



# Amelia Island Plantation

Community Association

## Declaration of Covenants and Restrictions

This Declaration is the 1974 document called the Amendment by Restatement of the Declaration of Covenants and Restrictions plus the subsequent covenant amendments added since that time. The Declaration was first recorded in the Official Records Book of the Clerk of Courts Office for Nassau County, Florida, in Book 123, Pages 22-61 and Book 124, Pages 200-229, as amended and restated in Book 178, Pages 249-280, and further amendments, restatements and supplements were incorporated by amendments and recorded in Book 200, page 197ff; Book 223, page 699ff; Book 252, page 140ff; Book 253, page 269ff; Book 293ff, page 596ff; Book 391, page 37ff; Book 423, page 325ff; Book 440, page 233ff; Book 463, page 663ff; Book 473, page 407ff; Book 543, page 394ff; Book 551, page 990ff; Book 531, page 826ff; Book 625, page 769ff; Book 637, page 120ff; Book 660, page 110ff; Book 782, page 432ff; Book 810, page 407ff; Book 817, page 625ff; Book 848, page 1642ff; Book 848, page 1666ff; Book 882, page 1316ff. At the time of this writing, the latest amendment to the Declaration was incorporated in 2006.

The Amelia Island Plantation Community Association (AIPCA) has prepared this publication for reference purposes only. If any member, other individual or entity has questions as to his/her rights pursuant to the Declaration of Covenants and Restrictions, Bylaws or Articles of Incorporation, that member should consult the actual recorded document and any amendments recorded to it in the Records Office for Nassau County, Florida.

AMENDMENT BY RESTATEMENT OF THE  
DECLARATION OF COVENANTS AND RESTRICTIONS  
FOR AMELIA ISLAND PLANTATION, NASSAU COUNTY, FLORIDA,  
AND PROVISIONS FOR THE AMELIA ISLAND PLANTATION COMMUNITY ASSOCIATION, INC.

THIS AMENDMENT BY RESTATEMENT made this 19th day of August, 1974, by Amelia Island Plantation Community Association, Inc., a Florida non-profit corporation, with its principal place of business at Amelia Island, Florida, hereinafter called "Association";

WITNESSETH:

WHEREAS, on April 15, 1972, Amelia Island Company, hereinafter called "Company", filed for record a Declaration of Covenants and Restrictions for Amelia Island Plantation, Nassau County, Florida, and Provisions for the Amelia Island Plantation Community Association, Inc. which is recorded in the Public Records of Nassau County, Florida, at Official Records Book 123, pages 22-61, and on April 21, 1972, executed a Re-Recorded Declaration of Covenants and Restrictions for Amelia Island Plantation, Nassau County, Florida, and Provisions for Amelia Island Plantation Community Association, Inc. for the purpose of correcting the description of real property covered by said Declaration, which instrument is recorded in said Public Records at Official Records Book 124, pages 200-229 and which instrument shall hereinafter be referred to as the "Declaration";

WHEREAS, the Association desires to make certain amendments to said Declaration as provided for in Article VIII, Section 2 thereof and feels that the clearest, most efficient way to set forth such amendments is by restatement of said Declaration incorporating all amendments made;

WHEREAS, this Amendment By Restatement was presented to a duly called meeting of the Association, notice of which was mailed to all members of the Association on May 30, 1974, with said meeting being held at Amelia Island Plantation on July 6, 1974, at which meeting members holding a total of 1,277 votes were present in person or by proxy, all of the members of the Association holding at the date of said meeting a total of 1,755 votes, with at least 1,053 votes being required to be present in person or by proxy at any meeting of the Association in order to constitute a quorum;

WHEREAS, a total of at least 1,135 of all votes present were required to be cast in favor of the adoption of this Amendment By Restatement to make its adoption effective and 1,261 votes were cast in favor of adoption of this Amendment by Restatement and 11 votes were cast against the adoption of this Amendment by Restatement, all as fully appears in the minutes of the Association;

WHEREAS, a total of at least 435 votes of Owners of Residential Lots and a total of at least 681 votes of Owners of Family Dwelling Units and a total of at least 18 votes of Owners of Multi-Family lots, and a total of at least 1 vote of Owners of Public and Commercial Lots and a total of at least 1 vote of Owners of Public and Commercial Units were required to be cast in favor of adoption of this Amendment By Restatement to make its adoption effective, and the votes of each of said class of Owners were as follows:

	For Adoption	Against Adoption
Residential Lots	478	5
Family Dwelling Units	751	6
Multi Family Lots	19	0
Public and Commercial Lots	1	0
Public and Commercial Units	1	0

all as fully appears in the minutes of the Association; and

WHEREAS, the Association desires to achieve all of the goals expressed by the Company in the premise of said Declaration;

NOW, THEREFORE, the Association does hereby amend and restate the Declaration filed by the Company so that from the effective date hereof the real property described in Article II hereof, is and shall be held, transferred, sold, conveyed, given, donated, leased, occupied and used subject to the restrictions, conditions, easements, charges, assessments, affirmative obligations, and liens (hereinafter sometimes referred to as "the Covenants") hereinafter set forth.

ARTICLE 1  
DEFINITIONS

Section 1. The following words and terms when used in the Declaration or any supplemental declaration (unless the context shall clearly indicate otherwise) shall have the following meanings:

- (A) "Association" shall mean and refer to the Amelia Island Plantation Community Association, Inc., a Florida non-profit corporation, its successors and assigns.
- (B) The "Properties" shall mean and refer to the Existing Property described in Article II hereof, and additions thereto, as are subjected to this Declaration or any supplemental declaration under the provisions of Article II hereof.
- (C) "Common Properties" shall mean and refer to those tracts of land with any improvements thereon which are actually deeded or leased to the Association and designated in said deed or lease as "Common Properties." The term "Common Properties" shall also include any personal property acquired by the Association if said property is designated as "Common Property." All Common Properties are to be devoted to and intended for the common use and enjoyment of the owners, their families, guests of the owners, persons occupying dwelling places or accommodations of owners on a guest or tenant basis, and visiting members of the general public (to the extent permitted by the Board of Directors of the Association) subject to the fee schedules and operating rules adopted by the Association, provided however, that any lands which are leased by the Association for use as Common Properties, shall lose their character as Common Properties upon the expiration of such lease. Common Properties shall not include those tracts of land falling within the definition of "Restricted Common Properties" or "Purchased Common Properties" set forth below.
- (D) "Restricted Common Properties" shall mean and refer to those tracts of land with any improvements thereon which are actually deeded or leased to the Association and designated in such deed or lease as "Restricted Common Properties." All Restricted Common Properties are to be devoted to and intended for the common use and enjoyment of Owners of Residential Lots and Family Dwelling Units, their immediate families, guests accompanying such Owners, tenants of such Owners holding leases of 9 month duration or longer, and the Company, and to be closed to use of (1) tenants of such Owners holding leases less than 9 months duration; (2) resort accommodation "paying guests" ; (3) visiting members of the general public; with all use of Restricted Common Properties to be subject to the fee schedules and operating rules adopted by the Association. Any lands which are leased by the Association for use as Restricted Common Properties shall lose their character as Restricted Common Properties upon the expiration of such lease.
- (E) "Purchased Common Properties" shall mean and refer to those tracts of land with any improvements thereon containing a regulation length 18-hole golf course and/or an executive length 18-hole golf course and associated clubhouse, pool and tennis facilities, acquired by the Association to be operated as a membership recreational facility with membership criteria to be selected and determined by mutual agreement between the Association's Board and the Company or other owner of such facilities and user costs and operating rules for such facilities to be determined by the Board of Directors of the Association.

(F) "Family Dwelling Unit " shall mean and refer to any improved property intended for use as a single family dwelling, including any single family detached dwelling, patio house, condominium unit, townhouse unit, cooperative apartment unit, or apartment unit located within the Properties.

(G) "Residential Lot " shall mean any unimproved parcel of land located within the Properties, with the exception of the Common Properties and the Restricted Common Properties, which is intended for use as a site for a single family detached dwelling, town house, or patio dwelling shown upon any recorded final subdivision map of any part of the Properties. A parcel of land shall be deemed to be unimproved until the improvements being constructed thereon are substantially complete.

(H) "Multi-Family Tract" shall mean any unimproved parcel of land located within the Properties, intended for use as sites for multi-family dwellings including, without limitation, condominiums, cooperative apartments, or apartments. For the purposes of this Declaration, a parcel of land shall not be deemed a "Multi-Family Tract" until such time as it has been conveyed by the Company to a third party under covenants and restrictions limiting such property to multi-family use, and further, shall be deemed to be unimproved until the improvements being constructed thereon are substantially complete.

(I) "Public and Commercial Site" shall mean any unimproved parcel of land within the Properties, with the exception of Common Properties and Restricted Common Properties intended for use as a site for improvements designed to accommodate commercial or business enterprises to serve residents and guests of Amelia Island Plantation and /or the public , including but not limited to business and professional offices, facilities for the retail sale of goods and services, banks and other financial institutions, restaurants, hotels, motels, inns, theaters, lounges, recreational facilities, marinas, transportation terminals or stations, automobile parking facilities and gasoline stations; provided, however, that a "Public and Commercial Site" shall not include property upon which improvements are to be built which also qualifies as a Multi-Family Tract. For the purposes of this Declaration, a parcel of land shall not be deemed as a "Public and Commercial Site" until such time as it has been conveyed by the Company to a third party under covenants and restrictions limiting such property to public and commercial use, and further, shall be deemed to be unimproved until the improvements being constructed thereon are substantially complete.

(J) "Public and Commercial Unit " shall mean and include any improved parcel of land within the Properties, which are intended and designed to accommodate public, commercial or business enterprises to serve residents and guests of Amelia Island Plantation and /or the public, including but not limited to all those enterprises enumerated in subparagraph (I) immediately above. A parcel of land shall not be deemed to be improved until the improvements being constructed on said parcel are substantially complete.

(K) "Development Unit Parcel" shall mean and refer to any unimproved parcel or tract of land conveyed by the Company to third parties under covenants and restrictions permitting the division of such parcel or tract into smaller land units such as Residential Lots, Multi-Family Tracts, Public and Commercial Sites, or any combination of use thereof. If a tract of land otherwise qualifying as a Development Unit Parcel is conveyed subject to covenants and restrictions limiting its use to solely a

Multi-Family Tract or a Public and Commercial Site, such property shall be considered as included within paragraphs H or I, above, as the case may be and such property will not be considered a Development Unit Parcel.

(L) "Unsubdivided Land" shall mean and refer to all land in the existing property described in Article II hereof, and additions thereto, as are subjected to this Declaration or any supplemental declaration under the provisions of Article II hereof which do not qualify as Residential Lots, Multi-Family Tracts, Public and Commercial Sites, or Development Unit Parcels. For the purposes of this Declaration, the following classifications of Property shall not be deemed "Unsubdivided Land" and shall be expressly expected (sic) from the definition thereof.

(1) All lands committed to the Association through express, written notification by the Company to the Association of intent to convey, or by notification to the Association through publication in the AMELIA ISLAND PLANTATION BUYER'S GUIDE, or other document hereafter designated by the Company, of such intent to convey.

(2) All lands designated on the Master Plan for intended use, or by actual use if applicable, for outdoor recreation facilities; operating farms and/or animal pastures; woodland, marsh and swamp conservancies; places of worship; community, civic, and cultural clubs; libraries; nursery and other schools and instructional centers; non-profit medical centers, hospitals, clinics, nursing care, rest and convalescent homes; and charitable institutions.

(3) All lands below the mean high water mark.

(4) All lands designated, in any way, as Common Properties, Restricted Common Properties, or Purchased Common properties.

(M) "Owner" shall mean and refer to the Owner as shown by the real estate records in the Office of the Clerk of the Circuit Court of Nassau County, Florida, whether it be one or more persons, firms, associations, corporation, or other legal entities, of fee simple title to any Residential Lot, Family Dwelling Unit, Multi-Family Tract, Public and Commercial Site, Public and Commercial Unit, Development Unit Parcel or Unsubdivided Land, situated upon the Properties but, notwithstanding any applicable theory of a mortgage, shall not mean or refer to the mortgagee, or holder of a security deed, its successors or assigns, unless and until such mortgagee has acquired title pursuant to foreclosure or a proceeding or deed in lieu of foreclosure and has held such title for a period of one year; nor shall the term "Owner" mean or refer to any lessee or tenant of an Owner. In the event that there is recorded in the Office of the Clerk of Circuit Court for Nassau County, Florida, a long-term contract of sale covering any lot or parcel of land within the Properties, the Owner of such lot or parcel of land shall be the purchaser under said contract and not the fee simple title holder. A long-term contract of sale shall be one where the purchaser is required to make payments for the property for a period extending beyond 9 months from the date of the contract and where the purchaser does not receive title to the property until such payments are made although the purchaser is given the use of said property.

(N) "Member" shall mean and refer to all those Owners who are Members of the Association as provided in Section 1 of Article III hereof.

(O) "Company" shall mean Amelia Island Plantation Company, Inc. and its successors and assigns.

(P) "Intended for use" shall mean the use intended for various parcels within the Properties as designated on the Master Plans for the Properties prepared by the Company as the same may be revised from time to time by the Company, or the use to which any particular parcel of land is restricted by covenants expressly set forth or incorporated by reference in deeds by which the Company has conveyed the property.

(Q) "Affiliate" shall mean any corporation more than 50% of the voting stock of which is owned or controlled by the Company and any partnership or joint venture in which the Company has more than a 50% equity interest or an interest in 50% or more of the cash now from said partnership or joint venture.

(R) "Master Plan" shall mean and refer to the drawing which represents the conceptual plan of the Company for the development of Amelia Island Plantation. Since the concept of the future development of Amelia Island Plantation is subject to continuing revision and change by the Company, present and future references to the "Master Plan" shall be references to the latest revision thereof.

(S) "Resort Area" shall mean and refer to all those parcels or tracts of land included within that portion of Amelia Island Plantation so designated on Exhibit "B" attached hereto and by specific reference made a part hereof.

(T) "Neighborhood Area" shall mean and refer to those parcels, tracts or lots of land located in close proximity to each other which are intended for, and have been subdivided for, use as Sites for Family Dwelling Units, whether single-family or multi-family, and which are approved by the Board of Directors as a "Neighborhood Area" pursuant to such Rules and Regulations as may be established by the Board.

(U) "Referendum" shall mean and refer to the power of all or some specific portion of the Members to vote by mailed ballots on certain actions by the Board of Directors of the Association as provided in the By Laws.

## ARTICLE II

### Section 1. Existing Property.

The real property which is, and shall be held, transferred, sold, conveyed, given, donated, leased and occupied subject to these covenants is described as follows:

SEE EXHIBIT A (Note: Exhibit A indicates the metes and bounds of the Community – editor)

All of the real property hereinabove described shall sometimes be referred to herein as the "Existing Property." The Company intends to develop the existing property in accordance with Master Plans prepared in its Design Department, and placed on display in its reception and sales office, and other areas. The Company reserves the right to review and modify the Master Plans at its sole option from time to time based upon its continuing research and design program. The Master Plans

shall not bind the Company, its successors or assigns to adhere to the Master Plans in the development of the land shown thereon. Subject to its right to modify the Master Plans as stated herein, the Company shall convey to the Association properties designated for such conveyance in its periodically revised publication, "AMELIA ISLAND PLANTATION PROPERTY BUYER'S GUIDE", or other such document or publication designated by the Company and, in addition, may at its option convey to the Association as provided in Article IV those parcels of land designated as properties which may be transferred to the Association on the Master Plans, as, in the reasonable exercise of its discretion, it so chooses without regard to the relative location of such portions or sections within the overall plan. Once conveyed to the Association these properties shall become Common Properties, Restricted Common Properties or Purchased Common Properties as the case may be. The Company shall not be required to follow any predetermined sequence or order of improvements and development; and it may bring within the plan of these covenants additional lands, and develop the same before completing the development of the Existing Property. The Company shall have the full power to add to, subtract from or make changes in the Master Plans regardless of the fact that such actions may alter the relative voting strength of the various types of membership of the Association.

Section 2. Additions to Existing Property.

Additional lands may become subject to this Declaration in the following manner:

(A) Additions. The Company, its successors, and assigns, shall have the right, without further consent of the Association to bring within the plan and operation of this Declaration, additional properties in future stages of the development. The additions authorized under this and the succeeding subsection, shall be made by filing a Supplementary Declaration of Covenants and Restrictions with respect to the additional property which shall extend the operation and effect of the covenants and restrictions of the Declaration to such additional property.

The Supplementary Declaration may contain such complimentary additions and modifications of the covenants and restrictions contained in this Declaration as may be necessary or convenient, in the judgment of the Company to reflect the different character, if any, of the added properties and as are not inconsistent with the Plan of this Declaration, but such modifications shall have no effect on the property described in Section 1, Article II above.

(B) Other Additions. Upon approval in writing of the Association pursuant to three-fourths of the vote at a duly called meeting, the owner of any property who desires to add it to the plan of these covenants and to subject it to the jurisdiction of the Association, may file or record a Supplementary Declaration of Covenants and Restrictions with respect to the additional property which shall extend the operation and effect of the covenants and restrictions of the Declaration to such additional property.

The Supplementary Declaration may contain such complimentary additions and modifications of the covenants and restrictions contained in this Declaration as may be necessary or convenient, in the judgment of the Association, to reflect the different character, if any, of the added properties and as are not inconsistent with the plan of this Declaration.

(C) Mergers. Upon a merger or consolidation of the Association with another association as provided for in the By-Laws of the Association, its properties rights and obligations may, by operation of law, be transferred to another surviving or consolidated association, or, in the alternative, the properties, rights and obligations of another association may, by operation of law, be added to the properties of the Association as a surviving corporation pursuant to a merger. The surviving or

consolidated association may administer the covenants and restrictions established by this Declaration within the Existing Property, together with the covenants and restrictions established upon any other properties as one plan. Except as hereinafter provided, no such merger or consolidation shall effect any revocation, change of or addition to the covenants established by this Declaration within the Existing Property.

ARTICLE III  
MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION:

Section 1. Membership.

Every Owner shall be a member of the Association. The Company shall be a member of the Association. The membership shall consist of two types, each with distinct rights and privileges.

Type "A" - Type "A" members shall be all those Owners of Residential Lots and any type of Family Dwelling Unit, including the Company.

Type "B" - Type "B" members shall be all those Owners, including the Company, of Multi-Family Tracts and Public and Commercial Sites, Public and Commercial Units, Development Unit Parcels and Unsubdivided Lands.

Section 2. Voting Rights.

Each member shall be entitled to one vote as an incidence of ownership of property without regard to the nature, character, or amount of property owned except in the case of multiple ownership of property which shall be governed as hereinafter provided.

If any member under these provisions shall qualify as both a Type "A" and a Type "B" member then such member shall elect to vote as either one or the other on any particular issue.

Until July 4, 1986, the projected expiration of the development period, the Company shall have a total number of votes equal to the number of votes cumulatively held by all other Members, less one, providing it a vote of not less than 49% of the vote of the Membership through the development period. Upon expiration of the stated period, the Company shall retain only one vote as an incidence of its ownership of property. (as amended 1976 and 1977)

When any property entitling the Owner to membership in the Association is owned of record in the name of two or more persons or entities, whether fiduciaries, joint tenants, tenants in common, tenants in partnership or in any other manner of joint or common ownership, or if two or more persons or entities have the same fiduciary relationship respecting the same property, then unless the instrument of order appointing them or creating the tenancy otherwise directs and it or a copy thereof is filed with the secretary of the Association, such owner shall select one official representative to qualify for voting in the Association and shall notify the Secretary of the Association of the name of such individual. The vote of such individual shall be considered to represent the will of all the owners of that property.

The voting rights of any Owner may be assigned by said Owner to his lessee who has entered into a lease with a term of two (2) years or more; provided, however, that the Owner may not assign to such lessee any vote or votes not attributable to the property actually leased by such lessee. The Type "A" and "B" members are sometimes hereinafter collectively referred to as the "Members."



Any other provision of the Declaration to the contrary notwithstanding, any action proposed to be taken by the Association which has a material adverse impact upon the Company and/or commercial activities within the Properties shall require approval by a majority of the votes of the Type "B" members voting and in addition a majority of the votes of the Type "A" members voting. The Company and the Association, in their reasonable discretion, shall jointly determine whether such proposed action by the Association will have such a material adverse impact. Should the Company and the Association be unable to agree on whether a proposed action would have such a material adverse impact, then the issue shall be decided by a majority vote of an arbitration panel composed of an individual appointed by the Company, an individual appointed by the Association, and a third individual selected by the two appointed members.

Section 3. The Association shall be governed by a Board of Directors as provided in the By-Laws of the Association.

Section 4. Members shall have the power of referendum in certain instances as provided in the By-Laws of the Association.

Section 5. Quorum Required for Action Authorized at Regular or Special Meetings of the Association.  
The quorum required for any action which is subject to a vote of the Members at an open meeting of the Association (as distinguished from the Referendum) shall be as provided in the By-Laws of the Association.

Section 6. Proxies.

All Members of the Association may vote and transact business at any meeting of the Association by Proxy as provided in the By-Laws of the Association.

#### ARTICLE IV

##### PROPERTY RIGHTS IN THE COMMON PROPERTIES:

Section 1. Member's Easements of Enjoyment in Common Properties.

Subject to the provisions of these covenants, the rules and regulations of the Association, and any fees or charges established by the Association, every Type "A" or "B" member and every tenant and guest of such Type "A" or "B" member shall have a right and easement of enjoyment in and to the Common Properties and such easement be appurtenant to and shall pass with the title of every Residential Lot, Family Dwelling Unit, Multi-Family Tract, Public and Commercial Site, Public and Commercial Unit or Development Unit Parcel. The privilege granted to guests and tenants of 9 months or less on an individual basis of members to use and enjoy the Common Properties (but not the right and easement to use the roads belonging to the Association subject to the rules and regulations and fees, if any, established by the Association for such use) may be denied to or withdrawn from such guest or tenants of 9 months or less on an individual basis by the affirmative vote of 90% of the votes cast by Type "A" members and 90% of the votes cast by Type "B" members at a meeting of the Association called for the purpose of voting on such denial or withdrawal.

Section 2. Members Easements of Enjoyment in Restricted Common Properties.

Subject to the provisions of these covenants, the rules and regulations of the Association, and any fees or charges established by the Association, every Type "A" member, but not Type "B" member, shall have a right and easement of enjoyment in and to the Restricted Common Properties and such easement shall be appurtenant to and shall pass with the title of every Residential Lot and Family Dwelling Unit. By an affirmative vote of ninety (90) percent of the votes cast at a meeting of the Association called for the purpose of voting on such proposal, a "Restricted

Common Property" may be changed into an unrestricted "Common Property".

Section 3. Title to Common Properties and Restricted Common Properties.

The Company covenants for itself, its successors and assigns, that it shall convey to the Association by deed or 99-year lease or other instruments appropriate to irrevocably convey to the Association the entire beneficial use for 99 years, those parcels of land provided for in Section 6 of this Article IV hereof and any other Common Properties or Restricted Common Properties within two years after the Company has completed improvements thereon, if such be required, and the Association, in the opinion of the Company, is able to maintain such improvements, or if the Association is to be responsible for the construction of improvements at such time as the Company feels that the Association is capable of constructing such improvements. Upon such conveyance, or upon completion of any improvements thereon by the Company, if such be required, such that the facility is functionally complete, the Association shall immediately become responsible for all maintenance, operation and such additional construction of improvements as may be authorized by the Association's Board of Directors. It is the purpose of this provision to provide that the Association shall be responsible for all maintenance of Common Properties and Restricted Common Properties upon which all improvements required to be made by the Company have been completed, notwithstanding the fact that the Company is not obligated to convey or lease such properties to the Association until two years after such improvements have been completed thereon. Natural areas, marshes, trail areas, roads, etc., shall be conveyed in small or large parcels from time to time after the Company has completed the surveying and platting of all adjacent subdivisions for single family detached and patio housing areas, Multi-Family Tracts, and abutting Public and Commercial Sites.

The Company covenants for itself, its successors and assigns, that it shall convey by deed to the Association all Common Properties and Restricted Common Properties which do not require the construction of improvements thereon within two (2) years of notification to the Association, in writing, or through publication in the AMELIA ISLAND PLANTATION BUYER'S GUIDE, or other such document or publication hereinafter designated by the Company, of its intent to convey such properties. Such notification will not normally show metes and bounds and, in any event, the metes and bounds as shown on the recorded plat and deed to the Association shall govern.

All Common Properties or Restricted Common Properties, either improved or unimproved, may be conveyed to the Association subject to: (1) all restrictive covenants of record at the time of the conveyance; and 2) all existing mortgages. The obligation to make payments of principal and interest in accordance with their due dates on all mortgages affecting property conveyed to the Association except mortgages on Purchased Common Properties (as described hereinbelow in Section 4 of this Article IV) shall continue to be the sole obligation of the Company or any Affiliate of the Company as the case may be. Notwithstanding anything in the foregoing to the contrary, the Company shall not be required to convey the above referred to parcels where such conveyance would be prohibited under agreements existing on the date hereof but, in such case, shall be allowed to postpone such conveyance, without penalty, until such time as said prohibition may be nullified.

Section 4. Purchased Common Properties.

Subject to the provisions of these covenants, the rules and regulations of the Association, and any charges established by the Association, every Type "A" Member shall have a right and easement of enjoyment in and to any property now or hereafter designated Purchased Common Properties pursuant to this Declaration. Purchased Common Properties may not be acquired by the Association unless approved by Referendum of Type "A" Members; provided, however, that the Company shall not be permitted to vote in any Referendum on the question of the acquisition of Purchased Common Properties by the Association, any provisions hereof or in the By-Laws to the contrary notwithstanding. In the event such approval is obtained, the Company may elect to receive in lieu of a cash payment a first mortgage and the Association's promissory note for the purchase of such properties at the then prevailing interest rates for loans on that type property from commercial lending institutions. Except for such Purchased Common Properties the Company may not require the Association to pay for any other type properties conveyed to the

Association such as those described in Section 6 (a) or (b) of this Article.

Section 5. Extent of Member's Easements.

The rights and easements of enjoyment created hereby shall be subject to the following:

- (a) The right of the Company and the Association, in accordance with its By-Laws, to borrow money from the Company or any other lender for the purpose of improving and/or maintaining the Common Properties and Restricted Common Properties and providing the services authorized herein and in aid thereof to mortgage said properties;
- (b) The right of the Association to assume and pay any liens or encumbrances against the property at the time of conveyance;
- (c) The right of the Association to take such steps as are reasonably necessary to protect the above described properties against foreclosures;
- (d) The right of the Association, as provided in its By-Laws, to suspend the rights and easements of enjoyment of any Member or any tenant of any Member for any period during which any assessment remains unpaid, and for any period not to exceed sixty (60) days for any infraction of its published rules and regulations, it being understood that any suspension for either non-payment of any assessment or a breach of the rules and regulations of the Association shall not constitute a waiver or discharge of the Member's obligation to pay the assessment, and provided that the Association shall not suspend the right to use the roads belonging to the Association subject to the rules and regulations, if any, established by the Association for such use;
- (e) The right of the Association to charge reasonable admission and other fees for the use of the Common Properties, Restricted Common Properties and Purchased Common Properties and/or facilities therein; provided that such fees shall be the same dollar amount for all Owners, guests and tenants of Owners and resort guests of the Company and the right of the Association to charge a reasonable toll for the use of roadways belonging to the Association; provided that such tolls and fees shall not apply to Owners, guests and tenants of Owners or resort guests of the Company and each right of ingress and egress to property which is subject to these covenants shall be subject to such rights of the Association;
- (f) The grantee of each lot or parcel of land subject to this Declaration is conveyed only a limited and restricted right of access, ingress and egress to such lot or parcel of land. Such grantee shall have a right of access, ingress and egress to such property only over roadways now or hereafter to be conveyed by the Company to the Association. The Board of Directors of the Association shall have the power to place any reasonable restrictions upon the use of the Association roadways including but not limited to the maximum and minimum speeds of vehicles using said roads, all other necessary traffic and parking regulations, and the maximum noise levels of vehicles using said roads. The fact that such restrictions on the use of the roads shall be more restrictive than the laws of any state or local government having jurisdiction over the Properties shall not make such restrictions unreasonable. The provisions of these paragraphs (e) and (f) may not be amended without approval of the Company;

- (g) The right of the Company of the Association by its Board of Directors to dedicate or transfer to any public or private utility, utility easements on any part of the Common Properties and Restricted Common Properties; and
- (h) The right of the Association to give or sell all or any part of the Common Properties and Restricted Common Properties including lease-hold interest to any public agency, authority, or utility or private concern for such purposes and subject to such conditions as may be agreed to by the Members, provided that no such gift or sale or determination as to the purposes or as to the conditions thereof shall be effective unless such dedication, transfer and determinations as to purposes and conditions shall be authorized by the affirmative vote of three-fourths (3/4) of the votes cast at a duly called meeting of the Association and unless written notice of the meeting and of the proposed agreement and action thereunder is sent to every Member of the Association at least thirty (30) days prior to such meeting. A true copy of such resolution together with a certificate of the results of the vote taken thereon shall be made and acknowledged by the President or Vice-President and Secretary or Assistant Secretary of the Association and such certificate shall be annexed to any instrument of dedication or transfer affecting the Common Properties or Restricted Common Properties, prior to the recording thereof. Such certificate shall be conclusive evidence of authorization by the membership; provided, however, that title to the salt marshes may be conveyed to the National Park Service or a non-profit organization authorized to hold title to and preserve the salt marshes or some other similar organization by a majority of the votes cast at a meeting duly called to vote on such conveyance.
- (i) The rights of reversion of the lessor of any Common Properties or Restricted Common Properties leased by the Association upon expiration of the lease.

Section 6. The Company shall convey, by deed, 99 year lease, or other instrument sufficient to convey to the Association the full beneficial use for at least 99 years, prior to July 4, 1986, the following properties to the Association, subject to all the restrictions and limitations of the various Articles of this Declaration, and any other restrictions and limitations of record, the following:

- (a) As Common Properties. There shall be conveyed to the Association all (1) community roads and the rights-of-way thereof within the properties connecting all Residential Lots, Family Dwelling Units, Multi-Family Tracts, Public and Commercial Sites and Public and Commercial Units to the highways of the State of Florida; (2) all salt marshes, other than those used for harbors and marinas, lying below three feet mean sea level; (3) the primary dune area along the ocean front, other than those areas used for decks, swimming pools, and other ocean side improvements of Family Dwelling Units and Public and Commercial Units, and the immediately surrounding area; (4) all bike trails, water-courses and lagoons not contained within one Public and Commercial Site or Multi-Family Tract; (5) all ball fields, playgrounds, community common parks, swimming pools, etc., not contained within a Public and Commercial Unit or Multi-Family Tract, or within one or more condominium regimes; (6) all nature preserves and historic sites set aside for permanent protection on the Company's Master Plans; (7) all boardwalks and other trails providing common-use trails to the beach; (8) the securities gatehouse and emergency rescue facilities; (9) the sanitary landfill and solid waste disposal areas; provided, however, that any facilities as described in this subsection which are built at the expense of one other than the Company shall not be included within the Common Properties to be conveyed by the Company to the Association.

- (b) As Restricted Common Properties. There shall be conveyed to the Association the Members Clubhouse, if such a facility is built by the Company, near the first Tee of the Pete Dye/Jack Nicklaus 27-hole golf course built as part of Phase One of Amelia Island Plantation, but not the Pro Shop, bag storage rooms, cart storage area, golf maintenance area, parking lots, driving range and the entire golf course, all of which will be retained by the Company and operated as a commercial sports facility.

ARTICLE V  
COVENANTS FOR MAINTENANCE ASSESSMENTS:

Section 1. Creation of the Lien and Personal Obligations of Assessments.

The Company covenants, and each Owner of any Residential Lot, Family Dwelling Unit, Multi-Family Tract, Public and Commercial Site, Public and Commercial Unit, Development Unit Parcel or Unsubdivided Land shall by acceptance of a deed therefore, whether or not it shall be so expressed in any such deed or other conveyance, be deemed to covenant and agree to all the terms and provisions of this Declaration and to pay to the Association: (1) Annual assessments or charges; and (2) Special assessments or charges for the purposes set forth in Section 4 of this Article, such assessments to be fixed, established and collected from time to time as hereinafter provided. The Annual and Special assessments together with such interest thereon and costs of collection therefor as hereinafter provided, shall be a charge and continuing lien on the real property and improvements thereon against which each such assessment is made. Each such assessment, together with such interest thereon and cost of collection thereof as hereinafter provided, shall also be the personal obligation of the person who was the Owner of such real property at the time when the assessment first became due and payable. In the case of co-ownership of a Residential Lot, Family Dwelling Unit, Multi-Family Tract, Public and Commercial Site, Public and Commercial Unit, Development Unit Parcel or any Unsubdivided Land, all of such co-owners shall be jointly and severally liable for the entire amount of the assessment.

Section 2. Purpose of Assessments.

The assessments levied by the Association shall be used exclusively for the improvement, maintenance, enhancement, enlargement and operation of the Common Properties and Restricted Common Properties but not Purchased Common Properties and to provide services which the Association is authorized to provide including, but not limited to, the payment of taxes and insurance thereon, construction of improvements, repair, replacement, and to acquire additions to Common and Restricted Common Properties, payment of the cost to acquire labor, equipment, materials, management and supervision, necessary to carry out its authorized functions, and for the payment of principal, interest and any other charges connected with loans made to or assumed by the Association for the purpose of enabling the Association to perform its authorized functions, including mortgages covering Common Properties or Restricted Common Properties at the time of conveyance to the Association. In addition, such assessments may be used to make payments of principal and interest as consideration for the conveyance by the Company to the Association of Purchased Common Properties, if any such conveyance shall be offered by the Company and approved by Member referendum as herein provided, such payments being made both at the time of conveyance to the Association and subsequently in payment of promissory note(s) secured by mortgages on such Purchased Common Properties in amounts sufficient to amortize the debt for any such conveyance over a twenty (20) year term; provided, however, that any increase in assessment required for this purpose shall not apply to the Company or other Type "B" members. (In the case of annual operation of Purchased Common Properties, all funds necessary for such operation shall not be derived from the assessments levied by the Association but rather from user charges

and annual user dues for the particular facility. Such user charges and user dues shall be in addition to and not in lieu of any other assessments herein provided for. No initiation fee may be charged to Members as a precondition to use of such Purchased Common Properties facilities, as distinguished from the annual and daily user charges hereinabove referred to, and all members shall be entitled to identical levels of charges at all times. The Special Assessments shall be used for the purposes set forth in Section 4 of this Article.

Section 3. Application of "Minimum" and "Maximum" Assessment.

The minimum annual assessment, as set forth in the schedule herein below, shall be levied by the Association unless the Board of the Association determines that the important and essential functions of the Association may be properly funded only by an assessment above or below the minimum but not more than the applicable maximum regular assessment, as set forth in the schedule herein below. If the Board of Directors shall levy the applicable minimum assessment or some lesser amount for any assessment year and thereafter, during such assessment year, determine that the important and essential functions of the Association cannot be funded by such assessment, the Board may levy a supplemental assessment but in no event shall the sum of the initial and supplemental regular annual assessments for that year exceed the applicable maximum regular assessments.

For the purposes of this Section 3, the term "supplemental assessment" shall mean any assessment in excess of the amount initially assessed by the Board as the regular annual assessment.

The annual assessment minimum and maximum amounts shall be the sums calculated in accordance with the following schedule as may be increased in each instance by an inflation adjuster as set forth in this Article V, Section 3 (L) herein below.

(a) Residential Lots:

Regular Annual Assessment Before Installation of Sewage, Water and Paving of Roads.		Regular Annual Assessment After Installation of Sewage, Water and Paving of Roads.	
Minimum	Maximum	Minimum	Maximum
\$50.00 per lot	\$100.00 per lot	\$100.00 per lot	\$200.00 per lot

Property shall not be classified for purposes of these covenants and these Annual Assessments as a Residential Lot, whether conveyed to the purchaser by the Company or held by the Company in its own inventory, until the first day of January after all of the following have been accomplished:

- (1) Recording of a plat in the Office of the Clerk of the Circuit Court of Nassau County, Florida showing such Residential Lot;
- (2) Approval by the Division of Florida Land Sales and the Federal Office of Interstate Land Sales Registration or successor agencies permitting such Residential Lot to be offered for sale;
- (3) The Company shall not be required to pay a Residential Lot assessment on Residential Lots which it owns until 180 days after the occurrence of the events in Subparagraphs (1) and (2) immediately above. Any Residential Lots owned by the Company and exempted from Residential Lot assessment shall be assessed as Unsubdivided Land as hereinafter provided.

	Minimum Regular Annual Assessment	Maximum Regular Annual Assessment
(b) Family Dwelling Unit:	\$200.00 per unit	\$400.00 per unit
(c) Multi-Family Tract:	1/4 of 1% of bona fide sales price	1/2 of 1% of bona fide sales price
(d) Public and Commercial Site:	1/4 of 1% of bona fide sales price	1/2 of 1% of bona fide sales price
(e) Public and Commercial Unit:		
(1) Motels, inns, and any other multi-unit commercial facility offering year-round over-night accommodations:	\$.25/sq. ft. of enclosed heated & air-conditioned space	\$.50/sq. ft. of enclosed heated & air-conditioned space
(2) Other Commercial Units operated for profit (restaurant, retail store, real estate sales office, etc.):	\$.35/sq. ft.	\$.50/sq. ft.
(3) Commercial Office Space:	\$.25/sq. ft. of enclosed heated & air conditioned space	\$.50/sq. ft. of enclosed heated & air-conditioned space
(4) All agencies renting bicycles, automobiles, electric carts, or other vehicles within the properties shall pay an assessment on their site whether owned or leased, of:	2.5% of gross receipts	5% of gross receipts
(5) All rental management operations operated from land or buildings located within the Properties or by means of vehicles circulating within the Properties shall pay in addition to the assessment on a square footage basis as set forth herein an assessment of:	1/2 of 1% of gross rental commissions (as amended 1975)	1% of gross rental commissions (as amended 1975)
(6) Outdoor Recreation Facilities	1% of revenues from hourly, daily, or weekly user fees	2% of revenues from hourly, daily, or weekly user fees

For purposes of the above assessment, hourly, daily, or weekly user fees shall be strictly construed to exclude an annual Member dues or initiation fees.

- |                                  |              |              |
|----------------------------------|--------------|--------------|
| (f) Unsubdivided Land:           |              |              |
| All Unsubdivided Land            |              |              |
| contained within the property:   | \$25.00/acre | \$50.00/acre |
| (g) All Development Unit Parcels |              |              |
| contained within the property:   | ¼ of 1% of   | ½ of 1% of   |
|                                  | bona fide    | bona fide    |
|                                  | sales price  | sales price  |

For purposes of the above assessment, "bona fide sales price" shall be the sales price at which such property was originally conveyed by the Company, its successors or assigns to third party purchaser.

It is necessary to annually re-determine the basis of assessment for Development Unit Parcels. As portions of such parcels are transformed into, and meet the criteria for, other assessable categories, the cumulative percentage of the total acreage having been transformed of each such parcel shall be applied as a percentage reduction of the original bona fide sales price. The remainder then becomes the basis to which the Development Unit Parcel assessment rate is applied for that year.

In calculating the amount of acreage owned by the Company for the assessment purposes, the following types of land shall not be included: Marsh land, land located below the high water mark of any body of water adjacent to the Properties, land intended for use as the site of roads, parks, greenbelts or conservancy areas, trails, walks, Common Properties or Restricted Common Properties.

The Company, notwithstanding the application of assessment formulas of this Declaration to the contrary shall be assessed in each of the calendar years 1973 and 1974 a sum not less than 50% of the total assessments, against all Type "A" members and such "B" members that are owners of Multi-Family Tracts, Public and Commercial Sites, or Public and Commercial Units, in each of said years, and in each of the calendar years 1975 and 1976 a sum not less than 30% of the total assessments against all Type "A" members and said Type "B" members in each of said years.

The Company shall pay an assessment of one-fourth of one percent (1/4 of 1%) of land sales contracts entered into by the Company for sale of its own land (but not brokerage accounts) for Residential Lots, Multi-Family Tracts, Public or Commercial Sites and Development Unit Parcels as such sales are recognized as current revenues in period of assessment (rather than deferred) in accordance with generally accepted accounting practices.

- (i) For purposes of these assessments, a property will be classed as unimproved land, and not as a Family Dwelling Unit or Public or Commercial Unit until roof and windows have been installed, and assessment at the improved property rate shall begin on the next January 1st thereafter.
- (j) The Company will provide to the Association upon request a copy of all plats of Amelia Island Plantation properties recorded at the Office of the Clerk of the Circuit Court, Nassau County, by the Company.
- (k) All assessments charged by the Association shall be rounded off to the nearest dollar.



- (l) From and after January 1, 1974, the maximum and minimum annual assessment may be increased each year by the Board of Directors of the Association by an amount not in excess of five (5%) per cent per year, or the percentage increase between the first month and the last month of an annual assessment period in the Consumer Price Index, U.S. City Average, All Items (1967=100) (hereinafter "C.P.I.") issued by the U.S. Bureau of Labor Statistics in its monthly report entitled "The Consumer Price Index, U.S. City Average and Selected Areas", whichever of these two percentage figures is larger, unless three-fourths (3/4) of the votes cast at a duly called meeting of the Association vote against such increase or vote to increase said annual assessment by a greater amount or to decrease the maximum and/or minimum annual assessment. In the event that the C.P.I. referred to above shall be discontinued, then there shall be used the most similar index published by the United State (sic) Government that may be procured indicating changes in the cost of living.

The Board of Directors of the Association shall not be bound in setting assessment in subsequent years by the amount of assessments set in earlier years; provided, however, that the provisions of this document shall always be followed in setting assessments. Notwithstanding any of the provisions of this article, in no event shall the assessments and other revenues collected by the Association exceed its expenses and reasonable reserves to an extent which would violate its non-profit character.

An increase or decrease in the annual maximum and/or minimum assessment shall be made in such a manner that the proportionate increase or decrease in such maximum and/or minimum assessment is the same for Owners of Residential Lots, Family Dwelling Units, Multi-Family Tracts, Public and Commercial Sites, Public and Commercial Units, Development Unit Parcels, or Unsubdivided Land. Likewise, any time the actual assessment levied by the Board of Directors of the Association is more or less than the minimum annual assessment such decrease shall be apportioned among the Owners of Residential Lots, Family Dwelling Units, Multi-Family Tracts, Public and Commercial Sites, Public and Commercial Units, Development Unit Parcels, or Unsubdivided Land, such that the proportionate increase or decrease received by each class of Owners of the various classified properties is equal; provided, however, that a disproportionate increase or decrease may occur in those instances where the Company or Type "B" members are not to be assessed for the purchase price of Purchased Common Properties. The proportionate share of the annual assessment borne by any particular class of Owners of the various classes of property may be altered only by the favorable vote of ninety (90%) per cent of the votes cast at a duly called meeting of the Association, and by ninety (90%) per cent of the votes cast at said meeting by the members of the classes whose proportionate share is being altered. Provided, however, this provision shall not prevent the Company from altering its proportionate share of the annual assessment as provided in Article VIII, Section 2.

#### Section 4. Special Assessments for Improvements and Additions.

In addition to the annual assessments authorized by Section 3 hereof, the Association may levy special assessments, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of capital improvement upon the Common Properties or Restricted Common Properties but not Purchased Common Properties including the necessary fixtures and personal property related thereto, or addition to the Common Properties or Restricted Common Properties, or to provide for the necessary facilities and equipment to offer the services authorized herein, and to repay any loan made to the Association to enable it to perform the duties and functions authorized herein, provided that any such assessment shall be approved as specified in the By-Laws; and provided further, that any special assessment for a purpose not available to a Type "B" member, including the Company, shall not be levied against Type "B" members.

The proportion of each special assessment to be paid by the Owners of the various classifications of assessable property shall be equal to the sums of the total applicable maximum assessments for all property in that class for the year during which such special assessment is approved expressed as a percentage of the sum of the total applicable maximum assessment for all property within the Properties for the year during which such assessment is approved; provided, however, that a disproportionate special assessment may occur in those instances where it is for a purpose not available to the Company or Type "B" members. Such special Assessments, in any one year, may not exceed a sum equal to the amount of the maximum annual assessment for such year, except for emergency and other repairs required as a result of storm, fire, natural disaster or other casualty loss. This provision shall be interpreted to mean that the Association may make in any one year an annual assessment up to the maximum set forth in Section 3 of this Article plus an additional special assessment which additional assessment being considered alone may not exceed the amount set for the maximum annual assessment. The fact that the Association has made an annual assessment for any amount up to the permitted maximum shall not affect its right to also make a special assessment during the year.

The Association may establish reserve funds equal to ten (10%) percent of its receipts from its regular annual assessments to be held in reserve in an interest drawing account or investments as a reserve for (a) major rehabilitation or major repairs, and (b) for emergency and other repairs required as a result of storm, fire, natural disaster or other casualty loss.

On petition of Owners within a particular Neighborhood Area as provided in the By-Laws, the Board of Directors of the Association may levy a special assessment (within the total maximum limits of such special assessments as set forth hereinabove) applicable only to the Owners within that immediate Neighborhood Area, to undertake special neighborhood improvements, neighborhood rehabilitation or construction, and neighborhood maintenance. Whether such special assessment be proposed by the Board of Directors of the Association or by petition as provided for hereinabove, then such proposal shall be submitted to a Referendum as provided by the By-Laws.

Upon approval by Referendum as provided by the By-Laws the Board of Directors of the Association may levy a special assessment (within the total maximum limits of such special assessment as set forth herein above) applicable only to the Owners within the Resort Area to be used for the purpose of establishing resort community transportation facilities including, without limitation, buses, electric vehicles, etc. within the Resort Area, and transportation systems to and from area airports and other major public convenience centers outside of Amelia Island Plantation. Any provisions hereof or in the By-Laws to the contrary notwithstanding, the Company shall not be permitted to vote in any Referendum of Owners within the Resort Area concerning the question of the Association levying a special assessment for the purpose of establishing resort community transportation facilities.

In the event of election by the Members of a Neighborhood Area or the Resort Area to be assessed by the Association for special improvements, construction, or maintenance within those Areas, the Association shall be authorized to borrow money to fund such special improvements, construction, or maintenance and to repay any such loan with the receipts from the special assessment authorized therefor.

In the event a general special assessment is levied by the Board of Directors of the Association as may be authorized by this Article, and such general special assessment is levied subsequent to election by the Members of a Neighborhood Area or the Resort Area for a special assessment as provided for hereinabove, then the Members of such Neighborhood Area or Resort Area shall be liable for the general special assessment only to the extent of any difference between the special assessment for the Neighborhood Area or Resort Area and the total authorized maximum limits of any special assessment, provided however, that if the special

assessment for the Neighborhood Area or the Resort Area shall be for a lesser term than that of the general special assessment, then Members within the Neighborhood Area or Resort Area shall, upon final payment of the special assessment for that area, thereupon become obligated to continue to pay the general special assessment upon any subsequent due dates therefor, in an amount equal to a full proportionate share for such Member notwithstanding the fact that his obligation for the general special assessment was a lesser amount during the term of the special assessment for the Neighborhood or Resort Area. It is the purpose of this provision to insure that no Member shall have to pay more than the authorized maximum annual limits for regular and special assessments.

Section 5. Change in Basis and Maximum of Annual Assessments Upon Merger or Consolidation.

The limitations of Section 3 hereof shall apply to any merger or consolidation in which the Association is authorized to participate under Article II Section 2, hereof, and under the By-Laws of the Association.

Section 6. Quorum for any Action Authorized Under this Article.

The quorum required for any action authorized to be taken by the Association members under this Article shall be as follows:

The first time any meeting of the members of the Association is called to take action under this Article the presence at the meeting of members or proxies entitled to cast 60% of the total vote of the membership shall constitute a quorum. If the required quorum is not forthcoming at any such meeting, a second meeting may be called subject to the giving of proper notice and the required quorum at such subsequent meeting shall be the presence of members or proxies entitled to cast 25% of the total vote of members of the Association.

Section 7. Date of Commencement and Pro-Ration of Annual Assessments. Due Date.

The annual assessments provided for herein shall commence on January 1, 1974. Unless otherwise provided herein, property shall be assessed according to its character as of January 1 of the assessment year, i.e., Residential Lot, Public and Commercial Unit, etc.

The assessments for any year shall become due and payable on February 1, of said year and shall become past due on March 1 of the same year, except with regard to the Company whose annual assessment shall be due in twelve (12) equal monthly installments. The Board of Directors of the Association shall have the power to change the date upon which annual assessments become due and payable and also to determine the manner of payment of annual assessments, i.e., lump sums, monthly installments, etc., provided, however, that the annual assessments shall be due and payable at least annually.

In any instance where assessments, either in whole or in part, are based upon percentages of gross revenues as stated herein, such assessments for the coming year, shall be based upon the revenues produced through December 31st of the preceding year, whether for a full year or a fraction of a year, and such members hereby agree to provide to the Association no later than January 15 of each year a statement of the amount of gross revenues for the preceding calendar year.

The due date of any special assessment under Section 4 hereof shall be fixed in the resolution authorizing such assessment. All assessments shall be based on the status and classification of property on January 1 of each year, without adjustment for improvements completed during the year.

Section 8. Duties of the Board of Directors.

The Board of Directors of the Association shall fix the amount of the assessment against each Residential Lot, Family Dwelling Unit, Multi-Family Tract, Public and Commercial Site, Public and Commercial Unit, Development Unit Parcel, or Unsubdivided Land within the minimum and

maximum assessment range as provided hereinabove for each assessment period and shall, at that time, prepare a roster of the properties and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Owner.

Written notice of the assessment shall thereupon be sent to every Owner subject thereto.

The Board of Directors shall not have authority to levy a special assessment above the maximum regular assessment unless such special assessment is approved by a Referendum relating thereto as herein provided.

The Association shall upon demand at any time furnish to any Owner liable for said assessment a certificate in writing signed by an officer of the Association, setting forth whether said assessment has been paid. Such certificate shall be conclusive evidence against all but the Owner of payment of any assessment therein stated to have been paid.

Section 9. Effect of Non-Payment of Assessment: The Personal Obligation of the Owner; the Lien; Remedies of Association.

If the assessment is not paid on or before the past-due date specified in Section 7 hereof, then such assessment shall become delinquent and shall, together with interest thereon at the rate of eight (8%) percent per annum from the due date and cost of collection thereof as hereinafter provided, thereupon become a charge and continuing lien on the land and all improvements thereon, against which each such assessment is made, in the hands of the then Owner, his heirs, devisees, personal representatives and assigns. The personal obligation of the Owner at the time when the assessment first became due and payable to pay such assessment, however, shall remain his personal obligation and shall not pass as a personal obligation to his successors in title unless expressly assumed by them.

If the assessment is not paid within thirty (30) days, the Association may bring an action at law against the Owner personally obligated to pay the same or to foreclose the lien against the property, and there shall be added to the amount of such assessment the costs of preparing and filing the complaint in such action, and in the event a judgment is obtained, such judgment shall include interest on the assessments above provided and a reasonable attorney's fee to be fixed by the court together with the costs of the action.

Section 10. Subordination of the Lien to Mortgages.

The lien of the assessments provided for herein shall be subordinate to the lien of any mortgage or mortgages now or hereafter placed upon the properties subject to assessment; provided, however, that such subordination shall apply only to the assessments which have become due and payable prior to a sale or transfer of such property pursuant to a decree of foreclosure, or any other proceeding or deed in lieu of foreclosure. Such sale or transfer shall not relieve such property from liability for any assessments accruing after conveyance by mortgage to a subsequent owner, provided however, that the mortgagee shall not be liable for assessments until it has held title to the property for more than one (1) year.

Section 11. Exempt Property.

The following property, individuals, partnerships or corporations, subject to this Declaration shall be exempted from the assessment, charge and lien created herein:

- (a) The grantee in conveyances made for the purpose of granting utility easements;
- (b) All Common Properties and Restricted Common Properties as defined in Article 1, Section 1, hereof;

(c) Property which is used for any of the following purposes:

1. In the maintenance and service of facilities within the properties;
2. Places of worship; community, civic and cultural clubs; operating farms and/or animal pastures; woodland, marsh and swamp conservancies, libraries; utilities; nursery and other schools and instructional centers; non-profit medical centers, hospitals, clinics; nursing, care, rest and convalescent homes; facilities of non-profit associations; and charitable institutions;
3. All lands below the mean high water mark.

Section 12. Annual Statements.

Copies to be sent Members on request. The President, Treasurer, or such other officer as may have custody of the funds of the Association shall annually, within ninety days after the close of the fiscal year of the Association, prepare and execute under oath a general itemized statement showing the actual assets and liabilities of the Association at the close of such fiscal year, and a statement of revenues, costs and expenses. It shall be necessary to set out in the statement the name of any creditor of the Association, provided however, that this requirement shall be construed to apply only to creditors of more than \$1,000. Such officer shall furnish to each Member of the Association who may make request therefor in writing, a copy of such statement, within thirty days after receipt of such request. Such copy may be furnished to the Member either in person or by mail.

Section 13. Contribution to Reserves Fees.

- (a) The Association may establish reserve funds from its Annual Assessment and/or the Contribution to Reserves Fees as described in subsection (b) below, to be held in reserve in an interest bearing account or otherwise invested, as a reserve fund for:
1. Rehabilitation or repairs of infrastructure owned or leased by the Association;
  2. Emergency and other repairs to common property as a result of storm, fire, natural disaster or other casualty loss;
  3. Recurring periodic maintenance of common property;
  4. Capital improvements; and
  5. Initial costs of any new service to be performed by the Association.
- (b) Upon each transfer (as hereinafter defined) of any property subject to the Declaration, the Association shall be paid a contribution to reserves fee ("Contribution to Reserve Fee") equal to .40% (.0040) of the gross purchase price for such property. The Association Board of Directors may adjust the Contribution to Reserves Fee between .30% and .50% of the gross purchase price effective six months from recording a Resolution of Adjustment.
- (c) The Contribution to Reserves Fee shall not be considered an Annual or Special Assessment, and shall be specifically excluded from all calculations related thereto.
- (d) For purposes hereof a "transfer" shall be deemed to occur upon the execution of a deed, instrument or other similar writing whereby any property or an interest therein is sold, granted, conveyed or otherwise transferred.
- (e) The Contribution to Reserves Fee shall be paid to the Association at, or prior to, the time the deed, instrument or other document evidencing the transfer of the property, or an interest therein, is recorded in the Clerk's Office for Nassau County, Florida, but in no event no later than thirty (30) days after the date said deed, instrument or other document evidencing the transfer, is recorded in Nassau County, Florida.
- (f) Payment of the Contribution to Reserves Fee shall be the liability of the purchaser or grantee of the property. In the event there is more than one grantee, all of such grantees shall be jointly and severally liable for the Contribution to Reserves Fee. Any agreement between the grantee and the grantor or any other person with regard to the allocation of the responsibility for payment of said fee shall not affect the liability of the grantee to the Association.
- (g) The Contribution to Reserves Fee shall not apply to the following or applicable portion of:
1. A transfer effected pursuant to a court order.
  2. A transfer when the grantee of such property is the United States of America or State of Florida or any of their political subdivisions or departments and such grantee is to utilize the property for a public purpose.

3. A transfer which, without additional consideration, confirms, corrects, modifies or supplements a transfer previously made.
  4. A transfer made as a gift without consideration, if the grantee shall have been at the time of transfer the spouse, lineal descendant, or lineal ancestor of the grantor, by blood or adoption.
  5. A transfer to the trustee(s) of a trust in exchange for a beneficial interest received by the grantor in such trust as the beneficiary or beneficiaries of the trust.
  6. A transfer by operation of law without actual consideration, including, but not limited to, a transfer occurring by virtue of the death or bankruptcy of an owner of a property or an interest therein.
  7. A transfer made pursuant to a court ordered mortgage foreclosure sale or to the mortgagee in lieu of foreclosing a mortgage.
  8. A transfer to an escrow agent, trustee or qualified intermediary pursuant to a "like kind exchange" in accordance with Section 1031 of the Internal Revenue Code of 1986, as amended.
  9. A transfer of a property or interest therein by the Association or to the Association.
  10. A transfer of property to a corporation, a partnership, or a trust in order to become a stockholder, partner or trust beneficiary of the entity provided no consideration is paid for the transfer other than stock in the corporation, interest in the partnership, beneficial interest in the trust or the increase in value in such stock or interest is held by the grantor.
  11. A transfer of property from a corporation, a partnership, or a trust to a stockholder, partner or trust beneficiary of the entity, provided no consideration is paid.
  12. A transfer of property to or from a family partnership or from a family trust provided no consideration is paid for the transfer.
  13. A transfer of property held in the name of a corporation, limited liability company, partnership, or any similar entity between said owner and any related or affiliated entities.
- (h) Any party claiming to be exempt from payment of the Contribution to Reserves Fee to the Association shall submit to the Association a copy of the deed, together with an affidavit signed under oath and penalty of perjury by the grantee attesting the basis upon which the transfer is claimed to be exempt from the herein described Contribution to Reserves Fee, in whole or in part, and the name and mailing address of the grantee. The Association may require the grantor and/or grantee of the property or interest therein which is transferred to provide the Association with copies of documentation associated with the transfer such as a copy of an executed closing statement, the applicable contract of sale and/or deed or other instrument evidencing the transfer.

- (i) In the event a Contribution to Reserves Fee is not paid to the Association when due, a delinquent payment fee of one half percent (.5%) of the unpaid amount per month from the due date and each month thereafter until paid shall be added to the Contribution to Reserves Fee so long as any portion thereof remains unpaid. Additionally, if the Contribution to Reserves Fee is not paid to the Association when due, the amount of such fee plus the above described delinquent payment fee and all costs of collection thereof including, but not limited to, reasonable attorney's fees, as hereinafter provided, shall be a charge and continuing lien on the property transferred in the hands of the then Owner, his or her heirs, devisees, personal representatives, tenants, successors and/or assigns. If the Contribution to Reserves Fee is not paid to the Association when due, the Association may bring an action at law against the Owner personally obligated to pay the same for such fee (including any delinquent payment fee, costs and reasonable attorney's fee of any such action) and/or foreclose the lien for such fee (including any delinquent payment fee, costs and reasonable attorney's fees on any such action).

This amendment shall become effective sixty (60) days after the recording of this instrument in the public records of Nassau County, Florida. However, property under contract for sale within sixty (60) days after recording of this Amendment shall be exempt from the Contributions to Reserve Fee.

ARTICLE VI  
FUNCTIONS OF ASSOCIATION:

Section 1. Ownership and Maintenance of Common Properties and Restricted Common Properties.

The Association shall be authorized to own and maintain Common Properties and Restricted Common Properties equipment, furnishings, and improvements devoted to the following uses:

- (a) for roads or roadways, and parkways along said roads or roadways throughout the Properties;
- (b) for sidewalks, walking paths or trails, bicycle paths, and bridle paths throughout the Properties;
- (c) for police and fire protection including police stations and/or guardhouses, police equipment and fire stations and firefighting equipment;
- (d) for emergency health care including ambulances and emergency care medical facilities and the equipment necessary to operate such facilities;
- (e) for providing any of the services which the Association is required or authorized to offer under Sections 3 and 4 of this Article.
- (f) for purposes set out in deeds or long-term leases by which Common Properties and Restricted Common Properties are conveyed or leased to the Association, provided that such purposes shall be approved by the Members of the Association as set out in Section 4 of this Article.



(g) for swimming pools, beach shelter, fishing decks, lakes, play fields, tennis and golf facilities, historic parks, wildlife areas, and other recreational facilities of any nature, community meeting facilities, and commercial or service centers serving the Properties.

(h) for transportation facilities throughout the Properties other than privately owned automobiles, e.g. buses, electric vehicles, etc., paid for by special assessment as provided for in Article V, Section 4 hereof.

(i) for water and sewage facilities and any other utilities, if not provided by a private or public utility.

#### Section 2. Ownership and Maintenance of Purchased Common Properties.

The Association shall be authorized to purchase, own and maintain one regulation length 18-hole golf course and/or one executive length 18-hole golf course and any associated clubhouse, pool and tennis facilities. In the event such facilities are purchased from the Company, the purchase price may be paid as hereinbefore provided, and the debt amortized over a twenty (20) year period from receipts of regular annual assessments or special assessments. The Association shall not be authorized to maintain Purchased Common Properties from receipts of regular annual assessments or special assessments but shall be authorized to require the payment of user fees, annual user dues, and, in the case of persons who are not Owners of property within Amelia Island Plantation. Initiation charges for membership, and the Association shall be authorized and required to maintain Purchased Common Properties from the receipts of such charges. All functions or services which the Association shall be authorized to provide for Purchased Common Properties as may be expressed elsewhere in this Declaration shall be subject to this provision.

#### Section 3. Required Services.

The Association shall be required to provide the following services:

- (a) cleanup and maintenance of all roads, roadways parkways, bike paths, leisure trails, and other Common Properties or Restricted Common Properties within the Properties and also all public properties which are located within or in a reasonable proximity to the Properties such that their deterioration would affect the appearance of the Properties as a whole.
- (b) landscaping of roads and parkways, sidewalks and walking paths and any other Common Properties or Restricted Common Properties.
- (c) police protection and security, including but not limited to the employment of police and security guards, maintenance of control centers for the protection of persons and property within the Existing Property, and assistance in the apprehension and prosecution of persons who violate the laws of Florida within the Properties.
- (d) insect and pest control to the extent that it is necessary or desirable in the judgment of the Board of Directors to supplement the service provided by the state and local governments.
- (e) the services necessary or desirable in the judgment of the Board of Directors to carry out the Association's obligations and business under the terms of this document.

- (f) maintenance of all lakes and lagoons located within the Common Properties or Restricted Common Properties including the stocking of such lakes and lagoons.
- (g) to take any and all actions necessary to enforce all covenants and restrictions affecting the Properties and to perform any of the functions or services delegated to the Association in any covenants or restrictions applicable to the Properties.
- (h) to provide administrative services including but not limited to: legal; accounting and financial; and communication services informing Members of Activities, Notice of Meetings, Referendums, etc., incident to the above listed services.
- (i) to purchase liability and hazard insurance covering improvements and activities on the Common Properties, Restricted Common Properties, and Purchased Common Properties.

Section 4. Authorized Services.

The Association shall be authorized, but not required to provide the following services:

- (a) lighting of roads, sidewalks and walking paths throughout the Properties.
- (b) fire protection and preventions.
- (c) beach maintenance, which shall include beach preservation and cleanup, on beaches immediately adjacent to the Properties as well as complete life-guard services along said beach.
- (d) garbage and trash collection and disposal.
- (e) to set up and operate architectural review board in the event that the Association is designated by the Company as the agent of the Company for such purpose.
- (f) improvement of fresh and salt water fishing available to members within the Properties and waters adjacent thereto.
- (g) to conduct recreation, sport, craft, and cultural programs of interest to Members, their children and guests.
- (h) to provide legal and scientific resources for the improvement of air and water quality within and adjacent to the Properties.
- (i) to maintain a water search and rescue boat for the protection and safety of those in the waters surrounding the Properties.
- (j) to provide safety equipment for storm emergencies.
- (k) to maintain a general library and collection of historical objects and documents pertaining to the Properties, North Florida and South Georgia.
- (l) to support the operation of transportation services between key points of the Properties and the airports, other public transportation terminals and public centers serving the area surrounding the Properties which shall include but not be limited to Nassau and Duval Counties.

- (m) to provide special entertainment and festivals.
- (n) to construct improvements on Common Properties or Restricted Common Properties for use for any of the purposes authorized in Section 1 of this Article, or as may be required to provide the services as authorized in this Section 4 of this Article.
- (o) to provide transportation facilities other than privately owned automobiles, e.g. , buses, electric vehicles , etc., paid for by special assessment as provided for in Article V , Section 4 hereof.
- (p) to provide water, sewage and any necessary utility services, subject however, to any rights reserved herein by the Company to provide such services, at its election.
- (q) to provide, conduct, or maintain shoreline erosion abatement measures including, without limitation, maintenance and repair of shore revetments and groins, nourishment of beaches with sand reclaimed from drift deposits from the beach or adjacent areas or other sources, and the employment of consultants who are specialists in that field, as may be needed, in the judgment of the Board of Directors.
- (r) maintenance of electronic and other security devices.
- (s) to provide for the conservation and control of wildlife within the Properties.

The Company reserves the right to provide water service and sewage collection services through a private utility regulated by the Florida Public Service Commission.

In the event the Company is unable or unwilling to provide water service and sewage collection in a manner satisfactory to the Board of Directors of the Association, the Association shall be and hereby is authorized to perform such services.

#### Section 5. Obligation of the Association.

The Association shall be obligated to carry out the functions and services specified in Section 3 of this Article to the extent such maintenance and services can be provided with the proceeds from the regular annual assessments. The functions and services specified in Section 4 of this Article to be carried out or offered by the Association at any particular time shall be determined by the Board of Directors of the Association taking into consideration the funds available to the Association and the needs of the Members of the Association. Special assessments shall be submitted for referendum as provided in the By-Laws. The functions and services which the Association is authorized to carry out or to provide, may be added to at any time upon the affirmative vote of a majority of the Board of Directors, if such addition does not require a special assessment; provided, however, that the functions and services authorized may also be changed by merger or consolidation of the Association pursuant to Article II, Section 2, hereof and the By-Laws of the Association. The deletion of any service specified in Section 3 of this Article shall be submitted to a Referendum of all members and shall only be authorized by the affirmative vote of two-thirds (2/3) of the votes returned to the Association in the specified time period; provided, however, that the deletion of any service to Type "B" members shall require, in addition, the affirmative vote of a majority of the Type "B" members voting in such Referendum.

#### Section 6. Mortgage and Pledge.

The Board of Directors of the Association shall have the power and authority to mortgage the property of the Association and to pledge the revenues of the Association as security for loans made to the Association which loans shall be used by the Association in performing its authorized functions. Notwithstanding anything in this Declaration to the contrary, the

Association shall not be allowed to reduce the limits of the minimum regular annual assessment at any time there is outstanding any amounts due the Company as repayment of any loans made by the Company to the Association.

ARTICLE VII  
ARCHITECTURAL CONTROL:

Section 1. Review and Approval of Landscaping Specifications for Additions, Alterations or Changes to Structures.

No building, wall, fence, swimming pool, or other structure shall be commenced, erected, or maintained upon the Common Properties, Restricted Common Properties, or Purchased Common Properties, nor shall any landscaping be done, nor shall any exterior addition to any such existing structure or change or alteration therein, be made until the plans and specifications therefor showing the nature, kind, shape, height, materials and location of the same shall have been submitted to and approved in writing as to the harmony and compatibility of its external design and location, with the surrounding structures and topography, by the Company or its duly appointed agents .

ARTICLE VIII  
GENERAL PROVISIONS:

Section 1. Duration.

The covenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association, the Company or the Owner of any land subject to this Declaration, their respective legal representatives, heirs, successors, and assigns, for a period of thirty (30) years from the date this Declaration is recorded. Upon the expiration of said thirty (30) year period this Declaration shall be automatically renewed and extended for successive ten (10) year periods. The number of ten (10) year renewal periods hereunder shall be unlimited with this Declaration being automatically renewed and extended upon the expiration of each ten (10) year renewal period for an additional ten (10) year period; provided, however, that there shall be no renewal or extension of this Declaration if during the last year of the initial thirty (30) year period, or during the last year of any subsequent ten (10) year renewal period, three-fourths (3/4) of the votes cast at a duly held meeting of the Association vote in favor of terminating this Declaration at the end of its then current term. It shall be required that written notice of any meeting at which such a proposal to terminate this Declaration is to be considered, setting forth the fact that such a proposal will be considered, shall be given at least thirty (30) days in advance of said meeting. In the event that the Association votes to terminate this Declaration, the President and Secretary of the Association shall execute a certificate which shall set forth the resolution of termination adopted by the Association, the date of the meeting of the Association at which such resolution was adopted, the date that notice of such meeting was given, the total number of votes of Members of the Association, the total number of votes required to constitute a quorum at a meeting of the Association, the number of votes necessary to adopt a resolution terminating this Declaration, the total number of votes cast in favor of such resolution, and the total number of votes cast against such resolution. Said certificate shall be recorded in the Official Real Estate Records for Nassau County, Florida, and may be relied upon for the correctness of the facts contained therein as they relate to the termination of this Declaration.

Section 2. Amendments.

This Declaration can be amended at any time provided that three fourths (3/4) of the votes cast at a duly called meeting of the Association vote in favor of the proposed amendment provided, however, that if the affirmative vote required, for approval of action under the specific provision to be amended, is a higher or lower percentage, then such higher or lower percentage

shall be required to approve amendment of that provision. Notice shall be given at least thirty (30) days prior to the date of the meeting at which such proposed amendment is to be considered. If any proposed amendment to this Declaration is approved by the Members as set forth above the President and Secretary of the Association shall execute an Amendment to this Declaration which shall set forth the amendment, the effective date of the amendment which in no event shall be less than sixty (60) days after the date of recording the amendment, the date of the meeting of the Association at which such amendment was adopted, the date that notice of such meeting was given, the total number of votes of Members of the Association, the total number of votes required to constitute a quorum at a meeting of the Association, the number of votes necessary to adopt the amendment, the total number of votes cast for the amendment, and the total number of votes cast against the amendment. Such amendment shall be recorded in the Official Records for Nassau County, Florida.

The Company may amend this Declaration without the consent of the membership for the following purposes only:

- (a) to provide that the Company shall not vote for certain seats on the Board of Directors and that these seats shall be filled exclusively by the vote of the other Members;
- (b) to increase the amount of the annual assessment due by the Company to the Association;
- (c) to incorporate in this Declaration a specific list of amenities to be conveyed by the Company to the Association, which list shall include all of the items previously set forth herein, and which list may include the specific dates before which said items shall be transferred to the Association and any conditions upon which they will be transferred; and
- (d) for any other purpose which requires a greater contribution by the Company to the Association or which lessens the role of the Company in the operation of the Association and increases the role of the other members.

The quorum required for any action authorized to be taken by the Association under this Section 2 shall be as follows:

The first time any meeting of the Members of the Association is called to take action under this Section 2, the presence at the meeting of the Members or proxies entitled to cast sixty (60%) per cent of the total vote of the Membership shall constitute a quorum. If the required quorum is not forthcoming at any such meeting, a second meeting may be called subject to the giving of proper notice and the required quorum at such subsequent meeting shall be the presence of the Members or proxies entitled to cast fifty-one (51%) per cent of the total vote of the Association.

### Section 3. Notices.

Any notice required to be sent to any Member or Owner under the provisions of the Declaration shall be deemed to have been properly sent, and notice thereby given, when mailed, with the proper postage affixed to the last known address of the person or entity who appears as Owner in the public records of Nassau County, Florida, on the first day of the calendar month in which said notice is mailed. Notice to one of two or more co-owners of a Residential Lot, Family Dwelling Unit, Multi-Family Tract, Public and Commercial Site, Public and Commercial Unit, Development Unit Parcel, or Unsubdivided Land shall constitute notice to all co-owners. It shall be the obligation of every Member to immediately notify the Secretary of the Association in writing of any change of address. Any person who becomes an Owner and Member following the first day in the calendar month in which said notice is mailed shall be deemed to have been given notice, if notice was given to his predecessor in title.

Section 4. Enforcement.

Enforcement of these covenants and restrictions shall be by any proceeding at law or in equity against any person or persons violating or attempting to violate or circumvent any covenant or restriction, either to restrain violation or to recover damages, and against the land and to enforce any lien created by these covenants; and failure by the Association or any Owner or the Company to enforce any covenant or restriction herein contained for any period of time shall in no event be deemed a waiver or estoppel of the right to enforce same thereafter.

Section 5. Severability.

Should any covenant or restriction herein contained, or any Article, Section, Subsection, sentence, clause, phrase or term of this Declaration be declared to be void, invalid, illegal, or unenforceable, for any reason, by the adjudication of any court or other tribunal having jurisdiction over the parties hereto and the subject matter hereof, such judgment shall in no way affect the other provisions hereof which are hereby declared to be severable and which shall remain in full force and effect.

Section 6. Interpretation.

The Board of Directors of the Association shall have the right except as limited by any other provisions of this document or the By-Laws to determine all questions arising in connection with this Declaration of Covenants and Restrictions and to construe and interpret its provisions, and its good faith, determination, construction or interpretation shall be final and binding. In all cases, the provisions of this Declaration of Covenants and Restrictions shall be given that interpretation or construction that will best tend toward the consummation of the general plan of improvements.

Section 7. Authorized Action.

All actions which the Association is allowed to take under this instrument shall be authorized actions of the Association if approved by the Board of Directors of the Association in the manner provided for in the By-Laws of the Association, unless the terms of this instrument provide otherwise.

Section 8. Termination of Association.

In the event that this Declaration be declared to be void, invalid, illegal, or unenforceable in its entirety (sic), or in such a significant manner that the Association is not able to function substantially as contemplated by the terms hereof, for any reason, by the adjudication of any court or other tribunal having jurisdiction over the parties hereto and the subject matter hereof, and such adjudication occurs within ten (10) years of the date of recording this Declaration, all Common Properties, Restricted Common Properties and Purchased Common Properties belonging to the Association at the time of such adjudication shall revert to the Company, and the Company shall own and operate said Common Properties, Restricted Common Properties and Purchased Common Properties as trustee for the use and benefit of Owners within the Properties as set forth below. If said adjudication shall occur on a date more than ten (10) years after the date of recording of this Declaration, or if the Members of the Association should vote not to renew and extend this Declaration as provided for in Article VIII Section I, all Common Properties, Restricted Common Properties and Purchased Common Properties owned by the Association at such time shall be transferred to a Trustee appointed by the Circuit Court of Nassau County, Florida, which Trustee shall own and operate said Common Properties and Restricted Common Properties for the use and benefit of Owners within the Properties as set forth below:

- (a) Each lot or parcel of land located within the Properties shall be subject to an annual assessment which shall be paid by the Owner of each such lot or parcel to the Company or Trustee, whichever becomes the successor in title to the Association. The amount of such annual assessment and its due date shall be determined solely by the Company or the Trustee, as the case may be, but the amount of such annual assessment on any particular lot or parcel shall not exceed the amount actually assessed against that lot or parcel in the last year that assessments were levied by the Association, subject to the adjustments set forth in subparagraph (b) immediately below.

- (b) The amount of the maximum annual assessment which may be charged by the Company or Trustee hereunder on any particular lot or parcel shall be automatically increased each year by either 5% or the percentage increase between the first month and the last month of the annual assessment period in the Consumer Price Index, U. S. City Average. All Items (1967=100) (hereafter "C.P. I.") issued by the U. S. Bureau of Labor Statistics in its monthly report entitled "The Consumer Price Index, U. S. City Average and Selected Areas", whichever of these two percentage figures is larger. The actual amount of such increase in the maximum annual assessment on a lot or parcel shall equal the maximum annual assessment on such lot or parcel for the previous year multiplied by the larger of the two percentage factors set forth above. If the C.P. I. is discontinued, then there shall be used the most similar index published by the United States Government that may be procured indicating changes in the cost of living.
- (c) Any past due annual assessment together with interest thereon at the rate of 8% per annum from the due date and all costs of collection including reasonable attorney's fees shall be a personal obligation of the Owner at the time the annual assessment became past due, and it shall also constitute and become a charge and continuing lien on the lot or parcel of land and all improvements thereon, against which the assessment has been made, in the hands of the then Owner, his heirs, devisees, personal representatives and assigns.
- (d) The Company or the Trustee, as the case may be, shall be required to use the funds collected as annual assessments for the operation, maintenance, repair and upkeep of the Common Properties and Restricted Common Properties. The Company or Trustee may charge as part of the cost of such functions the reasonable value of its services in carrying out the duties herein provided for. Neither the Company nor the Trustee shall have the obligation to provide for operation, maintenance, repair and upkeep of the Common Properties or Restricted Common Properties once the funds provided by the annual assessment have been exhausted.
- (e) The Company shall have the right to convey title to The Common Properties, Restricted Common Properties and Purchased Common Properties and to assign its right and duties hereunder, provided that the transferee accepts such properties subject to the limitations and uses imposed hereby and affirmatively acknowledges its acceptance of the duties imposed hereby.
- (f) The Trustee shall have the power to dispose of the Common Properties and Restricted Common Properties free and clear of the limitations imposed hereby; provided, however, that such disposition shall first be approved in writing by 50% of the Owners of property within the Properties or in the alternative shall be found to be in the best interest of the Owners of property within the Properties by the Circuit Court of Nassau County, Florida. The proceeds of such a sale shall first be used for the payment of any debts or obligations constituting a lien on the Common Properties, Restricted Common Properties and/or Purchased Common Properties than for the payment of any obligations incurred by the Trustee in the operation, maintenance, repair and upkeep of the Common Properties, Restricted Common Properties and Purchased Common Properties and the excess, if any, shall be distributed among the Owners of property within the Properties, exclusive of the Trustee, in a proportion equal to the proportion that the maximum annual assessment on property owned by a particular Owner bears to the total maximum annual assessments for all property located within the Properties.

IN WITNESS WHEREOF AMELIA ISLAND PLANTATION COMMUNITY ASSOCIATION, INC., has caused this instrument to be executed the day and year first above written by its duly authorized President and Secretary and the corporate seal to be affixed.