompanying any payment: To interest, late fees, costs and attorney'/paralegals' fees, and annual and/or special assessments first due and owing. If payment is made by check which fails to clear, then the Owner shall be considered not to have payment.
- D. Liens. The Association has a lien on each Lot securing payment of past due Charges, including late fees, interest and attorneys' and paralegal fees and costs incurred by the Association incident to the collection of the Charges or enforcement of the lien, whether before, during or after a lien foreclosure suit or other lawsuit. The lien may result in the recording of a claim of lien in the public records of the County, stating the legal description of the Lot, the name of the record Owner, the Charges past due and the due dates. The lien is in effect until barred by law. Upon full payment of all sums secured by the claim of lien, the person making the payment is entitled to a satisfaction of lien.
- E. Priority of Lien. Subordination of the Lien to First Mortgages. The lien of assessments, including interest, late charges (subject to the limitations of Florida law), and costs (including

attorney's fees and disbursements) provided for herein, shall be subordinate to the lien of any first Mortgage upon any Lot. Transfer of any Lot pursuant to judicial foreclosure, nonjudicial foreclosure, or grant of a deed in lieu of foreclosure of a first Mortgage shall extinguish the lien of such assessments as to payments which became due prior to such transfer, but only to the extent provided in Section 720.3085 Florida Statutes, as may be amended. No sale or transfer shall relieve such Lot from lien rights for any assessments thereafter becoming due. Where the Mortgagee holding a first Mortgage of record or other purchaser of a Lot obtains title as provided above, it shall be liable for the share of the Common Expenses or assessments by the Association chargeable to such Lot which became due prior to such acquisition of title, to the extent provided in Section 720.3085 Florida Statutes, as presently constituted, and as hereafter amended. Any unpaid share of Common Expenses or assessments shall be deemed to be Common Expenses collectible from Owners of all the Lot, including such acquirer, its successors and assigns.

- F. Foreclosure of Lien; Action at Law. The Association may bring an action in its name to foreclose its lien for unpaid Charges in the same manner in which mortgages are foreclosed in the State of Florida and may also bring an action to recover a money judgment for unpaid Charges without waiving any lien rights. In addition to any assessments due, the Association shall be entitled to recover interest, late fees, and all costs of collection, including court costs and paralegal and attorneys' fees.

5.12 Exempt Property. The following property subject to this Declaration shall be exempted from the assessments, Charges and liens created under this Declaration.

- A. All Properties to the extent of any easement or other interest therein dedicated and accepted by the local public authority and devoted to public use; except that no Lot shall be exempt which may contain an easement to a third party.
- B. All Common Area exempted from taxation by state or local governments upon the terms and to the extent of such legal exemption.

Notwithstanding any provision in this Section 5.12, no land or improvements devoted to Lot or dwelling use shall be exempt from assessments, Charges or liens, except as

provided for in Sections 5.8.A and 5.11.E.1 above.

5.13 Capital Contribution. Each Owner at the time of purchase of a Lot with Dwelling Structure, shall, in addition to paying his pro rata share of the assessment due for the month of closing, pay as a non-refundable capital contribution to the Association an amount equal to two (2) month's assessments due to the Association at the time. Such capital contribution will be collectible as Charges are collected under this Declaration.

Section 6. MAINTENANCE, REPAIR AND REPLACEMENT; ASSOCIATION ALTERATIONS. Responsibility for the maintenance, repair, replacement and Association alterations of the Properties shall be as follows:

6.1 Association Maintenance. In addition to other provisions contained elsewhere in this Declaration, the following Properties shall be maintained, repaired and replaced by the Association at the expense of the association, as an item of common expense.

- A. The Lots, limited solely to maintenance, repair and replacement of the mailbox structures and only the repair of retaining wall on the south boundary of the Community and to the following limited landscaping services, all of which may be amended from time to time:
 - 1. Mowing and edging.
 - 2. Tree trimming requiring a reach of ten feet from the ground or less without specialty equipment, but excluding tree trimming not reachable at ten feet or less and excluding tree removal and replacement.
 - 3. Trimming of bushes and plants installed by the Owner, but excluding any maintenance with respect to annual flowers.
 - 4. Fertilization.
 - 5. Pest control for lawns and bushes only, but excluding termite treatment.
 - 6. Lawn irrigation system. If irrigation must be relocated at the request of the Owner in connection with the foregoing, the Association shall perform the necessary irrigation relocation, the cost of which shall be borne by the Owner as a Charge hereunder.

7. Trimming of the foundation shrubbery plantings in front of and along both sides of the Dwelling Structure.

Notwithstanding the foregoing to the contrary, the responsibility of the Association with respect to maintenance of the foundation shrubbery plantings in front of and along both sides of the Dwelling Structure shall be conditioned upon the following: The Owner must complete a maintenance request form prepared by the Association and delivered to the Association office.

- B. All Common Area, the maintenance for which is not assumed by a governmental entity.
- C. Adjacent Property. The Association may also maintain the vegetation, landscaping and irrigation system, if any, upon areas which are not within the Properties but abut same and are owned by a utility or governmental authority or any other person, so as to enhance the appearance of the Properties.

6.2 Maintenance by Owners. Each Owner is responsible at their own expense for the maintenance, repair and replacement of the following Properties:

- A. The entirety of Owner's Lot, except as otherwise provided to be the responsibility of the Association under 6.1.A above, and the entirety of the Dwelling Structure.
- B. Each Owner shall also have the following responsibilities/limitations:
 1. Each Owner must perform promptly all maintenance, repairs and replacement for which the Owner is responsible, which are necessary to ensure good and quality condition, and/or which if not performed would affect any of the Properties, including any Lot(s) belonging to any other Owner(s).
 2. Each Owner shall promptly report to the Association or its agents any defect or need for repair on the Properties for which the Association is responsible for maintaining, repair and replace under this Declaration.
 3. No Owner shall make any alteration, addition or improvement to any portion of the Common Area, except as is specifically permitted by the Declaration.
 4. No Owner shall do anything which shall adversely affect the safety or soundness of the Common Area;

the opinion of the Board of Directors shall control in determining whether the safety or soundness of the Common Area is adversely affected.

5. No Owner shall plant or remove any landscaping of any kind on the Common Area, without the prior written approval of the Board.

6.3 Level of Maintenance. The Association is hereby empowered, by and through the Board of Directors, to determine the level of uniform maintenance to be effected by the Owners, subject to any provisions for same in this Declaration. Maintenance standards shall include, but are not limited to, the following: The entirety of the exterior of the Dwelling Structure and all exterior improvements on the Lot shall be kept clean and free of algae, stains and mildew; all exterior components on the Lot shall not have cracked, chipped, faded, broken, worn, stained or missing components; screens and other improvements shall not be torn; and exterior Dwelling Structure paint shall not be faded, chipped or stained.

6.4 Association Alterations. Subject to the provisions of Section 9 below, the following shall apply: The Association shall have the right to make or cause to be made alterations or improvements to the Common Area which are approved by the Board of Directors; provided however, if the cost of same shall exceed 10% of the annual budget excluding reserves, cumulatively in a budget year, then the alteration or improvement may not be made unless approved or ratified by a majority of the voting interests of all members of the Association. Notwithstanding the foregoing to the contrary, in the event that any alteration or improvement is also necessary or beneficial in the maintenance, repair, replacement or protection of the Common Area or protection of the Owners or Occupants, then such alteration or improvement shall not require the ratification or approval of the Owners as provided for in this Section 6.4.

Section 7. OWNERS' CONSTRUCTION, ALTERATIONS AND IMPROVEMENTS; ARCHITECTURAL ADVISORY COMMITTEE. The following applies to the Owners and Occupants, but not to the Association:

7.1 Scope; Review by Architectural Advisory Committee. No structure (whether part of a residence) fences, walls, roofs, exterior lighting, or any other improvement, shall be constructed or allowed upon any Lot, no alteration, addition, changing or remodeling to the exteriors of any Dwelling Structure or other structure in a Lot shall be made; and no landscaping or removal of landscaping shall be added or altered on a Lot (collectively a "Modification"); without the Owner first obtaining the prior, written approval of the Board of Directors and fully and strictly complying with this Section 7.

- A. Proviso. The installation of antennae and satellite dishes as protected by federal law shall not be subject to approval of the AAAC/Board.

7.2 Composition and Function of the Architectural Advisory Committee (AAC)

A. The AAC shall be a permanent advisory committee of the Association appointed by the Board. The committee shall be composed of three (3) or more persons appointed by the Board. A majority of the AAC shall constitute a quorum to transact business at any meeting, and the action of a majority of members present at a meeting at which a quorum is present shall constitute the action of the AAC. All members of the AAC shall be subject to removal, with or without cause, by the Board. Any vacancy occurring on the AAC due to death, resignation, or removal of any member shall be filled by the Board.

B. The AAC shall be responsible to administer and perform the architectural review and control functions as described in sections 7.3 and 7.4 below. The AAC shall exercise its best judgment to see that all alterations, improvements, construction and landscaping conform to and harmonize with existing surroundings and structures; and that all modifications are in compliance with current rules and regulations as published by the Association.

C. The AAC may also assist and advise the Board in enforcing the Declaration and in adopting rules, regulations and guidelines and may, from time to time, perform such other duties or functions as may be assigned to it by the Board.

7.3 Architectural modification request/approval process:

A. Preliminary approval. Prior to making any modification, the Owner must apply to the Board for preliminary written approval by submitting to the association office the completed architectural modification request form together with a sketch drawing of the proposed modifications and any other pertinent information such as color, and type of materials/plants. The AAC/Board has 60 days from the date it receives the written modification request to recommend approval/disapproval and, during that 60 days has the right to request additional information and/or revisions. In the event that approval is not obtained within this time period, then preliminary approval shall be deemed given by the AAC. Preliminary approval must be obtained prior to submission of plans for final approval of the Board and prior to submission to any applicable governmental authority for its approval. Preliminary approval shall not obligate the Board to render final approval as provided for in section 7.3B below.

B. Final Approval. Following the AAC preliminary approval, the owner modification request will be forwarded to the Board for final written approval providing full plans and specifications of the modification showing the nature, kind, shape, height, material and location of the modification and the approval of any applicable governing authority, if required same. The AAC/Board shall have a period of sixty (60) days from the date of its receipt of the full plans and specifications and any fees, within which to approve or disapprove. The failure of the AAC/Board to approve or disapprove within sixty (60) day time period shall constitute an automatic final approval from the Board. The

Board is permitted to require changes to the full plans and specifications as the Board may reasonably require.

7.4 Responsibilities of the AAC. The AAC shall have the following responsibilities:

- A. To require submission of samples of building materials and colors proposed to be used, and may also require such additional information as may be reasonably necessary to evaluate the proposed construction, alteration or improvement.
- B. To recommend to the Board the approval or disapproval of all plans and specifications.
- C. To recommend rules and regulations of general application, governing the procedures to be followed by the AAC/Board, including the form and content of applications, plans and specifications to be submitted for approval. The AAC/Board may from time to time adopt architectural guidelines.
- D. By any of its members or appointed agents upon reasonable notice and at any reasonable time, to enter and inspect any Lot and exterior of the dwelling for compliance with this Section 7 of this Declaration or any other provision in the Declaration under which the AAC/Board has jurisdiction.
- E. To perform any other tasks delegated to it by other provisions of this Declaration and/or by the Board of Directors of the Association.

7.5 Review Criteria. The AAC/Board may disapprove any plans submitted to it or require modifications to same, for any one or more of the following reasons:

- A. Failure of such plans to comply with any of the protective covenants, conditions and restrictions contained in this Declaration and/or architectural guidelines adopted from time to time by the Board.
- B. Failure to include information in such plans and/or as requested by the AAC/Board;
- C. Objection to the site plan, exterior design, appearance or materials of any proposed alteration or improvements, including without limitation, color or color scheme, finish,

proportion, style or architecture, height, bulk or appropriateness of any proposed alteration or improvement;

- D. Incompatibility of the proposed alteration or improvement to comply with any zoning, building, health or other governmental laws, codes, ordinances, rules or regulations.
- E. Failure of the proposed alteration or improvement to comply with any zoning, building, health or other governmental laws, codes, ordinances, rules or regulations;
- F. Any other matter which in the judgment and sole discretion of the AAC/Board would render the proposed alteration or improvement inharmonious or incompatible with the General Plan of Development of the Community.

7.6 Permits and Certificates of Occupancy; Compliance; Completion of Improvements.

- A. After the plans and specifications and plot plans and other data submitted have been approved by the Board, no alterations, improvement or structure shall be erected, constructed, placed or maintained upon the Lot or Dwelling Structure unless same shall be erected, constructed, placed or maintained in conformity with the plans and specifications and plot plans approved by the Board. Any alteration, construction or structure which shall be erected, constructed, placed or maintained which is not in conformity with the plans and specifications and plot plans approved by the Board shall be deemed to have been undertaken without such approval and to be in violation of this Declaration.
- B. Furthermore, the Owner shall not apply to the County's issuance of a certificate of occupancy (if applicable) unless the Owner(s) have complied with this Section 7.
- C. Unless specifically excepted by the Board, all improvements shall be completed within six (6) months from the date of commencement of the improvement, and must be commenced within six (6) months after the Board renders its approval.

7.7 Records of Meetings. The AAC shall keep minutes and maintain records of all votes taken at AAC meetings. The AAC may also take action without a meeting by unanimous written consent of all members of the AAC.

7.8 No Waiver. The approval of the AAC/Board of plans and specifications submitted for approval, as herein specified, shall not be deemed to be a waiver by the Board of the right to object to any of the features of elements embodied in such plans and specifications, if and when the same features and elements are embodied in any subsequent plans and specifications submitted for approval for use on other Lots, even if submitted by the same Owner(s) and/or contractors.

7.9 Liability for Actions. Neither the Board of Directors nor the Officers of the Association, the members of the AAC, nor any person acting on behalf of any of them, shall be liable for any costs or damages incurred by anyone submitting plans for approval, or any other party, due to any mistakes in judgment, negligence or nonfeasance of the AAC/Board in connection with the approval or disapproval of plans. Neither the Board of Directors nor the officers of the Association, the members of the AAC, nor any person acting on behalf of them, shall be responsible for any defects in any plans or specifications, nor any defects in any alterations or improvements constructed pursuant thereto. Each party submitting plans and specifications for approval shall be solely responsible for the sufficiency thereof and for the quality of construction performed pursuant thereto.

7.10 Variance. The AAC/Board may authorize variances from compliance with the provisions of any architectural standards (not inconsistent with this Declaration) adopted by the AAC/Board, when circumstances such as topography, natural obstructions, hardships, aesthetic, or environmental considerations require. Such variance must be evidenced in writing and approved by a majority of the entire membership of the AAC/Board, which variance must also be approved by the Board of Directors in order for the variance to be effective. If such variances are granted, no violation of this Declaration or the architectural guidelines shall be deemed to have occurred with respect to the matters for which the variances were granted. The granting of such a variance shall not, however, operate to waive any of the terms and provisions of this Declaration or architectural guidelines for any purpose except as to the particular Lot and particular provisions of the architectural guidelines, covered by the variance, nor shall it affect, in any way the Owner's obligation to comply with all governmental laws and regulations affecting his or her use of the Lot, including, but not limited to, zoning ordinances and set-back lines imposed by any governmental or municipal authority, nor shall it entitle the Owner or any other Owner to a similar variance in the future.

7.11 Appeal to the Board of Directors. In the event that the AAC disapproves in writing an application in accordance with this Section 7 and other procedures adopted by the AAC, the applicant may appeal directly to the Board of Directors. In order for the Board to entertain such an application, the original request to the Board must be received by the Board not more than thirty (30) days following the final decision by the AAC. The AAC shall be notified by the Board of Directors of all appeals and have the right to present reasons why the request was disapproved or not approved in full. The Board of Directors shall have thirty (30) days following the receipt of the request for appeal to render its written decision. The Board may reverse or modify the AAC decision within its sole discretion.

7.12 Architectural Guidelines. The following constitute architectural guidelines for the Community applicable to Owners and Occupants, which are in addition to any other guidelines or restrictions contained elsewhere in this Declaration. The existence of a guideline or restriction does not obviate the need for AAC/Board approval, which still does exist. The absence of a guideline or restriction does not mean that an alteration or improvement is allowed, but simply that the Board has discretion on the matter, which may or may not be documented in writing by the Board in written form or architectural guidelines outside of this Declaration.

- A. Entryway. Screening shall be permitted in the entryway to the Dwelling Structure under the roof overhang, with no roof line change permitted. If framing is of metal construction, framing must be wither white, bronze, or black. Any screening material must be black, charcoal or white in color.
- B. (1). Potted Plants. Hanging plants up to a total of three (3) shall be permitted in the front porch under the roof line, other than from the time of issuance of a hurricane or tropical storm watch during which time the plants must be removed and until the storm danger has passed. Two (2) potted plants are permitted in the front of the Dwelling Structure only adjacent to the Dwelling Structure, which shall be removed from the time of issuance of a hurricane or tropical storm watch and until the storm danger has passed.
- B. (2). Prohibited Exterior Decorations. Exterior decorations including but not limited to Birdfeeders, Wind Chimes, Statutes, Lawn Ornaments, Windsocks, Artificial Plants and Landscape Lighting are prohibited.
- C. Doors. The doorframe of screen doors shall be white, charcoal or the color of the trim of the Dwelling Structure. Screen doors may be of screen or glass material, with decorative designs permitted.
- D. Garage Screens. Only an electrically operated roll-up screen, charcoal, black or white in color shall be permitted outside of the garage door.
- E. Hurricane Protection. Hurricane protection shall be limited to the following: Metal panels, roll-up, Bahama and folding shutters. All metal, wood, hardware and bracing channels must be clear, factory white in color or painted the base color of the Dwelling Structure. Any protection in non-compliance with the foregoing is limited to installation no earlier than the

issuance of a hurricane or tropical storm watch and must be removed two weeks after the storm danger has passed. No other hurricane protection shall be permitted.

- F. Lattice Work. Lattice material on the exterior of the Dwelling Structures may be removed and not replaced.
- G. Driveways. Poured cement driveways may be stained in approved, natural cement color stain. No surface patterns or painting of driveways is permitted.
- H. Light Fixtures. Only exterior building mounted light fixtures shall be permitted, limited to those prevailing in the Community on the Effective Date of this Declaration.
- I. Windows. Reflective material/window tinting is/are permitted on the windows so long as the color is clear, brown or grey. At no time shall aluminum foil be placed on the inside or the outside of the windows.
- K. Skylights. Skylights shall be permitted.
- L. Rear Porch Enclosures. Rear porch enclosures shall be permitted only as prevailing in the Community as of the Effective Date of this Declaration, but in no event shall the screen enclosure protrude beyond the roof line of the Dwelling Structure.
- M. Spas. Spas shall be permitted but only under the roof line of the Dwelling Structure.
- N. Roof Ventilators. Roof ventilators shall be permitted so long as their movement is not visible from the street or other Lots.
- O. Air Conditioning/Heater Units. Wall and window air conditioning and heating units are prohibited. Corrals are required to screen and protect exterior air conditioning units.
- P. Solar Panels. Solar Panels are permitted only as protected by F.S. 163.04, as amended from time to time.
- Q. Signs. No signs of any type shall be maintained, kept, or permitted on any of the Properties, including Unit (interior or exterior), or in a vehicle (except as otherwise provided for below), such that they may be viewed from other Lots or the streets.

1. Exceptions. The following shall not violate this Section 7.13.Q:

- (a) Official notices of the Association.
- (b) Signs on permitted vehicles under Sections 8.4.B.1, 2, 3 and 4 below, except that any signage reflecting the sale or rent of the vehicle or Lot shall be prohibited.
- (c) One security window sticker in the windows of the Dwelling Structure, and one freestanding security sign not exceeding eight inches by ten inches, may be placed on the Lot no further than ten (10) feet from the entrance to the Dwelling Structure and in a location not to impede the Association's landscaping services.
- (d) One handicap sticker in one window of the Dwelling Structure.
- (e) One professional sign measuring no more than fourteen inches by eighteen inches, advertising the Lot for sale or rent and mounted at a location and on a post or stake or other structure approved by the AAC. One (1) small information tube, not to exceed 3 inches in diameter by 12 inches long in size, may be attached to the mounting stake of the sign. During open house times, one (1) additional professional "open house" sign, no larger than 10 inches by 12 inches mounted on the Lot, shall be allowed. No balloons, flags, streamers or other decorations shall be attached to any sign or post or otherwise placed on the Lot. No signs shall be placed in any Common Area.

R. Flags. The only flags which shall be permitted shall be those allowed by F.S. 720.304(2), F.S. 720.3075(3), and Garden Grove guidelines, as amended from time to time.

S. Holiday Decorations. Holiday decorations and lighting shall be permitted on doors, shrubbery, trees or buildings, but only during the Christmas/Hanukkah holiday season and a reasonable time prior to and after then. Easter and Halloween

decorations will be permitted five (5) days prior to the holiday and must be removed two (2) days thereafter.

- T. Antennae and Satellite Dishes. The only antennae and satellite dishes permitted on any Lot shall be those that are protected by federal law. To the extent an acceptable signal, as recognized by federal law, can be obtained, a satellite dish or antennae shall be installed within the Dwelling Structure. To the extent that an acceptable signal as defined by federal law, cannot be obtained from within the Dwelling Structure, then to the extent that such a signal is possible from the rear of the Dwelling Structure, then the antennae or satellite dish shall be installed to the rear of the Dwelling Structure; otherwise, the installation shall be placed on the Lot in the following order of priority: first, on either side of the Dwelling Structure on the Lot, second, in front of the Dwelling Structure on the Lot; and third, on the Dwelling Structure itself, all provided that an acceptable signal as defined by federal law can be obtained. All satellite dishes and any antennae not installed on a mast must be screened from view on a lot by landscaping, the cost of which shall not exceed that recognized by the Federal Communications Commission ("FCC") and any applicable cases or administrative rulings as exist from time to time. Any installation placed on the Dwelling Structure shall not be painted but shall remain the original grey color. If the installation is placed on the Lot, then the installation must be screened from view as is the policy of the Association with respect to other equipment installed on the Lot. Notwithstanding the foregoing to the contrary, in no event shall any restrictions contained in this subsection impair a viewer's ability to receive video programming services prohibited by federal law, and/or impose any unreasonable delay or expense as recognized by such cases and rulings. Common Area installations are prohibited.
- U. Lakes. No structure shall be maintained in or around any lake that would interfere with the use and enjoyment of such lake. However, such restriction is not construed to prohibit the building of a small dock or ramp at the end of the lake by the Association for the use and enjoyment of all Owners within the Community. No Owner may construct a dock, raft or other structure in or around the lake. No swimming or boating is permitted per insurance regulations.
- V. Fences, Walls, Corrals and Patios. No Owner shall install, relocate, heighten, remove, lower, or otherwise move or

change any fence, wall, corral, or patio adjoining or adjacent to any Common Area. Corrals shall be required to screen and protect exterior air conditioning units and garbage, but corrals are not required to enclose concrete slabs not used for storage.

- W. Temporary Structures. No structure of a temporary character such as a trailer, tent, shack, detached garage, barn, storage shed or other outbuilding shall be constructed, maintained or permitted on any Lot at any time.
- X. Pipes to Underground. No water, gas, sewer, drainage or other type of pipe or storage tank shall be installed or maintained on any Lot above or below the surface of the ground, except for portable hoses for typical residential use. All such hoses shall be stored so as not to be visible from the front of any Lot.
- Y. Plantings in Easement Areas. No plantings or improvements unless approved by the AAC) shall be permitted in the side yard of any Lot. This restriction shall also prohibit the construction of a fence or wall or the installation of landscaping along the side property lines of a Lot. Landscaping shall be permitted in the rear yard of the Lot. The side yard shall be maintained at all times in a manner to permit ready access to the rear yard of the Lot.
- Z. Exterior Dwelling Structure Colors. The exterior colors (base, accent and trim) of the Dwelling Structures shall be selected from the colors approved by the Board of Directors. Samples are available from the Association office.
- AA. Access Ramps. An access ramp shall be permitted on a Lot where the Occupant has a medical necessity or disability that requires a ramp for egress and ingress, meeting the conditions set forth in F.S. 720.304(5), as amended from time to time, subject to the approvals required in this Section 7.13.

7.13 Grandfather Clause. To the extent that any Modification is prohibited by the Declaration but was permitted by the Original Declaration, or otherwise permitted or allowed by the Association, then the Modification shall be grandfathered, but shall not be replaced except with a Modification which conforms with the provisions of this Declaration.

Section 8. USE AND OCCUPANCY RESTRICTIONS. The use and occupancy of the Properties shall be in accordance with the following provisions so long as the

Community exists:

8.1 Occupancy of Lots; Subdivision.

- A. General. Each Lot shall be occupied by Owners or tenants and their family members and Guests and employees, as a residence and for no other purpose, subject to any other provision in the Governing Documents and in the Rules and Regulations relating to the use of the Lot.
- B. Subdivision. No Lot may be subdivided into more than one Lot. Only entire Lots may be sold, leased or otherwise transferred.

8.2 Guest Use in Absence of the Owner or Lessee. A Guest shall be entitled to gain admittance to any Lot during the absence of its Owner or lessee as host only upon written authorization received by the Association from the Owner or lessee in advance of the intended stay, advising the Association of the relationship of the Guest and the date of arrival and departure. The foregoing applies even though the Guest seeking to gain admittance possesses a key to the Lot. An Owner or lessee shall be deemed "absent" where the Owner or lessee does not stay overnight with the Guest. The Board of Directors is authorized to develop forms for use in connection with notification for use of the Lot by the Owners' or lessee's Guest in their absence.

8.3 Pets and Animals.

- A. No pet or animal shall be permitted on the Properties, except for two dogs or two cats or one of each per Lot, not to exceed forty pounds when measured at maturity; birds in cages permitted by applicable governmental code in reasonable numbers and kept inside of the Dwelling Structure; and fish in tanks kept in the Dwelling Structure. No such pet or animal shall be bred or kept for commercial purposes.
- B. The following shall apply as to permitted pets and Animals under this Section 8.3:
 - 1. Pets shall be walked in areas designated by the Board from time to time.
 - 2. When outside of the Lot, all permitted pets and animals must be accompanied by an attendant who shall have such pet or animal firmly held by collar and leash. No pet or animal shall be permitted to run at large outside the Dwelling Structure.

3. The owner/custodian of each animal and pet and/or the individual walking same, shall be required to clean up after the pet/animal.
4. The pet/animal owner and the Owner of the Lot involved shall be strictly liable for damages caused by the pet/animal to the Properties.
5. Any pet/animal owner's privilege to have a pet/animal reside in the Community shall be revoked if the pet/animal shall create a nuisance or shall become a nuisance.

C. Feeding of wildlife is strictly prohibited.

8.4 Vehicles and Parking.

- A. Prohibited Vehicles or Items. This subsection A lists prohibited vehicles or items ("Prohibited Vehicles"), which are prohibited from being stored or parked anywhere on the Properties outside of the garage, unless such vehicle or item is also listed in Subsection B below, in which case it need not be parked or stored inside of the garage: Dirt bikes, motorcycles, mopeds or other self-powered bicycles; trucks, including pick-up trucks, whether or not a camper top exists; agricultural vehicles; dune buggies, swamp buggies and all terrain and off-road vehicles; three-wheel motorized vehicles; any trailer or other device transportable by vehicular towing; semis, tractors or tractor trailers; buses; limousines; travel trailers; commercial vehicles as defined below; vehicles which are an eyesore; motorcycle delivery wagons; campers; recreational vehicles; motor homes or mobile houses; truck mounted campers attached or detached from the truck chassis; motor vehicles not having any bodies whatsoever, or incomplete bodies; passenger automobiles that have been converted to a different type of motor vehicle by replacing the original body or by modifying the exterior of the vehicle; vehicles that are noisy, unsightly or junkers, or which have flat or missing tires; vans and sports utility vehicles, except as otherwise allowed under Subsection B.5 below, and boat and boat trailers; and other such motor vehicles.
- B. Exceptions to A above. The following shall not be considered Prohibited Vehicles, subject to other provisions in this Declaration or in the Rules and Regulations of the Association not inconsistent with this Section 8.4.

1. Moving Vans for the purpose of loading and unloading, during reasonable hours, but not between the hours of midnight and 6:00 a.m.
2. Vehicles, regardless of classification, necessary for the maintenance, care or protection of the Properties, during regular business hours, and only for the time period during which maintenance, care or protection is being provided.
3. Service and delivery vehicles, servicing the Properties, regardless of classifications, during regular business hours and only for that period of time to render the service or delivery in questions.
4. Police and Emergency vehicles.
5. Certain vans and sports utility vehicles which are permitted. A two-axle van or two-axle sports utility vehicle which is not a commercial vehicle as defined below: which contains windows on the rear of the vehicle, on both sides of the vehicle adjacent to the first row of seating, and (if any) also at least one set of windows on each side of the vehicle beyond the windows adjacent to the first row of seating.
6. Miscellaneous. Motorized wheelchairs, golf carts, motorized scooters and utility carts are permitted.

C. Classifications and Definitions.

1. Except as otherwise provided as to certain vans and sports utility vehicles under this Subsection B.5 above, a State registration or title classification shall have no bearing on determination of the classification under this Section 8.4.
2. A "commercial vehicle" shall mean any motor vehicle which has an outward appearance of being used in connection with business, (e.g., the vehicle displays work equipment to view and/or is commercially lettered or contains a commercial or business logo). Actual use of the vehicle shall yield to its outward appearance. A vehicle with a covered sign or logo shall still be considered to be a commercial vehicle. A vehicle with

a removable sign or log shall not, with the sign/logo removed, be considered to be a commercial vehicle unless it meets the definition of "commercial vehicle" even without the sign or logo.

D. The following additional regulations apply:

1. No outside repair (including changing of oil) of a vehicle shall be made within the Community except for minor repairs necessary to permit removal of a vehicle. However, washing, waxing, or the changing of tires of a vehicle are permitted.
2. No motor vehicle or motorized vehicle which is of the type of vehicle which is unregistrable or which is not currently registered and licensed shall be driven or operated on any of the Properties at any time for any reason. However, motorized wheelchairs, golf carts, utility carts and motorized scooters shall be permitted.
3. No motor vehicle, including moving vans, shall be parked at any time on the grass/swales within the Community (except for landscaping equipment at the direction of the Board of Directors).
4. Except where safety dictates otherwise, horns shall not be used or blown while a vehicle is parked, standing in or driving through parking areas. Racing engines and loud exhausts shall be prohibited.
5. No vehicle may be parked such that it blocks any sidewalk, except where otherwise necessary by moving vans and only for loading and unloading.
6. All vehicles must appear in working order, no vehicles on blocks, jacks or ramps, shall be permitted.
7. All speed limit and traffic directional signage shall be observed.
8. Parking on the Lot shall be limited to the paved parking area, driveway or garage located on the Lot. No parking shall be permitted on the lawns or streets within the Properties. Parking for the recreational facilities on the Common Area shall be limited to the designated parking areas constructed specifically to service such

recreational facilities and shall be subject to the rules and regulations imposed by the Board of Directors of the Association.

- E. Remedy of Towing. If upon the Association's compliance with Section 715.07, Florida Statutes and any applicable County Ordinances, as amended from time to time, an offending vehicle owner does not remove a Prohibited Vehicle or improperly parked vehicle from the Community, the Association shall have the option and right to have the vehicle towed away at the vehicle owner's expense. Towing shall not be the exclusive remedy or a condition precedent for the Association.

8.5 Nuisances, Ordinances and Laws. No Owner, Occupant or Guest shall use any of the Properties, or permit same to be used, in any manner which is unreasonably disturbing, detrimental or a nuisance to the Owner(s), Occupant(s) and Guest(s) of other Lot(s), or which would not be consistent with the maintenance of the highest standards for a first class residential development, nor permit the Properties to be used in a disorderly or unlawful way, nor which will produce an insurance risk for the Association or other Owners or Occupants. The use of each Lot shall be consistent with existing ordinances and laws and the Governing Documents, and Occupants shall at all times conduct themselves in a peaceful and orderly manner. No inflammables except propane for grills and fuel for lawn mowers in federally approved containers shall be stored anywhere on the Properties. Televisions, radios and musical instruments may only be used at such times and at such volume so as not to create a disturbance for other Owners and Residents. A hazardous substance as defined by applicable law for normal household purposes may be used or stored in keeping with applicable law.

8.6 No Flammables. No flammables, except propane for grills (20# containers or less) and fuel for emergency equipment (5 gallon containers or less) in federally approved containers, shall be stored anywhere on the properties. Such containers must be stored in an outside corral not visible from the road.

8.7 No Business Activity. No business or commercial activity or enterprise of any kind whatsoever shall be erected, maintained, operated, carried on, permitted or conducted on the Properties, including Lots, provided, however that the following shall not violate this Section 8.6:

- A. Any business which qualifies as a home occupation under the applicable zoning code shall be permitted and subject to the additional qualification that foot or vehicle traffic related to the home occupation shall be prohibited. However, a day care or child care facility or operation (regardless of age) shall not be permitted, irrespective of whether same is a home occupation.

B. The practice of leasing Lots.

C. The business of operating the Association.

8.8 Trash and Garbage; Storage. No rubbish, trash, garbage or other waste material shall be kept or permitted in the Community except in solid containers with lids on, located in appropriate areas, and no odor shall be permitted to arise therefrom, so as to render the Community or any portion thereof, unsanitary, unsightly, offensive or detrimental to any other properties in the vicinity thereof, or its Occupants. No lumber, grass, shrub or tree clippings or plant waste, metals, bulk material or scrap or refuse or trash shall be kept, stored or allowed to accumulate on any portion of the Community except within an enclosed structure appropriately hidden from view from the streets, as approved by the AAC/Board. Trash containers with lids on shall be permitted to be placed in the front of any Dwelling Structure abutting the Common Area or the streets no earlier than sundown on the day before the scheduled day for garbage/trash removal. And same must be removed on the day of removal and placed on the Owners' Lot hidden from view from the streets.

8.9 Solicitation. No business solicitation or door-to-door solicitation whatsoever other than for proxy solicitation shall be permitted in the Community. This shall not preclude an owner from inviting a person or firm to enter the Community for the purpose of contracting business with the Owner.

8.10 Oil and Mining Operations. No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon any Lot, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon any Lot. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon a Lot.

8.11 Insurance Rates. No Owner shall do anything in the Common Area or on the Lots which will increase the rate of insurance of any property insured by the Association without the approval of the Board of Directors, nor shall any Owner or Occupant do or keep anything within the Community which would result in the cancellation of insurance on any property insured by the Association or which would be in violation of any law.

8.12 Laundry. No portion of the Common Area shall be used for the drying or hanging of laundry. No portion of a Lot shall be used for the drying or hanging of Laundry unless such laundry is totally hidden from public view, so that the laundry is not visible from any Lot, Common Area, street or from outside of the Community; the foregoing is subject to F.S. 163.04, and Garden Grove guidelines/rules and regulations as amended from time to time.

8.13 Garages. Garages shall be used for the storage of vehicles and other uses typical of garages, but no garage may be used as living space or divided into any rooms.

8.14 Lakes. No use of the lakes is permitted other than for model boats and other than for catch and release sports fishing from the shore.

8.15 Yard Sales. No yard sales, estate sales, garage sales, or similar types of operation shall be permitted within the Properties and no stands for the sale of produce or similar sales operation shall be permitted within the Properties, except that the Association shall be permitted to organize and promote yard sales, art sales or craft sales to be conducted only from the recreational or clubhouse facilities.

SECTION 9. LEASING OF LOTS AND DWELLING STRUCTURES. An Owner may lease only his entire Lot and Dwelling Structure, and then only in accordance with the Declaration, after receiving the approval of the Association as provided for in this Section 9. Reference to "leasing" in this Section 9 shall also include rental. Prior approval is also required in connection with any lease renewal **and in connection with any change in occupancy under, during or along with a lease**. A lease, lease renewal or change in occupancy under, during or along with a lease is referred to in this Section 9 as a "Transfer".

9.1 Procedures.

- A. Notice by the Owner. An Owner shall give to the Board of Directors or its designee written notice of an intended Transfer at least thirty (30) days prior to the proposed Transfer and occupancy thereunder, together with the name and address of the proposed lessee(s) and intended adult occupants, an executed copy of the proposed lease, and such other information as the Board may reasonably require regarding the lessee(s) and intended adult occupants. The Board may require an on-site interview with the lessee(s) and intended adult occupants.
- B. Approval. After the required notice and all information, transfer fee, and appearances requested have been provided, the Board shall approve or disapprove the proposed Transfer within thirty (30) days. If the Board neither approves or disapproves within this time period, such failure to act shall be deemed the equivalent of approval, and on demand the Board shall issue a letter of approval to the Owner.
- C. Disapproval. A proposed Transfer shall be disapproved only of majority of the whole Board so votes, and in such cases the Transfer shall not be made. Appropriate grounds for disapproval shall include, but not be limited to, any one or more of the following:

1. The Owner is delinquent in the payment of assessments at the time the application is considered, and the Owner does not bring the delinquency current (with any interest, late fees, costs and attorneys; and paralegal fees also due and owing) within a time frame required by the Board of Directors;
2. The Owner has a history of leasing his/her Lot to troublesome lessees and/or refusing to control or accept responsibility for the occupancy of his Lot;
3. The real estate company or agent handling the leasing transaction on behalf of the Owner has a history of screening lessee applicants inadequately or recommending undesirable lessees;
4. The application on its face appears to indicate that the person seeking approval and/or intended occupants intend(s) to conduct himself/themselves in a manner inconsistent with and/or are unable to comply with the Governing Documents and/or Rules and Regulations of the Association;
5. The prospective lessee or other intended occupants have been convicted of a felony involving violence to persons or property;
6. The prospective lessee or other intended occupants story of conduct which evidences disregard for the rights and property of others;
7. The lessee or other intended occupants, during previous occupancy, have evidenced an attitude or disregard for Governing Documents and/or Rules and Regulations of the Association;
8. The lessee or other intended occupants have failed to provide the information or appearances required to process the application in a timely manner, or provided false information during the application process; or the required transfer fee is not paid; or
9. The Owner fails to give proper notice of his intention to lease his Lot to the Board of Directors. Notice of disapproval shall be sent or delivered in writing to the Lot Owner.

- D. Failure to Give Notice or Obtain Approval. If proper notice is the Board at its election may approve or disapprove the lease.
- E. Unapproved Transfers. Any Transfer which is not approved, or which is disapproved pursuant to the terms of this Declaration, shall be void unless subsequently approved in writing by the Board of Directors. The Association shall have the right to remove any occupants(s) and personal belongings by injunctive relief or by other means provided in this Declaration should this Section 9 be violated.
- F. Application Form. The Association is vested with the authority to prescribe an application form such as may require specific personal, social, financial, and other data relating to the intended lessee(s), and occupants, as may reasonably be required by the Association in order to enable the Association to reasonably investigate the intended lessee(s), and occupants within the time limits extended to the Association for that purpose as set forth in this Section 9. The application shall be complete and submitted to the Association along with and as an integral part of the notice of Transfer.
- G. Transfer Fee. The Board of Directors is empowered to charge a fee in connection with and as a condition for the approvals set forth in this Section 9, in an amount as set by the Board of Directors from time to time, but not to exceed \$50.00 per applicant. Husband and wife and dependent children shall be considered as one applicant.
- H. Certain Exceptions. Section 9.1 shall not apply to a transfer to or purchase by an Institutional Mortgagee that acquires its title as the result of owning a mortgage upon the Lot concerned, and this shall be so whether the title is acquired by deed from the mortgagor, his successors or assigns, or through foreclosure proceedings; nor shall such Section 9.1 apply to a transfer, sale or lease by an Institutional Mortgagee that so acquires its title. Nor shall such Section 9.1 require the approval of a purchaser who acquires title to a Lot at a duly advertised public sale with open bidding provided by law, such as but not limited to execution sale, foreclosure sale, judicial sale or tax sale.
1. Proviso. This Section 9.1.H shall not be construed to exempt the foregoing from compliance or permit the

foregoing to be in noncompliance with all other provisions of the Governing Documents and Rules and Regulations of the Association; nor shall the grantee (other than another Institutional Mortgagee) of the foregoing be exempt from the requirements of this Section 9.1.

9.2 Contents in Lease Agreement. Every lease as of the Effective Date of this Declaration, whether oral or written shall contain, and if it does not contain, shall automatically be deemed to contain the following:

- A. The lessee and all occupants shall abide by all provisions of the Governing Documents and reasonable Rules and Regulations, as amended from time to time, the failure of which shall constitute a material default and breach of the lease.
- B. The parties recognize that the Association, as agent for the landlord/Owner, has the power to evict the tenants and occupants under Chapter 83, Florida Statutes, for violations of the Governing Documents and reasonable Rules and Regulations, as amended from time to time.

9.3 Minimum and Maximum Terms. The minimum term for any lease shall be three (3) consecutive months and the maximum term for any lease shall be twelve (12) consecutive months.

9.4 Frequency. No lease shall be made more often than once in any calendar year. For purposes of calculation, a lease shall be considered as made on the first day of the lease term.

9.5 Subleasing; Renting Rooms. Subleasing of a Lot and Dwelling Structure shall be absolutely prohibited. Furthermore, no rooms shall be rented in any Dwelling Structure. The intention is that only entire Lots and Dwelling Structures may be rented, and Lots and Dwelling Structures may not be sublet.

Section 10. OWNERSHIP AND TRANSFER OF OWNERSHIP OF LOTS AND DWELLING STRUCTURES. In order to maintain a community of congenial, financially responsible residents with the objectives of protecting the value of the Lots, inhibiting transiency, and facilitating the development of a stable, quiet community and peace of mind for all residents, the transfer of the ownership of a Lot and Dwelling Structure shall be subject to the following provisions so long as the Community exists, which provisions each Owner of a Lot agrees to observe.

10.1 Forms of Ownership.

- A. General. There shall be no limitation on the manner in which a Lot may be owned.
- B. Life Estate. A Lot may be subject to a life estate, either by operation of law or by a voluntary conveyance. In that event, the life tenant shall be only the Association member from such Lot, and the occupancy of the Lot shall be as if the life tenant was the only Owner. Upon termination of the life estate, the holders of the remainder interest shall have no occupancy rights unless separately approved by the Association. The life tenant shall be liable for all assessments and Charges against the Lot. Any consent or approval of the holders of the remainder interest shall not be required. If there is more than one life tenant, they shall be treated as co-owners.

10.2 Transfer of Ownership of Lots. The Association shall not have the right of approval and disapproval with respect to the transfer of ownership of Lots. However, each Owner shall notify the Association of any change in ownership of a Lot as soon as possible thereafter. The Board of Directors is empowered to adopt a form to be utilized by the Owners for providing such notification, which shall include such reasonable information as required by the Board of Directors. The prospective new owners and all intended adult occupants to occupy the Lot shall submit themselves to an on-site orientation with the Board of Directors or its committee prior to the obtaining of title.

Section 11. INSURANCE AND CASUALTY. The insurance which shall be carried upon the Properties in the Community shall be governed by the following provisions:

11.1 By the Association.

- A. Duty and Authority to Obtain. The Board of Directors shall obtain and keep in force the insurance coverage which it is required to carry under the Governing Documents, and may obtain to keep in force any and all additional insurance coverage as it deems necessary. The name of the insured shall be the Association and the Owners without naming them, and their mortgagees, as their interests shall appear.
 - 1. The cost of insurance premiums and other incidental expenses incurred by the Association in administering and carrying out the provisions of this Section 9.1 shall be a common expenses of the Association; notwithstanding the foregoing, any increase in the premium occasioned by misuse, occupancy or abandonment of any Dwelling Structure or of the Common Area by particular Owner(s) shall be levied

against a Lot and Owner and paid by such Owner(s) as a Charge and collectible as Charges are collected pursuant to the Declaration.

2. Premiums upon insurance policies may be financed in the manner as the Board of Directors deems appropriate.
3. The Association is hereby permitted to purchase insurance policies which contain deductibles.
4. The Board of Directors of the Association is empowered to adjust claims under any policies of insurance carried by the Association.
5. All policies shall be issued by a company authorized to do business in Florida.

- B. Required Coverage. The Association shall maintain adequate insurance covering the Common Area in an amount determined annually by the Board of Directors, but in no event less than 100% of the then current replacement cost value.
- C. Description of Coverage. A detailed summary of the coverage included in the master policies, and copies of the master policies, shall be available for inspection by Owners or their authorized representatives upon request.
- D. Waiver of Subrogation. If available and where applicable, the Board of Directors shall endeavor to obtain insurance policies on behalf of the Association which provide that the insurer waives its right to subrogation as to any claim against the Association, Owners, or their respective servants, agents or guests, except for any claim based upon gross negligence evidencing reckless, willful and wanton disregard for life or property.
- E. Share of Insurance Proceeds. All insurance policies obtained by the Association shall provide that all proceeds covering property losses shall be paid to the Association.
- F. Reconstruction and Repair After Casualty. Any damage or destruction to the Common Area shall be repaired or reconstructed by the Association, substantially in accordance with the plans and specifications for the original improvements; or if such plans and specifications are lost or

unavailable, then in accordance with plans and specifications approved by the Board of Directors of the Association. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction and repair of the Common Area, or if at any time during reconstruction or repair, or upon completion of reconstruction or repair are insufficient, the Association shall levy a Special Assessment against all Owners in sufficient amounts to provide funds for the payment of such costs. Notwithstanding the foregoing to the contrary, repair and damage or destruction to the Common Area is optional if this Declaration is terminated as provided for in Section 15 below.

11.2 By the Owners.

- A. Each Owner hereby covenants to maintain full casualty insurance coverage on all portions of his Lot, inclusive of the entire Dwelling Structure. Such coverage shall include loss by damage by fire and all other hazards covered by a standard extended coverage endorsement; all perils covered by the extended standard "all risk" endorsement; and an Inflation Guard Endorsement where obtainable. The Owners may, but shall not be required to, procure title insurance and insurance upon their personal property and for their personal liability and living expense. All policies shall be issued by a company authorized to do business in Florida.
- B. All insurance purchased by Owners under this Section 11.2 shall be so purchased at their own expense.
- C. All damage or destruction to any Lot improvement shall be repaired or reconstructed with improvements of at least similar size and type, and subject to the approval of the AAC/Board; the provisions of Section 7 shall apply here. Construction shall proceed diligently and continuously. If the Owner does not proceed with the repair or reconstruction diligently and continuously, or if the work is not completed within three months after the occurrence of such damage or destruction (or such longer time periods permitted by the Board of Directors in writing), then the Association may, but shall not be required to, elect to repair or restore the Dwelling Structure to the condition prior to the occurrence of the damage or destruction, or alternatively, to remove the remaining portion of the Dwelling Structure, clear all debris and plant, sod and landscape the Lot in a manner determined by the Board of Directors of the Association to be consistent

with the landscape plan for the Properties. The Owner shall be liable for a Charge for such costs. Although it is impossible to anticipate all problems which may arise from a casualty, the intent is to try to assure that the overall quality of the General Plan of Development is maintained by requiring damaged Dwelling Structures to be rebuilt, repaired or replaced and that unsightly and dangerous conditions on the Lots are remedied as soon as possible.

Section 12. CONDEMNATION OR EMINENT DOMAIN. The circumstances of a taking of Common Area by the power of eminent domain and/or of any taking of Common Area or other Properties by way of condemnation, eminent domain or inverse condemnation, shall be dealt with in such reasonable manner as determined to be appropriate under the circumstances by two-thirds of the entire Board of Directors. For the purposes of this Section 12, each Owner shall be considered as having sufficient property rights in and to the Common Area so as to be able to institute a claim directly against the taking authority.

Section 13. COMPLIANCE AND DEFAULT; REMEDIES.

13.1 Duty to Comply; Right to Sue.

- A. Each Owner, his tenants, guests and invitees, and the Association, shall be governed by and shall comply with the provisions of applicable statutes, the Governing Documents, and the Rules and Regulations, and architectural guidelines of the AAC/Board. Actions for damages, for injunctive relief, and/or for declaratory relief, for failure to comply may be brought by the Association or by an Owner against:
1. The Association;
 2. An Owner;
 3. Tenants, guests, invitees occupying a Lot and Dwelling Structure or using the Common Area; or
 4. Any member of the Board of Directors who willfully and knowingly fails to comply with the foregoing.

13.2 Association Notice to Correct. Should any Owner fail to properly discharge his/her maintenance, repair and replacement obligations as provided for in Section 6 and Section 11.2 above; or shall fail to make and pay for maintenance, repair or replacement as provided for in Section 6 above; and in the judgment of the Board of Directors, same shall result in a condition of unsightliness or tending to adversely affect the value or enjoyment of neighboring Owners and Occupants; or should any Owner

violate Section 7 above; or should the neglect or with the willful misconduct of Owner(s) cause damage which then requires maintenance, repair or replacement by the Association; then the following shall apply:

A. The Board may (but shall not be required to) provide notice of such condition(s) to the proper Owner(s), demanding that the condition(s) be corrected within a reasonable time, but no longer than thirty (30) days, but sooner if the situation warrants a shorter time period for notice. In the event that the Owner does not rectify the condition at the end of this period, then the Association shall be entitled to contract to have the necessary work performed (and entry onto the Lot), whereupon the cost of this work (and in addition thereto, a reasonable administrative fee which is permitted to be charged by the Association over and above same) shall become a Charge against the Owner and Lot concerned (solely or proportionately as the Board shall determine) and collectible as Charges are collected under this Declaration.

B. This Section 13.2 is in addition to the rights of entry onto the Lots as provided for in Sections 13.3 and 13.4 below.

C. Provisos. Notwithstanding any provision to the contrary in this Section 13.2, the following shall apply:

1. The notice period may be shortened or eliminated if the Board determines that an emergency exists to effect correction.
2. The notice periods shall not apply to Section 13.3 below.

13.3 Negligence; Damages Caused by Condition in Lot. Each Owner shall be liable to the Association for the expenses of any maintenance, repair or replacement of Common Area made necessary by his act or negligence, or by that of any member of his family or his guests, invitees, agents, or lessees. If any condition, defect or malfunction existing within a Lot or Dwelling Structure, whether caused by the Owner's negligence or otherwise, shall cause damage to the Common Area or to other Lots and Dwelling Structures, the Owner of the offending Lot shall be liable to the person or entity responsible for repairing the damaged areas, for all costs of repair or replacement not paid by insurance. If the Association effects correction, the cost shall be levied as a Charge against the Owner and Lot and collectible as Charges are collected under this Declaration; the Association may, but is not required to, provide notice to the Owner prior to effecting correction.

13.4 Association's Access. The Association, by and through the Board of Directors, officers, or the agents or employees of the Association, has an irrevocable right of access onto the Lots (but not into or through the Dwelling Structures) only for the purposes of inspection, maintenance, repair, replacement, alteration and improvement of those Properties for which it is obligated to maintain, repair and replace.

13.5 Owners Responsible. Owners are strictly responsible to ensure that their family members, guests, agents, lessees, invitees, etc. or any occupants of their Lots comply with the Governing Documents and Rules and Regulations of the Board and architectural guidelines of the AAC; as amended from time to time; and the statutes which apply; and as such, are responsible and liable to the Association for violations of same by their family members, guests, agents, lessees, servants, etc. or any occupants of their Lots.

13.6 Waiver of Rights. The failure of the Association or of an Association member to enforce any right or provision, covenant or condition which may be granted by the Governing Documents shall not constitute a waiver of right of the Association or member to enforce such right, provision, covenant or condition in the future.

13.7 Costs and Attorney's and Paralegal Fees. In any legal proceeding arising out of an alleged failure of an Owner (for himself/herself or for his/her family members, guests, agents, tenants, guests or invitees or any occupants of the Lot), or the Association, or any tenants, guests or invitees occupying a Lot or using the common area. To comply with the Governing Documents or Rules or Regulations as amended from time to time, or corporate statute, the prevailing party shall be entitled to recover from the losing party, reasonable costs and attorneys' and paralegals' fees, including those incurred in appellate proceedings. The Association shall also be entitled to recover attorneys' fees and costs incurred prior to and with or without the filing of a legal action, to include those incurred by the Association in connection with mediation proceedings. This Section 13.7 shall survive the termination of an Owner's membership resulting from the voluntary or involuntary transfer of title of the Lot.

13.8 No Election of Remedies. All rights, remedies and privileges granted to the Association or Owners under any terms, provisions, covenants, or conditions of the Governing Documents or Rules and Regulations of the Association, or law, shall be deemed to be cumulative, and the exercise of any or more shall not be deemed to constitute an election of remedies, nor shall it preclude the party from exercising such other additional rights, remedies, or privileges as may be granted by the Governing Documents, Rules and Regulations of the Association, or at law or in equity.

Section 14. RIGHTS OF MORTGAGEES. The following rights shall apply to certain or all mortgagees, in addition to those rights contained elsewhere in the Governing Documents:

14.1 Association Lien Foreclosure. Certain mortgagees have certain rights in connection with Association lien foreclosure actions, as provided for in Sections 5.8.A and 5.11.E.1 above.

14.2 Redemption. If proceedings are instituted to foreclose any mortgage or lien on any Lot, the Association, on behalf of one or more Owners and with the permission of the mortgagee, may redeem the mortgage or lien for the amount due

thereon and be thereby subrogated to all of the mortgagee's or lienor's rights of action, or the Association may purchase the Lot at the foreclosure sale. Any mortgagee shall have the right to accept title to the Lot in settlement and satisfaction of the mortgage or to foreclose its mortgage in accordance with its terms, and to bid upon the Lot at the foreclosure sale. If the Association or any of its members redeem the mortgage or cure the default, it or they shall have a lien against the Lot for all sums expended in connection therewith, and shall have the same rights to collect such sums as in the case of a past due assessment.

14.3 Right to Inspect Books. The Association shall make available to the Institutional Mortgagees requesting same current copies of the Governing Documents and Rules and Regulations of the Association, and the official records of the Association which an applicable statute, are inspect able by the Owners. "Available" shall mean ready for inspection, upon written request, during normal business hours, or under other reasonable circumstances. Photocopies shall be provided at the expense of the person requesting them.

14.4 Financial Statement. Any Institutional Mortgagee is entitled, upon written request, to a copy of the financial statement of the Association for the immediately preceding fiscal year.

14.5 Lender's Notices. Upon written request to the Association, any Institutional Mortgagee shall be entitled to timely written notice of:

- A. Any 60-day or longer delinquency in the payment of assessments or charges owed by the Owner of any Lot on which the mortgagee holds a mortgage; and any 30-day or longer default of any other provision in the Governing Documents by an Owner of any Lot on which the mortgagee holds a mortgage.
- B. A lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association.
- C. Any condemnation or casualty loss that affects a material portion of the Community or any Lot.
- D. Any proposed action that requires the consent of a specified percentage of mortgage holders.
- E. Outstanding assessments unpaid with respect to the Lot on which an Institutional Mortgagee holds a mortgage.
- F. Notice of Association meetings.

14.6 Approval. The prior written approval of not less than two-thirds of the holders of record of all first mortgage liens on the Lots shall be obtained for the following: The alienation, or encumbrance of the Common Areas by the Association, other than the granting of easements for utilities, water distribution systems, cable television systems or easements for similar or related purposes; the abandonment or termination of the Association, the material changes in the method for determining the assessments charged against the Owners; abandonment of architectural control; the termination of the Association's casualty insurance; the use of insurance proceeds paid to the Association as the result of damage to the Common Areas for any purpose other than the repair, replacement or construction of the Common Area. As to mortgages recorded on or after July 1, 2013, any provision herein that requires the consent or joinder of some or all mortgagees of Lots or any other portion of the Association's common areas to amend the Association's governing documents or for any other matter is enforceable only as to amendments to the Association's governing documents that adversely affect the priority of the mortgagee's lien or the mortgagee's rights to foreclose its lien or that otherwise materially affect the rights and interests of the mortgagees.

Section 15. TERMINATION. The Community may be terminated in the following manner:

15.1 Agreement. The Community may be terminated but only after approval in writing by the Owners of eighty (80%) percent of the Lots and by record owners of mortgages on the Lots whose Owners are consenting in writing.

15.2 General Provisions. Upon termination, the former Owners shall become the Owners, as tenants in common, of all Common Area and the assets of the Association. The shares of such tenants in common shall be equal. The mortgagee or lienor of an Owner, shall have a mortgage or lien solely and exclusively upon the share of such tenant in common in and to the lands and other properties and rights which he may receive by reason of the termination. The termination of the Community shall be evidenced by a certificate of the Association executed by its president and secretary certifying as to facts effecting the termination. Termination shall become effective when that certificate is recorded in the Public Records of the County. Under no circumstances shall termination of the Declaration result in increased maintenance responsibilities to a governmental authority.

15.3 New Community. The termination of the Community does not bar creation of another community affecting all or any portion of the same property, except that in the new community all Dwelling Structures shall continue to be used solely as single family residences.

15.4 Last Board. The members of the last Board of Directors shall continue to have the powers granted in this Declaration and in the Articles of Incorporation and By-laws for the purpose of winding up the affairs of the Association, notwithstanding the fact that the Association itself may be dissolved upon a termination.

15.5 Provisions Survive Termination. The provisions of this Section 15 shall be deemed covenants running with the land, and shall survive the termination of the Community until all matters covered by those provisions have been completed.

15.6 Priority - Conflict. In the event that there is any conflict between this Section 15 and Section 16 below, the language contained in this Section 15 shall control and govern.

Section 16. AMENDMENT OF DECLARATION.

16.1 Proposal. Amendments to this Declaration may be proposed by the Board of Directors or by written petition signed by the Owners of twenty (20%) percent of the Lots.

16.2 Procedure; Notice and Format. In the event that any amendment is proposed by the Board of Directors, then the Board may propose the amendment to be considered at the annual or a special member's meeting. In the event that any amendment was proposed by written petition of the members, then the Board shall have forty (40) days from its receipt of the petition or ten (10) days after its next regular meeting, whichever time period is greater, to certify that the proper number of owners executed the petition. Once certified, the Board shall call a meeting of the members to vote on the amendments within sixty (60) after certification of the signatures. An amendment may be considered at the annual or a special members' meeting. The full text of any amendment to the Declaration shall be included in the notice of the members' meeting of which a proposed amendment is considered by the Owners/members.

16.3 Vote Required. Except as otherwise provided by Florida law, or by specific provision of this Declaration, this Declaration may be amended by concurrence of not less than a majority of the entire Board of Directors then serving and not less than a majority of the voting interests of all members of the Association. If the amendments were proposed by a written petition signed by the Owners pursuant to Section 16.1 above, then the concurrence of the Board of Directors shall not be required.

16.4 Certificate; Recording; Effective Date. A copy of each adopted amendment shall be attached to a certificate that the amendment was duly adopted as an amendment to the Declaration. The Certificate shall on the first page state the book and page of the public records where the Declaration is recorded. The amendment shall be effective when the certificate and copy of the amendment and any joinders and consents required, are recorded in the public records of the County.

16.5 Provisos.

- A. No amendment shall affect or interfere with vested rights previously acquired by a Lot or Owners, except as may be permitted by F.S. 720.306(1)(a) as amended from time to time.

- B. No amendment shall impair any right or priority of any Institutional Mortgagee without the specific written approval of same.

Section 17. MISCELLANEOUS PROVISIONS:

17.1 Severability. The invalidity or unenforceability in whole or in part of any covenant or restriction or any section, subsection, sentence, clause, phrase or word or other provisions of this Declaration, or any exhibit attached thereto, shall not affect the remaining portions thereof.

17.2 Priorities in Case of Conflict. In the event of conflict between or among the provisions of any of the following, the order of priorities shall be from highest priority to lowest:

- A. Applicable Federal law.
- B. The Homeowners' Association statute.
- C. The Corporate Act.
- D. Other Florida Statutes which apply.
- E. This Declaration.
- F. The Articles of Incorporation.
- G. The By-Laws.
- H. The Rules and Regulations of the Board of Directors and architectural guidelines adopted by the AAC.

17.3 Interpretation. The Board of Directors is responsible for interpreting the provisions of this Declaration and its exhibits. Such interpretation shall be binding upon all parties unless wholly unreasonable.

17.4 Invalidity. In the event any court shall hereafter determine that any provisions of this Declaration as originally drafted, or as amended, violates the rule against perpetuities or any other rules of law because of the duration of the period involved, the period specified in the Declaration shall not thereby become invalid, but instead shall be reduced to the maximum period allowed under such rules of law, and for such purpose measuring lives shall be that of the (original) incorporator(s) of the Association.

17.5 Captions. The captions in this Declaration and in the Articles of

Incorporation and By-Laws attached hereto are inserted only as a matter of convenience and for ease of reference and in no way define or limit any provision in the Governing Documents.

17.6 Gender; Plurality. Wherever the context so permits, the singular shall include the plural, the plural shall include the singular, and the use of gender shall be deemed to include all or no genders.

17.7 Owners' Affirmative Duty. All Owners are charged with the affirmative duty to keep the Association notified in writing, of his/her mailing addresses, as they change from time to time, including a second address for emergency in the event of a catastrophic event. The Owner shall also notify the Association of the name and address of any mortgagee holding a mortgage on his/her lot. The Association shall be permitted to rely on information supplied by Owners in writing.

17.8 Covenant Running with the Land. All provisions of the Governing Documents shall be perpetual and be construed to be covenants running with the Properties in the Community, and all of the provisions of the Governing Documents shall be binding upon and inure to the benefit of subsequent owner(s) of Properties within the Community, and their respective heirs, personal representatives, successors and assigns. None of the provisions contained in the Governing Documents are intended to create, nor shall be construed as creating, any rights in and for the benefit of the general public.

17.9 Duration. This Declaration, as amended from time to time, shall run and bind the Properties until March 30, 2038, at which time the Declaration, as amended, shall automatically be renewed for successive periods of ten (10) years, unless and until terminated as provided in Section 15 above.

18. Effective Dates. The Effective Date of the provisions of this Amended and Restated Declaration with exhibits, including Articles of Incorporation and By-Laws, shall be the date on which this Declaration with Exhibits, including Articles of Incorporation and By-Laws, is recorded in the Public Records of the County; provided however, that to the extent that any provision in this Declaration contains a use restriction or easement which is in effect the same or similar to that contained in the Original Declaration or any amendment to the Original Declaration, then the Effective Date of such use restriction is the date of recording of the Original Declaration or amendment, as applicable; and further provided however, that if an earlier Effective date is referenced in this Declaration, then that earlier date shall control as the Effective Date.

**CERTIFICATE OF ADOPTION OF SECOND AMENDED AND RESTATED
DECLARATION**

THE UNDERSIGNED, being the duly elected and acting president and secretary of **GARDEN GROVE CLUB, INC.**, hereby certify that the foregoing was approved by not less than a majority of the entire membership of the Board of Directors, which was obtained at a meeting on February 25, 2016, called for the purpose, with quorum present; and was approved by the written consent of majority of the voting interests of all members of the Association.

IN WITNESS WHEREOF, the Association has caused these presents to be executed in its name and its corporate seal to be affixed by its president and secretary on the 21st day of April, 2016.

Witnesses:

Victor Murray
Robert Caslinger
Dennis J. Knutson
Ray Brub

GARDEN GROVE CLUB, INC., a Florida Corporation

By: James Sugrue
President

By: David M. Parrillo
Secretary

(Seal)

STATE OF FLORIDA)

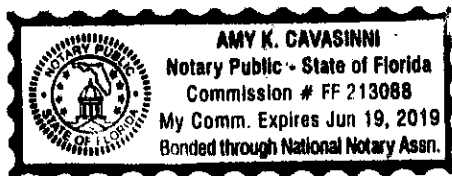
COUNTY OF INDIAN RIVER)

) ss:

I HEREBY CERTIFY that on the 21st day of April, 2016, before me personally appeared James Sugrue, as President and David M. Parrillo, as Secretary of **GARDEN GROVE CLUB, INC.**, who are personally known to me or who have produced _____ (if left blank, personal knowledge existed) as identification and who did (did not) take an oath and who executed the aforesaid Certification as their free act and deed as such duly authorized officers; and that the official seal of the Corporation is duly affixed and the instrument is the act and deed of the Corporation.

WITNESS my signature and official seal at Vero Beach, in the County of Indian River, State of Florida, the day and year last aforesaid.

NOTARY PUBLIC:



Sign Amy K. Cavasinni
Print Amy K. Cavasinni
State of Florida at Large
My commission expires: June 19, 2019

EXHIBIT "A"

Legal Description

PARCEL 1:

That part lying East of present State Road 5, also known as U.S. Highway No. 1, of South half of the Northwest quarter of the Northeast quarter of Section 31, Township 33 South, Range 40 East; and also beginning at the Southeast corner of the Northwest quarter of the Northeast quarter of said Section 31, thence run North 660 feet; thence run East 257 feet; thence run South a distance of approximately 1083.3 feet to the centerline of a drainage easement to the State of Florida, recorded in Deed Book 84 upon page 285 in the office of the Clerk of the Circuit Court of Indian River County, Florida; thence run Westerly on the centerline of said drainage easement to the East right of way line of present State Road 5, also known as U.S. Highway No. 1; thence Northerly on the Easterly right of way line of said road to the South line of the Northwest quarter of the Northeast quarter of said section; thence run East to the point of beginning. Said land now lying and being in Indian River County, Florida.

AND ALSO:

PARCEL 2:

The Northeast 1/4 of the Northeast 1/4 of Section 31, Township 33 South, Range 40 East, EXCEPT the North 10 acres thereof, and EXCEPT ALSO a tract of land in the Southwest corner thereof which is fully described in a Partial Release of Mortgage made by William A. Warnock to Mason M. Crozier dated July 14, 1913, recorded on Page 681, Book 1, Satisfaction of Mortgages of the Records of St. Lucie County, Florida.

AND ALSO:

That part of the South 1/2 of the Northeast 1/4 of Section 31, Township 33 South, Range 40 East, described as follows:

Beginning at the Northeast corner of the Southeast 1/4 of the Northeast 1/4 of Section 31, thence run South 8 chains; thence West to a post at the confluence of two branches of streams, which post is 108 chains South of the North line of Section 30, Township 33 South, Range 40 East; thence North 13 degrees West along the thread or center of a stream to a post 105 chains and 32 links South of the North line of said Section 30; thence West to the West boundary line of the Southwest 1/4 of the Northeast 1/4 of said Section 31, thence North 5 chains and 32 links to the South boundary line of the North 1/2 of the Northeast 1/4 of said Section 31; thence East along said boundary line to the Point of Beginning.

Said land now lying and being in Indian River County, Florida.

EXHIBIT B

SECOND AMENDED AND RESTATED ARTICLES OF INCORPORATION

OF

GARDEN GROVE CLUB, INC.

Pursuant to Section 617.1007(4), Florida Statutes, the Articles of Incorporation of GARDEN GROVE CLUB, INC., a Florida corporation not for profit, which was originally incorporated under the same name on April 7, 1988, are hereby amended and restated in their entirety. All amendments included herein have been adopted pursuant to Section 617.1007(4), Florida Statutes, and there is no discrepancy between the corporation's Articles of Incorporation and the provisions of these Second Amended and Restated Articles other than the inclusion of amendments adopted pursuant to Section 617.1007(4) and the omission of matters of historical interest. The Second Amended and Restated Articles of Incorporation of Garden Grove Club, Inc. shall henceforth be as follows:

ARTICLE I

NAME AND ADDRESS

The name of the corporation is Garden Grove Club, Inc., and its mailing address is 1900 Garden Grove Parkway, Vero Beach, Florida 32962.

ARTICLE II

DEFINITIONS

For convenience, the corporation shall be referred to in this instrument as the "Association"; the Amended and the Second Amended and Restated Declaration of Covenants, Restrictions and Conditions, as the "Declaration"; these Amended and the Second Amended and Restated Articles of Incorporation as the "Articles"; and the Amended and the Second Amended and Restated By-Laws of the Association as the "By-Laws". All other definitions contained in the Amended and Restated Declaration are incorporated by reference into these Articles.

ARTICLE III

PURPOSE AND POWERS

Section 3.1. Purpose. The purpose for which the Association is organized is to provide an entity pursuant to the community and corporate statutes for the operation of Garden Grove, located in Indian River County, Florida. The Association is organized and shall exist on a non-stock basis as a corporation not for profit under the laws of the State of Florida. No portion of any earnings of the Association shall be distributed or inure to the private benefit of any Member, Director or officer.

Section 3.2 Powers.

A. General. For the accomplishment of its purposes, the Association shall have all the

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common law and statutory powers of a corporation not for profit under the laws of the State of Florida, except as limited or modified by the Declaration, the By-Laws or any applicable statute and such powers as limited or modified by the provisions of Section 3.2.C below. The powers of the Association shall also be as set forth in the Declaration and By-Laws, which shall include the promulgation of rules and regulations with respect to the property in the Community, the Lots and Dwelling Structures included.

B. Powers. The Association shall have all of the powers reasonably necessary to operate the Community pursuant to the Declaration and By-Laws as they may hereafter be amended, including, but not limited to:

1. To make and collect annual and special assessments against members of the Association to defray the costs, expenses and losses of the Community and the Association, and to use the funds in the exercise of its powers and duties.
2. To protect, maintain, repair, replace and operate the Properties pursuant to the Governing Documents.
3. To purchase insurance upon the Community for the protection of the Association and its members, as required by the Governing Documents.
4. To make improvements of the Properties.
5. To reconstruct improvements after casualty.
6. To make, amend, and enforce reasonable rules and regulations governing the use of the Properties, inclusive of the Lots and Dwelling Structures, the operation of the Association, and including the frequency, time, location, notice and manner of the inspection and copying of official records.
7. To contract for the management and maintenance of the Community, including access control personnel and services, and to delegate any powers and duties of the Association in connection therewith except such as are specifically required by the Declaration to be exercised by the Board of Directors or the membership of the Association.
8. To employ accountants, attorneys, architects, and other professional personnel to perform the services required for proper operation of the Community and Association property.
9. To participate in mergers and consolidations with other not-for-profit corporations organized for the same purposes.
10. To borrow money and mortgage the Common Area.
11. To dedicate, sell or transfer Common Area to a public agency, authority, or utility.

C. Limitation on Corporate Powers. The following limitations on the following powers of

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the Association as set forth in the corporate statute, shall apply:

1. No Directors, officers or committee members shall receive compensation for their services as Directors, officers and committee members. The foregoing shall not preclude Directors, officers and committee members from being (and who shall be) reimbursed for all actual and proper out-of-pocket expenses relating to the proper discharge of their respective duties.
2. All funds and the title to all property acquired by the Association and their proceeds shall be held for the benefit and use of the Owners in accordance with the provisions of the Governing Documents.
3. Any merger or consolidation as referenced under subsection 8.9 above shall be permitted only upon the approval of two-thirds of the voting interests of all members of the Association.
4. Mortgaging of the Common Area as referenced under subsection 8.10 above shall be permitted only upon the approval of two-thirds of the voting interests of all members of the Association, and the mortgagee approval referred to in Section 14.6 of the Declaration.

All powers of the Association conferred by the Declaration and By-Laws are incorporated into these Articles by reference.

ARTICLE IV

MEMBERSHIP AND VOTING IN THE ASSOCIATION

Section 4.1. Membership. The members of the Association shall be as provided in Section 2.1 of the By-Laws.

Section 4.2. Voting. The Owners of each Unit, collectively, shall be entitled to that vote as set forth in the By-Laws. Fractional voting is absolutely prohibited. The manner of exercising voting rights shall be as set forth in the By-Laws.

ARTICLE V

DIRECTORS

Section 5.1. Number and Qualifications. The property, business and affairs of the Association shall be managed by a Board in the manner and accordance with the relevant provisions specified in the By-Laws. Qualifications of Directors are contained in the By-Laws.

Section 5.2. Duties and Powers. All of the duties and powers of the Association existing under Chapters 720 and 617, Florida Statutes and the Governing Documents shall be exercised exclusively by the Board of Directors, its agent\$, contractors, or employees, subject only to:

- A. approval by Owners, when such approval is specifically required in the law or Governing Documents; and/or
- B. action by the Executive Committee, if any.

Section 5.3. Election; Removal. Director(s) of the Association shall be elected in the manner determined by and subject to the terms and provisions set forth in the By-Laws. Directors may be removed and vacancies on the Board of Directors shall be filled in the manner provided by the By-Laws.

ARTICLE VI

OFFICERS

Section 6.1. Offices. The affairs of the Association shall be administered by the Officers holding the offices designated in the By-Laws.

Section 6.2. Duties and Powers. The powers and duties of the officers are as provided in the By-Laws.

Section 6.3. Election; Removal. The Officers shall be elected by the Board of Directors of the Association at its first meeting after the election meeting of the members of the Association and shall serve at the pleasure of the Board of Directors.

ARTICLE VII

BY-LAWS

The Second Amended and Restated By-Laws of the Association are as approved by the membership of the Association, and may be altered, amended or rescinded by the vote of both the Board of Directors and members of the Association in the manner provided in the By-Laws: with the vote of the Board alone permitted only if and as permitted in the By-Laws.

ARTICLE VIII

AMENDMENTS TO THE ARTICLES OF INCORPORATION

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

Section 8.1. Proposal. Amendments to these Articles may be proposed by a majority of the entire membership of the Board of Directors or by written petition signed by at least twenty percent (20%) of the voting interests of the members of the Association. Only one co-owner of a Unit need sign the petition for that Unit.

Section 8.2 Procedure; Notice and Format. In the event that any amendment is proposed by the Board of Directors, then the Board may propose the amendment to be considered at the annual or a special members meeting. In the event that any amendment was proposed by written petition of the members, then the Board shall have forty (40) days from its receipt of the petition or ten (10) days after its next regular meeting, whichever time period is greater, to certify that the proper number of owners' executed the petition. Once certified, the Board shall call a meeting of the members to vote on the amendments

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within sixty (60) days after certification of the signatures. An amendment may be considered at the annual or a special members' meeting. The full text of any amendment to the Articles shall be included in the notice of the members' meeting of which a proposed amendment is considered by the Owners members.

Section 8.3 Vote Required. Except as otherwise provided by Florida law, or by specific provision in these Articles, these Articles may be amended by concurrence of a majority of the entire membership of the Board of Directors then serving and a majority of the voting interests of all members of the Association. If the amendments were proposed the annual or a special members' meeting. The full text of any amendment to the Articles shall be included in the notice of the members' meeting of which a proposed amendment is considered by the Owners members.

Section 8.3 Vote Required. Except as otherwise provided by Florida law, or by specific provision in these Articles, these Articles may be amended by concurrence of a majority of the entire membership of the Board of Directors then serving and a majority of the voting interests of all members of the Association. If the amendments were proposed by a written petition signed by the members pursuant to Section 8.1 above, then the concurrence of the Board of Directors shall not be required.

Section 8.4. Recording and Effective Date. A copy of each amendment shall be filed with the Department of State pursuant to the provisions of applicable Florida law, and a copy bearing the filing stamp of the Department of State shall be recorded in the public records of the County. The Certificate of Amendment shall, on the first page, state the book and page of the public records where the Declaration is recorded. The Certificate shall be executed by any officer with the formalities required for the recording of a deed. The amendment shall be effective upon recording in the public records of the County. Exception. As to any amendment to Article X of these Articles, this Section 8 shall not apply.

Section 8.5. Provisos. Notwithstanding any provision contained in these Articles to the contrary:

- A. An amendment to these Articles that adds, changes, or deletes a greater or lesser quorum or voting requirement must meet the same quorum requirement and be adopted by the same vote required to take action under the quorum and voting requirements then in effect or proposed to be adopted, whichever is greater.
- B. Article XI of these Articles may be amended by the vote of a majority of the entire Board of Directors, without the need for membership approval, if a statement of change of registered agent and/or office is on file with the Department of State.

ARTICLE IX

TERM

The term of the Association shall be perpetual.

ARTICLE X

DISSOLUTION OF THE ASSOCIATION

- A. The Association may be dissolved upon a resolution to that effect being recommended by a majority of the entire membership of the Board of Directors then serving, and approved by two-thirds (2/3) of the voting interests of all members of the Association.
- B. Upon dissolution of the Association, other than incident to a merger or consolidation, all of its assets remaining after provision for creditors and payment of all costs and expenses of such dissolution shall be distributed in the following manner:
 - 1. By dedication to any applicable municipal or other governmental authority of any property determined by the Board of Directors of the Association to be appropriate for such dedication and which the applicable authority is willing to accept and shall be used for purposes similar to those for which the Association was formed. If same is not accepted, then to a similar not-for-profit or nonprofit corporation and if same is not accepted by a not-for-profit or nonprofit corporation, then to all members as tenants in common, each member's share of the assets to be determined in accordance with each member's voting rights. By acceptance of a deed conveying title to any property subject to the Declaration, each Owner covenants to accept said conveyance.

ARTICLE XI

REGISTERED AGENT AND REGISTERED OFFICE

Prior to the filing of these Second Amended and Restated Articles, the Registered Agent for the Association is Sandra G. Rennick, and the Registered Office of the Registered Agent is Gould Cooksey Fennell, P.A., 979 Beachland Blvd., Vero Beach, FL 32963. The Registered Agent and Registered Office for the Association remain unchanged.

CERTIFICATE OF ADOPTION OF THE AMENDED AND RESTATED ARTICLES OF INCORPORATION

THE UNDERSIGNED, being the duly elected and acting president of GARDEN GROVE CLUB, INC., hereby certifies that the foregoing was approved by a majority of the entire membership of the Board of Directors then serving on February 25, 2016, at a special board meeting called for the purpose, with quorum present; and was approved by not less than a majority of the voting interests of all members of the Association, accomplished at an Owners' meeting, held on February 25,

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, 2016, called for the purpose, with quorum present. The number of votes was sufficient for approval.

The foregoing both amend and restate the Articles of Incorporation in their entirety.

EXECUTED this 21st day of April, 2016.

WITNESSES:

Sign *Victor H. Werany*
Print VICTOR H. WERANY

Sign *Dennis Kostyla*
Print DENNIS KOSTYLA

GARDEN GROVE CLUB, INC.

By: *James Sugrue*
President

Print JAMES SUGRUE
Current Address 1784 TAMARIND PL
VERO BEACH, FL 33462

STATE OF FLORIDA)
) ss
COUNTY OF INDIAN RIVER)

I HEREBY CERTIFY that on this 21st day of April, 2016, before me personally appeared James Sugrue, President of GARDEN GROVE CLUB, INC., a Florida corporation, who is personally known to me or who has produced (if left blank, personal knowledge existed) as identification and who did not take an oath and who executed the aforesaid as his/her free act and deed as such duly authorized officer; and that the official seal of the Corporation is duly affixed and the instrument is the act and deed of the Corporation.

WITNESS my signature and official seal at Vero Beach in the County of Indian River, State of Florida, the day and year last aforesaid.

NOTARY PUBLIC:

Sign: *Amy K. Cavasinni*
Print: AMY K. CAVASINNI

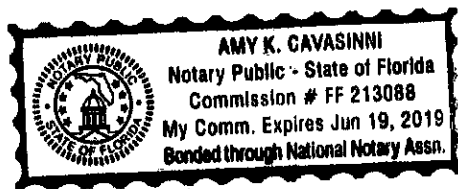


EXHIBIT C

SECOND AMENDED AND RESTATED BY-LAWS **OF** **GARDEN GROVE CLUB, INC.**

(A Corporation not-for-profit under the laws of the State of Florida)

Section 1. GENERAL. These are the Second Amended and Restated By-Laws of GARDEN GROVE CLUB, INC. hereinafter the "Association", a corporation not for profit organized under the laws of Florida.

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

1.2 Definitions. The definitions set forth in the Second Amended and Restated Declaration of Covenants, Restrictions and Conditions for Garden Grove, and in the Second Amended and Restated Articles of Incorporation shall apply to terms used in these Second Amended and Restated By-Laws.

Section 2. MEMBERSHIP AND VOTING RIGHTS.

2.1 Qualifications. The members of the Association shall be all record Owners of Lots in the Community, subject to the provisions of Section 10.1.B of the Declaration.

2.2 Change in Membership. A change of membership shall be established and become effective by recording in the public records of the County, a deed or other similar instrument and by delivery to the Association of a copy of such instrument. The failure of a new record owner to deliver a copy of such instrument to the Association shall not deprive the new record owner of membership in the Association.

2.3 Termination of Membership. The termination of membership in the Association does not relieve or release a former member from liability or obligation incurred in, or in any way connected with, the Community during the period of his or her membership, nor does it impair any rights or remedies which the Association may have against any former Owner arising out of, or in any way connected with, such ownership and membership and the covenants and obligations incident to same.

2.4 Voting Interests; Votes. Each member of the Association is entitled to one (1) vote for each Lot owned by him/her. The total number of possible votes (the "voting interests") shall equal the total number of Lots. If a Lot is owned by one natural person, his right to vote shall be established by a record title to the Lot. If a Lot is owned jointly by two or more natural persons, that Lot's vote may be cast by any one of the record Owners. Votes shall be cast for Lots owned under a trust arrangement, may be cast by any trustee. Votes shall

be cast for Lots owned by an estate in probate, by any personal representative of the estate. Votes cast for Lots owned by a corporation shall be cast by any officer of the corporation; and Lots owned by a business named partnership shall be cast by any partner. If two or more Owners of a Lot do not agree among themselves how their one vote shall be cast, that vote shall not be counted. Votes shall be cast in person or by proxy.

- A. The following shall apply only if the Association is empowered to suspend Owners' voting rights in the By-Laws: Notwithstanding any provision in the Governing Documents to the contrary, any member whose right to vote has been suspended shall cease to be a voting member for the duration of the suspension and any percentage vote or consent provided for in the Governing Documents shall be calculated without any regard to the voting interests which have been so suspended. (For example, reference in any Governing Document to a specified number of the voting interests of all members shall be that number multiplied by the voting interests not suspended).

2.5 Approval or Disapproval of Matters. Whenever the decision or approval of an Owner is required upon any matter, whether or not the subject of an Association meeting, such decision shall be expressed by the same person who would cast the vote of such Lot if in an Association meeting, unless the joinder of record owners is specifically required.

Section 3. MEMBERS MEETINGS.

3.1 Annual Meeting. The annual meeting shall be held in the County in the month of December of each year, at a day, place and time designated by the Board of Directors.

3.2 Election Meeting. The election meeting shall be held in the County each year as part of the annual meeting, for the purpose of electing Directors.

3.3 Special Meeting. Special members meetings must be held whenever called by the president or by a majority of the Board of Directors, and must be promptly called by the president upon the president's or secretary's receipt of a written petition signed and dated by at least one third (1/3) of the voting interests of the membership. Such petition shall state the purpose(s) of the meeting. The business at any special meeting shall be limited to the items specified in the petition, and contained in the notice of meeting.

3.4 Court-Ordered Meeting. The circuit court of the County may, after notice to the Association, order a meeting of the members to be held:

- A. On application of any member of the Association entitled to vote in an annual meeting if an annual meeting has not been held within any 13-month period; or

- B. On application of a member who signed a demand for a special meeting valid under Section 3.3 above, if:
 - 1. Notice of the special meeting was not given within sixty (60) days after the date the demand was delivered to the Association's secretary or president; or
 - 2. The special meeting was not held in accordance with the notice.

The court may fix the time and place of the meeting, determine the members entitled to participate in the meeting, specify a record date for determining members entitled to notice of and to vote at the meeting, prescribe the form and content of the meeting notice, and enter other orders as may be appropriate.

3.5 Notice of Members' Meetings. Notice of all annual and special members meetings must state the time, date, and place of the meeting. Notice of all annual and special meetings shall be sent by first class mail to each Member at his address as it appears on the books of the Association. The officer, manager or other person making such mailing shall provide an affidavit as to the mailing, which shall be retained as part of the official records of the Association. Notice of an annual or special members meeting may, alternatively, be delivered in person if a written waiver of mailing is obtained. The notice must be mailed or delivered at least fourteen (14) days, but not more than sixty (60) days, prior to the date of the meeting, and must also state the intended agenda for the meeting.

3.6 Waiver of Notice.

- A. A member may waive any notice of a meeting of the members before or after the date and time stated in the notice. The waiver must be in writing, be signed by the member entitled to the notice, and be delivered to the Association for inclusion in the minutes or filing with the corporate records. Neither the business to be transacted at nor the purpose of any regular or special meeting of the members need be specified in any written waiver of notice.
- B. A member's attendance at a meeting, either in person or by proxy:
 - 1. Waives objection to lack of notice or defective notice of the meeting, unless the member at the beginning of the meeting objects to holding the meeting or transacting business at the meeting; or
 - 2. Waives objection to consideration of a particular matter at the meeting that is not within the purpose or purposes described in the meeting notice, unless the member objects to considering the

matter when it is presented.

3.7 Members' List for Meeting.

- A. After the mailing of notice of any meeting, the Association shall prepare an alphabetical list of the names and addresses of all its members who were mailed notice of the meeting. This list shall be updated as memberships change up to the date of the meeting.
- B. The members' list must be available for inspection by any member for a period of ten (10) days prior to the meeting and continuing up to the start of the meeting at the Association's principal office or at a place identified in the meeting notice in the city/town where the meeting will be held. A member or his agent or attorney is entitled on written demand to inspect the list during regular business hours and at his expense, during the period it is available for inspection.
- C. The Association shall make the members' list available at the meeting, and any member or his agent or attorney is entitled to inspect the list at any time up to the start of the meeting or any adjournment.
- D. The members' list is prima facie evidence of the identity of members entitled to examine the members' list or to vote at meeting of members.
- E. If the requirements of this Section 3.7 have not been substantially complied with or if the Association refuses to allow a member or his agent or attorney to inspect the members' list before or at the meeting, the following shall apply: The meeting shall be adjourned until such requirements are complied with on the demand of any member in person or by proxy who failed to get such access, or, if not adjourned upon such demand and such requirements are not complied with, the circuit court of the County on application of the member, may summarily order the inspection or copying at the Association's expense and may postpone the meeting for which the list was prepared until the inspection or copying is complete.
- F. Refusal or failure to comply with the requirements of this Section 3.7 shall not affect the validity of any action taken at the meeting.

3.8 Proxies. A proxy may be given by any person entitled to vote, and shall be valid only for the specific meeting for which it was originally given and/or any lawful adjournment of that meeting. No proxy shall be valid for a period longer than ninety (90) days after the date of the first meeting for which it was given. Every proxy shall be revocable at the pleasure of the person executing it. To be valid, a proxy must be in writing, dated, and signed by the person authorized to cast the vote for the Lot, and must be delivered to the secretary at or before the adjournment of the particular meeting. The proxy form must conform to any

requirements of the Community Act and applicable Administrative Rules. An executed original, an executed telegram or cablegram appearing to have been transmitted by the authorized person, or a photographic, photostatic, facsimile or equivalent reproduction of a proxy form are all valid. Holders of proxies need not be members. The holder shall have the right, if the proxy so provides, to substitute another person to hold the proxy. The proxy may name the Board of Directors as the proxy holder, in which case the proxy shall be voted in the manner determined by resolution of the Board. Subject to Section 3.9 of these By-Laws and to any express limitation on the proxy's authority appearing on the face of the proxy form, the Association is entitled to accept the proxy's vote or other action as that of the member appointing the proxy. No proxies may be used for the election of Directors.

3.9 Association's Acceptance of Votes.

- A. If the name signed on a vote, consent, waiver, or proxy appointment corresponds to the name of a member, the Association if acting in good faith is entitled to accept the vote, consent, waiver, or proxy appointment and give it effect as the act of the member.
- B. If the name signed on a vote, consent, waiver, or proxy appointment does not correspond to the name of its member, the Association if acting in good faith is nevertheless entitled to accept the vote, consent, waiver, or proxy appointment and give it effect as the act of the member if:
 - 1. The member is an entity and the name signed purports to be that of an officer or agent of the entity;
 - 2. The name signed purports to be that of an administrator, executor, guardian, personal representative, or conservator representing the member and, if the Association requests, evidence of fiduciary status acceptable to the Association has been presented with respect to the vote, consent, waiver, or proxy appointment;
 - 3. The name signed purports to be that of a receiver, trustee in bankruptcy, or assignee for the benefit of creditors of the member and, if the Association requests, evidence of this status acceptable to the Association has been presented with respect to the vote, consent, waiver, or proxy appointment;
 - 4. The name signed purports to be that of a pledgee, beneficial owner, or attorney-in-fact of the member and, if the Association requests, evidence acceptable to the Association of the signatory's authority to sign for the member has been presented with respect to the vote, consent, waiver, or proxy appointment; or

5. Two or more persons are the member as cotenants or fiduciaries and the name signed purports to be the name of at Least one of the co-owners and the person signing appears to be acting on behalf of all the co-owners.
- C. The Association is entitled to reject a vote, consent, waiver, or proxy appointment if the secretary or other officer or agent authorized to tabulate votes, acting in good faith, has reasonable basis for doubt about the validity of the signature on it or about the signatory's authority to sign for the member.
- D. The Association and its officer or agent who accepts or rejects a vote, consent, waiver, or proxy appointment in good faith and in accordance with the standards of this Section 3.9 are not liable in damages to the member for the consequences of the acceptance or rejection.
- E. Corporate action based on the acceptance or rejection of a vote, consent, waiver, or proxy appointment under this Section 3.9 is valid unless a court of competent jurisdiction determines otherwise.

3.10 Vote Required, Membership Participation. If a quorum exists, action on a matter (other than the election of Directors) by the members is approved if approval is received from not less than a majority of those voting interests present in person and by proxy at the meetings, unless the Governing Documents or applicable law require a greater number of affirmative votes. Any member may speak with reference to all designated agenda items, subject to reasonable written Rules and Regulations adopted by the Board of Directors governing the frequency, duration and manner of members' statements; any of such Rules and Regulations shall yield for a particular meeting to the extent that a majority of the voting interests at the meeting determine so. An Owner shall have the right to tape record or videotape a Members' meeting, subject to any applicable written Board rules on the subject. Notwithstanding the foregoing to the contrary, no Owner may videotape or tape record at any Members' meeting unless the Member provides written notice of his or her intention to do so, which notice is received by the Association no later than twenty-four (24) hours prior to the scheduled time and date for the meeting.

3.11 Quorum; Election Ballot Return.

- A. General. The quorum for the annual and special members' meetings shall be 30% of the voting interests of the entire membership of the Association. After a quorum has been established at a members' meeting, the subsequent withdrawal of members, so as to reduce the number of voting interests entitled to vote at the meeting below the number required for a quorum, shall not affect the validity of any action taken at the meeting or any adjournment.

- B. Election Meeting. Not less than 20% of the eligible votes must cast a ballot in order to have a valid election, even though there might not be a quorum at the annual meeting.

3.12 Adjournment of the Meeting. Any duly called meeting of the members may be adjourned to a later date by the vote required under Section 3.10 of these By-Laws, regardless of whether a quorum has been attained. A new notice of the adjourned meeting shall be given. Any business which might have been conducted at the meeting as originally scheduled may be conducted at the continued meeting.

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

- A. Call to order by the president (or other officer in the absence of the president)
- B. Appointment of a chairperson, only if the president is absent; otherwise, the president chairs the meeting
- C. Appointment of a parliamentarian, if so desired by the membership at the meeting.
- D. Call of the roll or certification of quorum
- E. Proof of notice of meeting or waiver of notice
- F. Minutes of last members meeting- read or waive reading
- G. Reports of officers
- H. Reports of Committees
- I. Election of Directors (where appropriate)
- J. Unfinished business
- K. New business
- L. Adjournment

3.14 Minutes of Meetings. The minutes of all meetings of the membership shall be kept in a book available for inspection by members and/or their authorized representatives at any reasonable time. Member(s) of the Association and their authorized representatives shall have the right to make handwritten notations from the minutes, and to receive photocopies of the Minutes at the cost of the member(s) concerned. The Board of Directors shall establish such cost, not to exceed the limitations imposed by law from time to time. Minutes shall be retained for a period of not less than seven (7) years after the date of the meeting.

Section 4. BOARD OF DIRECTORS; COMMITTEES.

The administration of the affairs of the Association shall be by a Board of Directors, with each Director having a fiduciary relationship with the Owners. All powers and duties granted to the Association by law, as modified and explained in the Governing Documents, shall be exercised by the Board, subject to approval or consent of the Owners only when such is specifically required. An Owner does not have the authority to act for the Association by reason of being an Owner.

4.1 Number and Term of Service; Qualifications.

- A. Number. The number of Directors which shall constitute the whole Board of Directors shall be five (5) persons.
- B. Stagger and Term. In order to insure continuity of experience, a system of staggered terms was previously established, such that three (3) Directors are elected in odd numbered years and two (2) Directors elected in even numbered years. At all annual meetings, Directors shall be elected to serve for a term of two years, who shall serve until the end of the members' meeting at which his or her successor is duly elected, unless he or she sooner resigns or is recalled.
- C. Qualifications. All Directors shall be members or their spouses, or any trustee, or an officer of a corporation as Owner, member of a company, or any partner of a business named partnership as Owner.

4.2 Election of Directors. At each election meeting, the members shall elect as many Directors as there are regular terms of Directors expiring and other vacancies to be filled. Not less than sixty (60) days before the scheduled election meeting, the Association must send notice to each Owner of the date. Not less than forty (40) days prior to the date of the election meeting, eligible candidates must deliver to the Association, written notice of his or her desire to run for the Board of Directors in order to be eligible to be placed on the election ballot. Any candidate may furnish the Association with an information sheet which shall be no larger than 8 1/2 inches by 11 inches. The candidate's information sheet, if any, must be received by the Association by no later than thirty-five (35) days prior to the meeting. The Association shall have no liability for the contents of this information sheet prepared by the candidate. In order to reduce costs, the Association may print or duplicate the information sheets on both sides of the paper. The Association shall provide that notice to all Members required by Section 3.5.B above, reminding them of the date, time and place of the election meeting, together with a ballot listing all eligible candidates timely providing notice and any information sheets timely received from same. No Owner shall permit any other person to cast his ballot, and any such ballots improperly cast shall be deemed invalid. In the election of Directors, there shall be appurtenant to each Lot as many votes as there are Directors to be elected. No voting representative of any Lot may cast more than one vote for any candidate, it being the intent that casting ballots in the election of Directors shall be non-cumulative. The candidate receiving the highest number of ballots cast shall be declared elected except that any tie shall be decided by the flip of a coin. A newly elected Director shall take office immediately upon the adjournment of the election meeting, provided that the ballot return in Section 3.11.B above is achieved and notwithstanding that there may not be a quorum for the annual meeting.

- A. Provisos. Notwithstanding the foregoing to the contrary, the following shall apply:

1. In the event that there are an insufficient number of candidates during a particular year to fill all vacancies such that there are fewer than then required number of Directors on the Board, the shortage in the number of Directors shall be considered a vacancy on the Board, which may be filled by the Directors pursuant to Section 4.5.A below.
2. The election process allows candidates for the Board of Directors to be nominated in advance of the meeting. The Association is not required to allow nominations at the meeting. A person who is delinquent in the payment of any fee, fine, or other monetary obligation to the Association on the day that he or she could last nominate himself or herself or be nominated for the Board of Directors may not seek election to the Board of Directors, and his or her name shall not be listed on the ballot.

4.3 Resignation of Directors. A Director may resign at any time by delivering written notice to the Board of Directors or to the president or secretary. A resignation is effective when the notice is delivered unless the notice specifies a later effective date. If a resignation is made effective at a later date, the vacancy may be filled before the effective date if it is provided that the successor does not take office until the effective date. A written resignation once tendered cannot be rescinded. Oral resignations shall not be considered effective. When a Directors conveys title to his or her Lot such that the Director does not meet any of the qualifications required of Directors under Section 4.1.C above, then such Director shall be deemed to have automatically resigned from the Board upon such event, which resignation shall be deemed automatic without any action required from the Board of Directors; the foregoing shall not be considered a recall of that Director.

4.4 Removal of Directors (Recall). Any or all Directors may be removed with or without cause by a majority of the voting interests, either by a written agreement or at any meeting called for that purpose.

- A. By Written Agreement. If a proposed recall is sought by written agreement, a separate agreement is required for each member of the Board being recalled. The recalled Directors shall remain on the Board until replaced as provided for in Section 4.5.C below.
- B. By Special Meeting. A special meeting for the purpose of recall may be called by ten percent (10%) of the voting interests of all Members. The Board shall be called if demand is made pursuant to Section 3.3 of these By-Laws. The notice of meeting must be accompanied by a dated copy of a signature list of the required percentage of voting interests, stating that the purpose of the signatures is for recall. The notice of meeting shall specify a person, other than a Board meeting subject to that

recall, who shall call the meeting to order and determine whether a quorum is present. The failure of the notice to so designate a person shall not invalidate an otherwise valid notice. The meeting must be held not less than fourteen (14) days nor more than sixty (60) days from the date notice is given. Until such meeting is held, the recalled Directors shall remain on the Board and shall have all authority of the Board of Directors during that time period. The first order of business, upon the determination that a quorum exists, shall be the election of a presiding officer for that meeting who shall be a person other than a Director subject to that recall. The proposed recall of more than one member of the Board shall require a separate vote for each member sought to be recalled. The foregoing procedure shall apply notwithstanding any other provision in these By-Laws to the contrary.

- C. Re-election. Any Director recalled shall not be eligible for re-election until the next annual meeting.

4.5 Vacancies on the Board.

- A. A Vacancy Other than in Connection with Recall. If the office of any Director or Directors becomes vacant for any reason, other than recall, a majority of the Directors, though less than a quorum, shall choose a successor or successors who shall hold office for the unexpired term of his or her predecessor in office. A vacancy that will occur at a specific later date (by reason of a resignation effective at a later date) may be filled before the vacancy occurs but the new Director may not take office until the vacancy occurs.
- B. Vacancy In Connection with Recall by Special Meeting. If a vacancy occurs on the Board as a result of a recall at a meeting as provided for in Section 4.4.B above, the members of the Association shall fill any vacancy at that same meeting. Any Director recalled shall not be eligible for reelection until the next annual meeting of the Members.
- C. Vacancy in Connection with Recall by Written Agreement. If a vacancy occurs on the Board as the result of a recall by written agreement as provided for in Section 4.4.A above, the Board of Directors shall, within ten days of the date that the recall agreement is served upon the Board of Directors, schedule elections to replace the recalled Directors, following the procedures set forth in Section 4.2 above. Until the election meeting, the recalled Directors remain on the Board.

4.6 Meetings of the Board of Directors.

- A. Organizational Meeting. The organizational meeting of a new Board of Directors shall be held within ten (10) days after the election of new Directors, at such place and time as may be fixed by the Directors at the annual meeting at which they were elected.
- B. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the Directors.
- C. Special Meetings. Special meetings of the Directors may be called by the president, and must be called by the president or secretary at the written request of a majority of the Directors.
- D. Adjourned Meetings. Any duly called meeting of the Board of Directors may be adjourned to a later date by a vote of the majority of the Directors present, regardless of whether a quorum has been attained. No notice of adjournment is required to be given to any Director who was not present at the time of adjournment. Any business which might have been conducted at the originally scheduled meeting may be conducted at its continuance.
- E. Telephone Conference. The Board of Directors may permit any or all Directors to participate in a regular or special meeting by, or conduct the meetings through the use of a telephone conference. A Director participating in a meeting by this means is deemed to be present in person at the meeting.

4.7 Notice of Board Meetings; Agenda.

- A. Notice to Directors. Notice of the time and place of meetings shall be given to each Directors, personally or by mail, telephone or telegraph, and shall be transmitted three (3) days prior to the meeting; notwithstanding the foregoing to the contrary, no notice need be given to Directors of a meeting if it is a regular meeting which is held on the same date of each month. Notice of all meetings shall state the agenda for the meeting, including any details of any (annual or special) assessment which will be discussed, considered or approved.
- B. Waiver of Notice by Directors. Notice of a meeting of the Board of Directors need not be given to any Director who signs a waiver of notice either before or after the meeting. Attendance of a Director at a meeting shall constitute a waiver of notice of such meeting and a waiver of any and all objections to the place of the meeting, the time of the meeting, or the manner in which it has been called or convened; except when a Director states, at the beginning of the meeting or promptly upon arrival

at the meeting; any objection to the transaction of business because the meeting is not lawfully called or convened.

- C. Notice to Members. Notices of all Board meetings shall be posted conspicuously in the Community at least forty-eight (48) hours in advance, except in an emergency. In the alternative, if notice is not so posted, notice of each Board meeting must be mailed or delivered to each member at last seven (7) days before the meeting, except in an emergency. An assessment may not be levied at a Board meeting unless the notice of the meeting includes a statement that an assessment will be considered and the nature of the assessment.
- A. Agenda. The notice of any Board meeting may but shall not be required to identify agenda items, except that when an annual or special assessment shall be considered, the notice must state that the particular assessment will be considered.

4.8 Quorum and Voting.

- A. Quorum. A quorum at a Board meeting shall be attained by the presence in person of a majority of the entire Board of Directors then serving.
- B. Vote Required. The acts approved by a majority of those Directors present and voting at a meeting at which a quorum has been attained shall constitute the acts of the Board of Directors, except when approval by a greater number of Directors is required by the Governing Documents or by applicable statutes. Directors may not vote by proxy or by secret ballot at Board meetings, except that Directors may vote by secret ballot for the election of officers. So long as required by applicable statutes as amended from time to time, a vote or abstention for each Board member present shall be recorded in the minutes of the Board meeting.
- C. Presumption of Assent. A Director who is present at a meeting of the Board, inclusive of the president, shall be deemed to have voted in favor of any action taken, unless:
 - 1. He or she objects at the beginning of the meeting (or promptly upon his arrival) to holding it or transacting specified business at the meeting; or
 - 2. He or she votes against or abstains from the action taken.

4.9 Owners Rights at Board Meetings. Meetings of the Board of Directors shall be

open to all members to attend and observe. Any member may tape record or videotape meetings of the Board of Directors, subject to any applicable and written Rules and Regulations adopted by the Board of Directors. Notwithstanding the foregoing to the contrary, no Owner may videotape or tape record at any Board meeting unless the Owner provides written notice of his or her intention to do so, which notice is received by the Association no later than twenty-four (24) hours prior to the scheduled time and date for the meeting.

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

4.11 Order of Business. The order of business at meetings of the Directors, as appropriate, shall be:

- A. Calling of roll
- B. Proof of notice of meeting or waiver of notice
- C. Reading and disposal of any unapproved minutes of Board meetings
- D. Reports of officers and committees
- E. Election of officers (if any)
- F. Unfinished business
- G. New business
- H. Adjournment

4.12 Joinder in Meeting by Approval of Minutes. A Director may join in the action of a meeting by signing and concurring in the minutes of that meeting. That concurrence, however, shall not constitute the presence of that Director for the purpose of determining a quorum.

4.13 Minutes of Meeting. The minutes of all meetings of the Board of Directors shall be kept in a book available for inspection by members of the Association and/or their authorized representative(s) at any reasonable time. These individuals shall have the right to make written notations from the minutes, and to receive photocopies thereof at the cost of the member concerned. The Board of Directors shall establish such cost, not to exceed the limitations imposed by law from time to time. Minutes shall be retained for a period of not less than five (5) years after the date of the meeting.

4.14 Failure to Elect Director Quorum. If the Association or the Board of Directors fails to fill vacancies on the Board of Directors sufficient to constitute a quorum, any member of the Association may apply to the circuit court of the County for the appointment of a receiver to manage the affairs of the Association. At least thirty (30) days prior to applying to the circuit court, the member shall mail to the Association and post conspicuously in the Community, a notice describing the intended action, giving the Association time to fill the vacancies. If during such time the Association fails to fill the vacancies, the Member may proceed with the petition. If a receiver is appointed, the Association shall be responsible for

the salary of the receiver and reasonable court costs and reasonable attorneys' fees incurred by the petitioner(s). The receiver shall have all the powers and duties of a duly constituted Board of Directors and shall serve as such until the Association fills vacancies on the Board sufficient to constitute a quorum.

4.15 Committees.

- A. Standing and Special Committees. The Board of Directors, by resolution, may appoint committees to assist in the conduct of the affairs of the Association.
- B. Executive Committee. The Board of Directors, by resolution, may appoint an executive committee to consist of two or more members of the Board. The executive committee shall have and may exercise all of the powers of the Board in the management of the business and affairs of the Association during the intervals between the meetings of the Board insofar as may be permitted by law. The executive committee, however, shall not have power to:
 - 1. determine the common expenses required for the operation of the Association and the Community;
 - 2. determine the assessments payable by the Owners to meet the common expenses of the Association;
 - 3. adopt or amend Rules and Regulations;
 - 4. purchase or lease real property in the name of the Association;
 - 5. approve or recommend to Owners any actions or proposals required by law or by the Governing Documents to be approved by the Owners; and
 - 6. fill vacancies on the Board of Directors or the Executive Committee. Vacancies on the Executive Committee shall be filled only by resolution of a majority of the entire Board of Directors; and
 - 7. Those matters as prohibited by law, from time to time.
- C. Formality. The ACC and any committee which renders a final decision regarding the expenditure of Association funds, must follow all formalities required of F.S. 720.303(2), as amended from time to time.

Section 5. OFFICERS.

5.1 Officers - Required; Appointment; Removal; Resignation; Vacancies. The executive officers of the Association shall be a president, a vice-president, a treasurer and a secretary, all of whom shall be elected annually by a majority vote of the entire Board then serving. The Board of Directors may, from time to time, appoint such other officers, and designate their powers and duties, as the Board shall find to be required to manage the affairs of the Association. If the Board so determines, there may be more than one vice-president. Any officer may be removed with or without cause by vote of a majority of the entire Board at any Board meeting. An officer may resign at any time by delivering notice to the Association. A resignation is effective when the notice is delivered unless the notice specifies a later effective date. If a resignation is made effective at a later date and the Association accepts the future effective date, the Board of Directors may fill the pending vacancy before the effective date if the Board of Directors provides that the successor does not take office until the effective date.

5.2 President. The president shall be the chief executive officer of the Association. He or she shall preside at all meetings of the members and Directors, shall have general and active management of the business of the Association, and shall see that all orders and resolutions of the Board are carried into effect. He or she shall give, or cause to be given, notice of all meetings of the members and of the Board of Directors. He or she shall execute bonds, mortgages, and other contracts requiring seal of the Association, except where such are permitted by law to be otherwise signed and executed, and the power to execute is delegated by the Board of Directors to some other officer or agent of the Association.

5.3 Vice-Presidents. The vice-presidents, in the order of their seniority shall, in the absence or disability of the president, perform the duties and exercise the power of the president, and shall perform such other duties as the Board of Directors may prescribe. "Absence" or "disability" shall be viewed on a case by case, duty by duty basis, and as used herein, shall mean incapability of the president to effect a particular duty under question, incident to the office of the president.

5.4 Secretary. The secretary shall attend all meetings of the Board of Directors and all meetings of the members and shall cause all votes and the minutes of all proceedings to be recorded in a book or books to be kept for the purpose, and shall perform like duties for the standing committees and Executive Committee when required. He or she shall maintain an accurate and up-to-date roster of Owners and their addresses. He or she shall keep in safe custody the seal of the Association and, when authorized by the Board, affix the seal to any instrument requiring it. The secretary shall be responsible for the proper recording of all duly adopted amendments to the Governing Documents. Any of the foregoing duties may be performed by the Assistant secretary, if one has been designated.

5.5 Treasurer. The treasurer shall have responsibility for the custody of Association funds and securities and the keeping of full and accurate accounts of receipts and disbursements in books belonging to the Association. He shall cause all monies and other valuable effects to be deposited in the name and to the credit of the Association in such

depositories as may be designated by the Board of Directors. He shall oversee disbursement of the funds of the Association, making proper vouchers for such disbursements, and shall render to the president and Directors, at the regular meetings of the Board, or whenever they may require it, an account of all his transactions as treasurer and of the financial condition of the Association. Any of the foregoing duties may be performed by an assistant treasurer, if any has been designated.

5.6 Special Duty. The Board shall from time to time delegate to one of its officers, the responsibility for preparing minutes of Directors' and members' meetings and for authenticating records of the Association. Should or to the extent that the Board shall fail to delegate same, the responsibility shall lie with the secretary.

Section 6. COMPENSATION OF DIRECTORS, OFFICERS AND COMMITTEE MEMBERS. Neither Directors, officers, nor (statutory and non-statutory) committee members shall receive compensation for their services as Directors, officer or committee member (as applicable). Directors, officers and committee members shall be entitled to reimbursement for all actual and proper out-of-pocket expenses, relating to the proper discharge of their respective duties.

Section 7. FISCAL MATTERS. The provisions for fiscal management of the Association set forth in Section 10 of the Declaration shall be supplemented by the following provisions:

7.1 Annual Budget.

- A. The Board of Directors shall adopt an annual budget for common expenses for each budget year, which shall run from January 1st through December 31st of each year, unless the Board votes otherwise at any time preceding the upcoming budget year. The proposed budget shall be detailed and shall show the amounts budgeted by accounts and expense classifications, and shall set out separately all fees or charges for recreational amenities, regardless of who owns same. Reserves for deferred maintenance and capital expenditures may come up but shall not be required to, be included in the annual budget; the failure of the Board to include reserves shall not give any owner or person any action against the Association for same. The failure of the Association to adopt a budget prior to the commencement of the new budget year shall not invalidate the budget or the annual assessments due pursuant to the unadopted budget. The Board of Directors further has the power to amend (increase) the annual budget should same be necessary to pay for valid common expenses, or to amend (decrease) the annual budget should same be warranted, all in the discretion of the Board of Directors.

7.2 Annual Assessments. Annual assessments based on the adopted budget shall be paid in twelve (12) installments, in advance, due on or before the first day of each and every month of each and every year, unless otherwise specified by the Board of Directors. One

written notice of the annual assessment shall be provided to all members, prior to the start of the particular budget year; no other notices need be given by the Association. Failure to send or receive such notice shall not excuse the obligation to pay. If an annual budget for a new budget year has not been adopted at the time the first installment for that year is due, it shall be presumed that the amount of such installment is the same as the previous installment, and shall be continued at such rate until a budget is adopted and pro rata assessments are calculated, at which time any overage or shortage calculated shall be added or subtracted from each Lot's next due installment. In the event that the annual budget is amended, the overage or shortage calculated shall be added or subtracted equally over the balance of the annual assessment installments due for the year.

7.3 Special Assessments. Special assessments may be imposed by the Board of Directors when needed to meet any proper common expense(s) for which there is/are not sufficient funds in the annual budget and annual assessments. Special assessments are due on the date(s) specified in the resolution of the Board approving such assessment. The applicable provisions of Section 4.7.C above shall apply.

7.4 Acceleration of Assessments. If any annual or special assessment installment as to a Lot becomes more than thirty (30) days past due, the Association shall have the right to accelerate the due date of the entire unpaid balance of the Lot's annual assessment for that fiscal year and/or special assessment, as applicable. To the extent that the new budget has not been adopted as of the date that the Association accelerates, for purposes of calculating of the budget to be accelerated, it shall be presumed that the old budget amount is to be accelerated, with any increase or decrease which exists once the new budget is adopted to be credited or debited to the Owner, as applicable. The accelerated assessment shall be due and payable on the later of fifteen (15) days after mailing or ten (10) days after the Owner's receipt of written notice from the Association of its intention to accelerate.

7.5 Depository. The Association shall maintain its accounts in such financial institutions or funds as shall be designated from time to time by the Board. Withdrawal of monies from such accounts shall be only by such person(s) as are authorized by the Board. The Board may invest Association funds in interest-bearing accounts, money market funds, certificates of deposit, U.S. Government securities, and other similar investment vehicles, except that all accounts shall be governmentally insured.

7.6 Financial Reporting. The Association shall provide such financial reporting as may be required by applicable statutes as amended from time to time, but the Association may also authorize a greater form of financial reporting than required by the applicable statutes as amended from time to time if the Board so determines.

7.7 Fiscal Year. The fiscal year for the Association shall be from January 1st through December 31st, unless otherwise voted by the Board of Directors from time to time.

7.8 Annual Election of Income Reporting Method. Based on competent advice, the Board of Directors shall make a determination annually of the method by which the Association's income shall be reported to the Internal Revenue Service, based upon the method

which yields the lowest tax liability.

7.9 Fidelity Bonds. All officers and other persons who are signatories on Association bank accounts shall be bonded in an amount not less than the sums in the accounts to which the individual is a signatory.

7.10 Expenditure Cap. Except as otherwise provided in the next sentence, any expenditure of funds for one subject matter in a budget year exceeding ten (10%) percent of the annual budget, excluding reserves, must be approved by a majority of all voting interests of the members of the Association. The foregoing approval is not required if the expenditure is necessary or beneficial in the maintenance, repair, replacement or protection of the Properties or the Owners and residents or is necessary or beneficial in the operation of the Association.

Section 8. PARLIAMENTARY RULES, ROBERTS' RULES OF ORDER (latest edition) shall govern the conduct of meetings of the membership and Board of Directors when not in conflict with the Governing Documents or applicable law.

Section 9. EMERGENCY BY-LAWS. The following shall apply:

9.1 The Board of Directors may adopt By-Laws to be effective only in an emergency defined in Section 9.5 below. The emergency By-Laws, which are subject to amendment or repeal by the members, may make all provisions necessary for managing the Association during an emergency, including:

- A. Procedures for calling a meeting of the Board of Directors;
- B. Quorum requirements for the Meeting; and
- C. Designation of additional or substitute Directors.

9.2 The Board of Directors, either before or during any such emergency, may provide, and from time to time modify, lines of succession in the event that during such emergency any or all officers or agents of the Association are for any reason rendered incapable of discharging their duties.

9.3 All provisions of the regular By-Laws consistent with the emergency By-Laws remain effective during the emergency. The emergency By-Laws are not effective after the emergency ends.

9.4 Corporate action taken in good faith in accordance with the emergency By-Laws:

- A. Binds the Association; and
- B. May not be used to impose liability on a Director, officer, employee, or agent of the Association.

9.5 An emergency exists for purposes of this Section 9 if a quorum of the Association's Directors cannot readily be assembled because of some catastrophic event.

Section 10. AMENDMENT OF THE BY-LAWS. All amendments to the By-Laws shall be proposed and adopted in the following manner:

10.1 Proposal. Amendments to these By-Laws may be proposed by a majority of the entire membership of the Board of Directors or by written petition signed by at least twenty percent (20%) of the voting interests of the members of the Association. Only one co-owner of a Lot need sign the petition for that Lot.

10.2 Procedure; Notice and Format. In the event that any amendment is proposed by the Board of Directors, then the Board may propose the amendment to be considered at the annual or a special members' meeting. In the event that any amendment was proposed by written petition of the members, then the Board shall have forty (40) days from its receipt of the petition or ten (10) days after its next regular meeting, whichever time period is greater, to certify that the proper number of owners executed the petition. Once certified, the Board shall call a meeting of the members to vote on the amendments within sixty (60) days after certification of the signatures. An amendment may be considered at the annual or a special members' meeting. The full text of any amendment to the By-Laws shall be included in the notice of the members' meeting of which a proposed amendment is considered by the members.

10.3 Vote Required. Except as otherwise provided by Florida law, or by specific provision in these By-Laws, these By-Laws may be amended by concurrence of a majority of the entire membership of the Board of Directors then serving and by a majority of the voting interests of all members of the Association. If the amendments were proposed by a written petition signed by the members pursuant to Section 10.1 above, then the concurrence of the Board of Directors shall not be required.

10.4 Certificate; Recording; Effective Date. A copy of each adopted amendment shall be attached to a certificate that the amendment was duly adopted as an amendment to the By-Laws, which certificate shall be in the form required by law and shall be executed by any officer of the Association with the formalities of a deed. The amendment shall be effective when the certificate and copy of the amendment are recorded in the public records of the County. The Certificate of Amendment shall, on the first page, state the book and page of the public records where the Declaration is recorded.

10.5 Provisos. Notwithstanding any provision in these By-Laws to the contrary:

- A. An Amendment to these By-Laws that adds, changes, or deletes a greater or lesser quorum or voting requirement must meet the same quorum requirement and be adopted by the same vote required to take action under the quorum and voting requirements then in effect or proposed to be adopted, whichever is greater.
- B. Any emergency By-Laws adopted pursuant to Article 9 of these By-Laws may be adopted or amended by the vote of a majority of the entire Board of Directors at the time there is no emergency, or by a lesser vote as determined by the Board in the event of an emergency; such By-Laws must be recorded, and shall become effective as resolved by the Board of Directors. This Section 10.5.B of the By-Laws shall not preclude the members from amending or repealing such emergency By-Laws as provided in Sections 10.1 through 10.4 above. No emergency By-Laws amended or repealed by the members shall be amended by the Board of Directors, without following the procedures set forth in Sections 10.1 through 10.4 above.

Section 11. INDEMNIFICATION.

11.1 To the fullest extent permitted by Florida law, the Association shall indemnify and hold harmless every Director, every officer, and every member of a committee of the Association against all expenses and liabilities, including attorneys' fees, actually and reasonably incurred by or imposed on him/her in connection with any legal proceeding for settlement or appeal of such proceeding (and including administrative proceeding) to which he/she may be a party because of his/her being or having been a Director, officer or member of a committee of the Association. Indemnification of Directors and Officers shall also be that provided for in Section 617.028, Florida Statutes, as amended from time to time. Indemnification shall include an advance of the Director's, officer's or committee member's attorneys' fees and defense costs, provided that the Director or officer provides the undertaking assurance required by F.S. 607.0850(6); the foregoing is conditioned upon the Director, officer or committee member agreeing to use counsel of the Association's choosing, if the Association so conditions. In the event of a conflict between this Section 11 and said statute, the conflict shall be resolved in favor of providing the broadest protection possible to Directors, officers and committee members. The foregoing right of indemnification shall not be available if a judgment or other final adjudication establishes that his/her actions or omissions to act were material to the cause adjudicated and involved:

- A. Willful misconduct or a conscious disregard for the best interests of the Association, in a proceeding by or in the right of the Association to procure a judgment in its favor; or
- B. A violation of criminal law, unless the Director, officer or committee

member had no reasonable cause to believe his/her action was unlawful or had a reasonable cause to believe his action was lawful; or

- C. A transaction from which the Director, officer or committee member derived an improper personal benefit.

In the event of a settlement, the right to indemnification shall not apply unless the Board of Directors approves such settlement as being in the best interest of the Association. The foregoing rights of indemnification shall be in addition to and not exclusive of all other rights to which a Director or officer may be entitled.

11.2 Insurance. The Association is empowered to purchase directors, officers and other insurance to provide protection to persons covered by this Section 11.

CERTIFICATE OF ADOPTION OF THE
SECOND AMENDED AND RESTATED BY-LAWS

THE UNDERSIGNED, being the duly elected and acting president of GARDEN GROVE CLUB, INC. hereby certifies that the foregoing was approved by not less than a majority of the entire membership of the Board of Directors then serving on February 25, 2016, at a special board meeting called for the purpose, with quorum present; and was approved by a majority of the voting interests of all the members of the Association accomplished at an Owners' meeting, held on February 25, 2016, called for the purpose, with quorum present.

The foregoing both amend and restate the By-Laws in their entirety.

EXECUTED this 21st day of April 2016.

GARDEN GROVE CLUB, INC.

BY: James Sugrue

PRESIDENT

Print: JAMES SUGRUE

Current Address: 1784 TAMARIND PL
VERO BEACH FL 32962