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MASTER DECLARATION OF COVENANTS, EASEMENTS, AND RESTRICTIONS

FOR

ALTON

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MASTER DECLARATION OF COVENANTS, EASEMENTS, AND RESTRICTIONS

FOR

ALTON

THIS MASTER DECLARATION OF COVENANTS, EASEMENTS, AND RESTRICTIONS FOR ALTON is made this 27th day of January, 2014, by KH ALTON LLC, a Florida limited liability company ("Declarant").

PART ONE: INTRODUCTION TO ALTON

Declarant, as the developer of the development known as Alton has established this Declaration to provide a flexible system and procedures for the overall development and expansion of Alton and for the governance, administration, maintenance, and preservation of Alton as a community comprised of various land uses which complement and support one another and the larger community of which Alton is a part.

Article I Creation of the Community

1.1 Purpose and Intent

By recording this Declaration in the public records of Palm Beach County, Florida, Declarant intends to establish a general plan of development for, and to provide for the overall development, governance, administration, maintenance and preservation of the planned community known as Alton. An integral part of the development plan for Alton is the creation of Alton Property Owners Association, Inc., an association comprised of all owners of real property in Alton. Alton Property Owners Association, Inc. will own, operate, and/or maintain various common areas and community improvements and administer and enforce this Declaration and the other Governing Documents referenced in this Declaration.

This document does not and is not intended to create a condominium under Florida law.

1.2 Binding Effect

Alton initially shall consist of the real property described in Exhibit "A", but the community may be expanded in the future, in accordance with the procedures established in this Declaration, to include additional real property. All property described in Exhibit "A", and any such additional property which is made a part of Alton in the future, shall be owned, conveyed and used subject to the provisions of this Declaration, which shall constitute a covenant running with the title to such property and shall be binding upon all Persons now or hereafter having any right, title, or interest in any portion of Alton, and their heirs, successors, successors-in-title, and assigns.

This Declaration shall remain in effect and shall be enforceable by Declarant, the Association, any Owner, and their respective legal representatives, heirs, successors, and assigns, for a term of forty (40) years from the date this Declaration is recorded in the public records of Palm Beach County, Florida, subject to any amendments which may be adopted during such period in accordance with the procedures described in this Declaration. After such time, this Declaration shall be extended automatically for successive periods of ten (10) years each, unless an instrument signed by a majority of the then Owners is

recorded within the year preceding any extension, agreeing to terminate this Declaration, in which case this Declaration shall terminate as of the date specified in such instrument.

Notwithstanding the foregoing, if any provision of this Declaration would be unlawful, void, or voidable by reason of any Florida law prohibiting covenants from extending more than twenty-one (21) years beyond the death of a person identified in such covenant who is living at the time such covenant is made, such provision shall expire twenty-one (21) years after the death of the last survivor of the now living descendants of Elizabeth II, Queen of England. Nothing in this Section shall be construed to permit termination of any easement created in this Declaration without the consent of the holder of such easement.

1.3 Governing Documents.

The Governing Documents for Alton consist of:

- this Declaration and such Supplemental Declarations as may be recorded from time to time to expand the community or to supplement this Declaration with additional covenants, restrictions and easements applicable to particular areas within Alton;
- the Articles of Incorporation and By-Laws of Alton Property Owners Association, Inc.;
- the Community Restrictions described in Article III; and
- such resolutions as the Association's Board of Directors may adopt from time to time pursuant to this Declaration;

all as they may be amended. In the event of any conflict among this Declaration, the Articles, the By-Laws or any of the other Governing Documents, this Declaration shall control.

Some areas within Alton may be subject to additional covenants, restrictions and easements, which may be administered by an Additional Association. In such case, if there is a conflict between or among the Governing Documents and any such additional covenants, restrictions, and easements, or the Governing Documents and/or the policies of such Additional Association, the Governing Documents shall control. However, nothing in this Section shall preclude any Supplemental Declaration or other covenants applicable to any portion of Alton from containing additional restrictions or provisions which are more restrictive than the provisions of this Declaration, and in such case the more restrictive shall control. The Association may, but shall not be required to, enforce any such additional covenants or restrictions affecting any portion of Alton.

The Governing Documents apply to all Owners and occupants of property within Alton, as well as to their respective tenants, guests, invitees, employees and contractors. Any lease relating to property within Alton shall provide that the tenant and all occupants of the leased property are bound by and obligated to comply with the Governing Documents.

The Association, the Declarant, and every Owner shall have the right to take legal action to enforce the Governing Documents. The Association shall have the specific enforcement powers and remedies described in Section 7.5 and elsewhere in the Governing Documents.

If a court should determine that any provision of this Declaration is invalid, or invalid as applied in a particular instance, such determination shall not affect the validity of other provisions or other applications of such provision.

Article II Concepts and Definitions

2.1 Definitions.

The terms used in the Governing Documents are intended to have their natural, commonly accepted definitions unless otherwise specified. Capitalized terms shall be defined as set forth below.

"Additional Association": Any condominium association or other homeowners' association, if any, having jurisdiction over any portion of the property within Alton concurrent with (but subject to) the jurisdiction of the Association. Nothing in this Declaration shall require the creation of an Additional Association for any property within Alton.

"Additional Landowners": An inclusive term referring to the additional parties joining in this Declaration for the purpose of subjecting all the real property within Alton, as shown on the Master Plan, to the terms of this Declaration.

"Alton": The real property generally depicted on the Master Plan and which is legally described on Exhibit "A", together with such additional property as is made subject to the terms of this Declaration in accordance with Article VIII.

"Apartment Parcel": Any parcel of real property designated as a "Rental" use as shown on the Master Plan.

"Area(s) of Common Responsibility": The Common Area, together with such other areas, if any, for which the Association has or assumes responsibility pursuant to the terms of this Declaration, any Supplemental Declaration or other applicable covenants, contracts, or agreements.

"Articles": The Articles of Incorporation of Alton Property Owners Association, Inc., filed with the Secretary of State of the State of Florida, a copy of which is attached to this Declaration as Exhibit "B", as amended from time to time.

"Association": Alton Property Owners Association, Inc., a Florida nonprofit corporation, its successors or assigns.

"Base Assessment": Assessments levied on all Residential Units and those Parcels subject to assessments under Article VII and Exhibit "D" to fund the Common Expenses, as determined in accordance with Section 7.1.

"Board of Directors" or "Board": The body responsible for administration of the Association, selected as provided in the By-Laws and generally serving the same role as the board of directors under Florida corporate law.

"Builder": Any Person who purchases one or more Parcels for the purpose of constructing improvements thereon for resale to consumers in the ordinary course of its business, or who purchases one or more Parcels within Alton for further subdivision, development, and/or resale in the ordinary course of its business.

"Buffers": Collectively, any PCD buffers, right-of-way buffers, parkway buffers or other buffers referenced on any plat filed in Alton or as otherwise required by the Master Plan, Association or the City.

"By-Laws": The By-Laws of Alton Property Owners Association, Inc., a copy of which is attached to this Declaration as Exhibit "C", as amended from time to time.

"City": The City of Palm Beach Gardens, Florida.

"Class "B" Control Period": The period of time during which the Declarant, as the Class "B" Member, is entitled to appoint a majority of the members of the Board, as provided in the By-Laws. The Class "B" membership shall terminate on the first to occur of the following:

three months after 90% of the total Residential Units located in all Residential Parcels contemplated to be constructed within all phases of Alton that will ultimately be operated by a homeowners' association have been conveyed to Persons other than Declarant or any Person(s) who succeed to the rights and liabilities of Declarant hereunder in a writing;

b. upon Declarant abandoning or deserting its responsibility to maintain and complete the amenities or infrastructure as disclosed in the Governing Documents;

c. upon Declarant filing a petition seeking protection under Chapter 7 of the Federal Bankruptcy Code;

d. upon Declarant losing title to Alton through a foreclosure action or the transfer of a deed in lieu of foreclosure, unless the successor owner has accepted an assignment of developer rights and responsibilities first arising after the date of such assignment;

e. upon a receiver for Declarant being appointed by a circuit court and not being discharged within 30 days after such appointment, unless the court determines within 30 days after such appointment that transfer of control would be detrimental to the Association or its Members;

f. forty (40) years after the date on which this Declaration is recorded in the public records of Palm Beach County, Florida; or

g. when, in its discretion, the Class "B" Member so determines.

"Common Area": All real and personal property, including easements, which the Association owns, leases or otherwise holds possessory or use rights, or public areas which the Association contractually agrees to maintain for the common use and enjoyment of the Owners. The term shall include the Limited Common Area, as defined below.

"Common Expenses": The actual and estimated expenses incurred, or anticipated to be incurred, by the Association for the general benefit of all Owners, including any reasonable reserves, as the Board may find necessary and appropriate pursuant to the Governing Documents. Common Expenses shall not include any expenses incurred during the Class "B" Control Period for initial development or other original construction costs (payments due under leases of capital improvements such as street lights shall not be considered an initial development or original construction cost).

"Community Restrictions": The initial restrictions for all of Alton set forth in Exhibit "E", as they may be supplemented, modified and repealed, from time to time, pursuant to Article III.

"Community-Wide Standard": The standard of conduct, maintenance, or other activity generally prevailing within Alton, or the minimum Design Guidelines established pursuant to any Design Guidelines, the Community Restrictions, and Board resolutions, whichever is a higher standard. Such

standard shall be established initially by Declarant and may contain both objective and subjective elements. The Community-Wide Standard may evolve as development progresses and as the needs and desires within Alton change.

"Conservation Areas": All protected or conservation areas in Alton as required by the City or the SFWMD, including, but not limited to upland preserves, wetland preservation areas, any protected archeological sites, or other preservation or conservation areas, as shown on the Master Plan, the SFWMD Permit or as identified on any plat filed for Alton.

"County": Palm Beach County, Florida and its agencies.

"County Parcel": The real property depicted on the Master Plan as Parcel A (Scripps Campus District) which may be submitted to this Declaration in a Supplemental Declaration.

"Covenant to Share Costs": Any declaration of easements and covenant to share costs or similar instrument executed and Recorded by Declarant which creates certain easements for the benefit of the Association and the present and future owners of the real property subject to such Covenant to Share Costs and which obligates the Association and such owners to share the costs of maintaining certain property described in such Covenant to Share Costs.

"Declarant": KH ALTON LLC, a Florida limited liability company or any successor or assign thereof who acquires title to any portion of the property described in Exhibit "A" for the purpose of development and/or sale and who is designated as Declarant in a Recorded instrument executed by the immediately preceding Declarant.

"Declarant Affiliate": An entity that, directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, Declarant, or an entity in which Declarant has an ownership interest, directly or indirectly.

"Declarant's Mortgage" shall mean Regions Bank, an Alabama banking corporation, or its successors in interest for so long as Regions Bank, or its successor(s) in interest is the holder of Declarant's first Mortgage on real property owned by Declarant located within Alton.

"Declaration": This document, as the same may be amended from time to time, and any Supplemental Declaration.

"Design Guidelines": Those certain Urban and Architectural Guidelines as adopted under City Resolution 1-2010, as amended from time to time.

"DRI Approvals": Collectively, the Master Plan, the Design Guidelines and all other resolutions, ordinances and approvals issued by the City with respect to the Scripps/Briger DRI (now known as Alton), as the same may be amended from time to time.

"FPL": Florida Power & Light Company.

"FPL Parcel": The real property which is designated as a "utility parcel" on the Master Plan which may be submitted to this Declaration in a Supplemental Declaration.

"Governing Documents": A collective term referring to this Declaration and any applicable Supplemental Declaration, the By-Laws, the Articles, Design Guidelines, the Community Restrictions, and Board resolutions, all as they may be amended.

"High Level Maintenance Agreement": Any agreement between the Association and either the City, the County, Seacoast or NPBCID whereby the Association, at its cost and expense, contracts for the right and obligation to improve or maintain any real or personal property located within or adjacent to Alton which is owned or controlled by any of the foregoing public entities.

"Hotel Parcel": Any parcel of real property now or in the future designated as a "Hotel" use on the Master Plan.

"Industrial/R&D/Biotech Parcel": Any parcel of real property now or in the future designated as an "Industrial/R&D/Biotech" use as shown on the Master Plan.

"Limited Common Area": A portion of the Common Area primarily benefiting one or more, but less than all, Service Areas, as described in Article XI.

"Master Plan": That certain plan for the development of the property which is or may become a part of Alton entitled "Scripps Florida Phase II Briger Tract DRI Palm Beach Gardens, Florida PCD Master Plan" prepared by Urban Design Kilday Studios, as it may be revised from time to time in Declarant's sole discretion and as approved by the City. The Master Plan is a flexible document which may reflect Declarant's development plans at a particular time but is established only as a planning tool for Declarant and is not intended to create any binding obligation to any Person. Inclusion of real property in the Master Plan shall in no way obligate Declarant to submit it to the terms of this Declaration or the jurisdiction of the Association. The current Master Plan is attached hereto as Exhibit "F" for informational purposes only and may be amended by Declarant at any time and from time to time in accordance with the approval process of the City.

"Maintenance Delegation Agreement": Any agreement between the Association and an individual Parcel Owner or Additional Association whereby the Association specifically grants a Parcel Owner or Additional Association, as applicable, the right and obligation to improve or maintain property located within or adjacent to Alton which is maintained by the Association (either on its own behalf or pursuant to a High Level Maintenance Agreement with the City, the County, SFWMD or NPBCID).

"Member": A Person subject to membership in the Association pursuant to Section 5.2.

"Mortgage": A mortgage, a deed of trust, a deed to secure debt, or any other form of security instrument affecting title to any Residential Unit or Parcel. The term "Mortgagee" shall refer to a beneficiary or holder of a Mortgage.

"Nonresidential Parcel": A portion of the real property comprising Alton that has a permitted land use designation not currently shown, but may be included in the future, on the Master Plan but which is intended for independent ownership, development and use for any permitted nonresidential purpose, including, without limitation, neighborhood businesses, churches, and schools, or congregate care facility containing multiple apartments or residences with shared facilities, all of which apartments or residences are owned by a single Owner and leased or otherwise operated on a commercial basis, whether or not for profit.

"NPBCID": Northern Palm Beach County Improvement District, an independent special district of the State of Florida, having jurisdiction over property within Alton.

"NPBCID Assessments": Any assessment levied by NPBCID to pay for the cost of the operation, management, maintenance and/or construction of improvements pursuant to the NPBCID Plan of Improvements.

"NPBCID Plan of Improvements": Any plan adopted by NPBCID for the management, maintenance and/or construction of improvements located within or for the benefit of Alton, as the same may be amended from time to time.

"Office Parcel": Any parcel of real property now or in the future designated as an "Office" use on the Master Plan.

"Owner": One or more Persons who hold the record title to any Residential Unit, but excluding in all cases any party holding an interest merely as security for the performance of an obligation. If a Residential Unit is sold under a Recorded contract of sale and the contract specifically so provides, the purchaser (rather than the fee owner) will be considered the Owner. The term "Owner" shall also include each of the Parcel Owners.

"Parcel(s)": An inclusive term referring to, including and collectively, the County Parcel, the FPL Parcel, the Industrial/R&D/Biotech Parcel(s), the Office Parcel(s), the Hotel Parcel(s), the Retail Parcel(s), the Apartment Parcel(s), the Residential Parcel(s) and any Nonresidential Parcel(s). In the event any of the Parcels shown on the current Master Plan are subdivided into more than one Parcel owned by separate Persons, then each such subdivided Parcel shall also constitute a Parcel hereunder.

"Parcel Owner": One or more Persons who hold the record title to any portion of a Parcel, but excluding in all cases any party holding an interest merely as security for the performance of an obligation. In the event any of the Parcels shown on the current Master Plan are subdivided into more than one Parcel owned by separate Persons, then each owner of each of the subdivided Parcels shall be a Parcel Owner hereunder.

"Person": A natural person, a corporation, a partnership, a limited liability company, a trustee, or any other legal entity.

"Private Amenity" or "Private Amenities": Any real property and improvements and facilities thereon located within or in the vicinity of Alton which are privately owned and operated by Persons other than the Association for recreational and related purposes, on a membership basis or otherwise.

"Record", "Recording", or "Recorded": The act of filing a legal instrument in the Public Records of Palm Beach County, Florida, or such other place as may be designated as the official location for recording deeds, plats and similar documents affecting title to real estate in Alton, or a term describing an instrument which has been so filed.

"Residential Parcel": A parcel of vacant land under single ownership within Alton intended for residential development until such time as a subdivision plat or declaration of condominium is Recorded in the Public Records relating to all or a portion of such parcel, after which the portion which is the subject of such plat or declaration of condominium shall be deemed to contain that number of Residential Units reflected therein and the remaining portion, if any, shall continue to be treated as a Residential Parcel.

"Residential Unit": A platted lot within a Residential Parcel within Alton, whether developed or undeveloped, intended for development, use, and occupancy as an attached or detached residence for a single family in a manner consistent with this Declaration and any applicable Supplemental Declaration. The term shall, unless otherwise specified, include (by way of illustration, but not limitation) condominium units, townhouse units, cluster homes, patio or zero lot line homes, and single-family detached houses on separately platted lots. The term shall include all portions of the lot owned as well as any structure thereon.

"Retail Parcel": Any parcel of real property with a use of "Retail" as shown on the Master Plan.

"Seacoast": Seacoast Utility Authority.

"Service Area": A group of Parcels or Residential Units designated as a separate Service Area pursuant to this Declaration for purposes of sharing Limited Common Areas or receiving other benefits or services from the Association which are not provided to all Parcels or Residential Units within Alton. A Service Area may be comprised of more than one land use and/or housing type and may include noncontiguous parcels of property. A Residential Unit or Parcel may be part of more than one Service Area. Where the context permits or requires, the term Service Area shall also refer to the Service Area Committee established in accordance with the By-Laws to represent the interests of the Owners of Parcels or Residential Units within a Service Area. Service Areas may be established and modified as provided in Section 6.3.

"Service Area Assessments": Assessments levied against the Parcels or Residential Units in a particular Service Area to fund Service Area Expenses, as described in Section 7.1.

"Service Area Expenses": The actual and estimated expenses which the Association incurs or expects to incur for the benefit of Owners of Parcels or Residential Units within a particular Service Area or Service Areas, which may include a reasonable reserve for capital repairs and replacements and a reasonable administrative charge, as may be authorized pursuant to this Declaration or in the Supplemental Declaration(s) applicable to such Service Area(s).

"SFWMD": South Florida Water Management District.

"SFWMD Permit": The SFWMD Permit No. 50-00610-S-24 approving a conceptual surface water management plan for Alton as the same may be amended from time to time. A current copy of which is attached hereto as Exhibit "G" for informational purposes only and may be amended by Declarant at any time and from time to time in accordance with the approval process of SFWMD.

"Special Assessment": Assessments levied in accordance with Section 7.2.

"Specific Assessment": Assessments levied in accordance with Section 7.3.

"Supplemental Declaration": An instrument Recorded pursuant to Article VIII which subjects additional property to this Declaration, designates Service Areas, and/or imposes, expressly or by reference, additional restrictions and obligations on the land described in such instrument.

"Surface Water Management System": All lakes, wetlands, canals and drainage facilities comprising the surface water management system located within Alton, as generally described in the SFWMD Permit and regardless of whether NPBCID, the Association or any other Person owns, operates or maintains such system.

"Voting Member": The person entitled to cast the vote attributable to a particular Parcel or Additional Association on matters requiring a vote of the membership (except as otherwise specifically provided in this Declaration and in the By-Laws). Each Member shall designate a Voting Member in writing to the Secretary of the Association prior to any vote being taken. Absent such writing, the Member's vote shall be suspended if more than one Person seeks to exercise it. The term "Voting Member" shall also refer to an alternate Voting Member acting in the absence of the Voting Member and to any Parcel Owners authorized personally to cast the votes for their respective Parcel pursuant to Section 5.3.

PART TWO: CREATION AND MAINTENANCE OF COMMUNITY RESTRICTIONS

The Community Restrictions for use and conduct and maintenance at Alton set it apart from other developments and give it its identity. Each property owner, resident, and tenant participates in upholding such Community Restrictions and can take pride in the results of that common effort. This Declaration establishes procedures for adopting, modifying, applying, and enforcing such Community Restrictions while providing flexibility for the Community Restrictions to evolve as Alton grows and changes over time.

Article III Use and Conduct

3.1 Framework for Regulation.

The Governing Documents establish, as part of the general plan of development for Alton, a framework of affirmative and negative covenants, easements and restrictions which govern Alton. Within that framework, the Declarant, Board and the Members must have the ability to respond to unforeseen problems and changes in circumstances, conditions, needs, desires, trends and technology which inevitably will affect Alton, its Owners and residents. The initial Community Restrictions are attached hereto as Exhibit "E". The Community Restrictions may be amended and expanded as set forth in this Article. This Article is not intended to apply to rules and regulations relating to use and operation of the Common Area which the Board may adopt by resolution pursuant to Section 6.1(c).

3.2 Rule Making Authority.

a. Prior to the expiration of the Class "B" Control Period, Declarant shall have the unilateral right to amend the Community Restrictions as it deems appropriate, without joinder or consent of any person or entity whatsoever, except for Declarant's Mortgagee.

b. After the termination or expiration of the Class "B" Control Period, the Board may modify, cancel, limit, create exceptions to, or expand the Community Restrictions subject to the following:

i. The Board shall exercise business judgment and reasonableness on behalf of the Association and its Members.

ii. The Board shall send notice by mail to all Owners concerning any such proposed action at least five (5) business days prior to the Board meeting at which such action is to be considered. Voting Members shall have a reasonable opportunity to be heard at a Board meeting prior to such action being taken.

iii. Such action shall become effective, after compliance with subsection (v) below, unless disapproved at a meeting by (i) Voting Members representing more than 50% of the total Class "A" votes in the Association, and (ii) the Class "B" Member, if any. The Board shall have no obligation to call a meeting of the Voting Members to consider disapproval except upon receipt of a petition of the Voting Members as required for special meetings in the By-Laws. Upon such petition of the Voting Members prior to the effective date of any Board action under this Section 3.2(b), the proposed action shall not become effective until after such meeting is held, and then subject to the outcome of such meeting.

iv. Prior to any action taken under this Section 3.2(b) becoming effective, the Board shall send a copy of the new rule or explanation of any changes to the Community Restrictions to each

Member. The effective date shall be not less than thirty (30) days following distribution to Members. The Association shall provide, without cost, a copy of the Community Restrictions then in effect to any requesting Member or Mortgagee.

v. No action taken under this Article shall have the effect of modifying, repealing or expanding Design Guidelines or any provision of this Declaration other than the initial Community Restrictions set forth in Exhibit "E". In the event of a conflict between any Design Guidelines and the Community Restrictions, such Design Guidelines shall control.

vi. No action taken under this Article shall have the effect of limiting or restricting the term of any lease for the lease of any residential dwellings located within Alton.

vii. The procedures required under this Section 3.2(b) shall not apply to the enactment and enforcement of administrative rules and regulations governing use of the Common Area unless the Board chooses in its discretion to submit to such procedures. Examples of such administrative rules and regulations shall include, but not be limited to, hours of operation of a recreational facility, speed limits on private roads, and the method of allocating or reserving use of a facility (if permitted) by particular individuals at particular times. The Board shall exercise business judgment in the enactment, amendment, and enforcement of such administrative rules and regulations.

3.3 Owners' Acknowledgment and Notice to Purchasers.

All Owners are given notice that use of their Parcels and Residential Units and the Common Area is limited by the Community Restrictions as they may be amended, expanded and otherwise modified hereunder. Each Owner, by acceptance of a deed, acknowledges and agrees that the use and enjoyment and marketability of his or her Parcel or Residential Unit can be affected by this provision and that the Community Restrictions may change from time to time. All purchasers of Parcels and Residential Units are on notice that changes may have been adopted by the Association. Copies of the current Community Restrictions may be obtained from the Association.

3.4 Protection of Owners and Others.

Except as may be set forth in this Declaration (either initially or by amendment) or in the initial Community Restrictions set forth in Exhibit "E", all Community Restrictions shall comply with the following provisions:

a. Similar Treatment. Similarly situated Owners shall be treated similarly; however, the Community Restrictions may vary by Service Area and may differ between residential and nonresidential uses, subject to the right of Voting Members representing each class of members to veto or withhold approval of proposed actions affecting their Parcels and Residential Units pursuant to Section 3.2.

b. Displays. The rights of Owners to display flags, religious symbols, and holiday decorations inside structures on their Parcels and Residential Units shall not be abridged, except that the Association may adopt time, place, and manner restrictions with respect to displays visible from outside the structure.

c. Signs. No rules shall regulate the content of political signs; however, rules may regulate the time, place and manner of posting as well as the design of such signs.

d. Activities Within Parcels and Residential Units. No rule shall interfere with the activities carried on within the confines of structures on Parcels or in Residential Units, to the extent in compliance

with local laws and ordinances, except that the Association may prohibit activities within Residential Units which are not normally associated with property restricted to residential use. The Association may also restrict or prohibit any activities that create monetary costs for the Association or other Owners, that create a danger to the health or safety of occupants of other Parcels or Residential Units that generate excessive noise or traffic, that create unsightly conditions visible from outside of the structures on Parcels or in Residential Units, or that create an unreasonable source of annoyance to persons outside of any Residential Unit.

e. Allocation of Burdens and Benefits. No rule shall alter the allocation of financial burdens among the various Parcels or Residential Units or rights to use the Common Area to the detriment of any Owner over that Owner's objection expressed in writing to the Association. Nothing in this provision shall prevent the Association from changing the Common Area available, from adopting generally applicable rules for use of Common Area, or from denying use privileges to those who are delinquent in paying assessments or abuse the Common Area or violate the Governing Documents. This provision does not affect the right to increase the amount of assessments as provided in Article VII.

f. Alienation. No rule shall require consent of the Association or Board for leasing or transfer of any unit within any Parcel.

g. Abridging Existing Rights. No rule shall require an Owner to dispose of personal property that was in or on a Residential Unit or Parcel prior to the adoption of such rule if such personal property was in compliance with all rules previously in force. This exemption shall apply only during the period of such Owner's ownership of the Residential Unit or Parcel, and shall not apply to subsequent Owners who take title to the Residential Unit or Parcel after adoption of the rule.

h. Rights to Use and Develop. No rule or action by the Association or Board shall impede (i) Declarant's right to use and develop Alton or other properties in the vicinity of Alton, as contemplated by the Master Plan; (ii) the County's right to use and develop the County Parcel, as contemplated by the Master Plan; (iii) FPL's right to use the FPL Parcel as a "utility parcel"; or (iv) the Apartment Parcel Owner's or the Retail Parcel Owner's right to use and develop the Apartment Parcel as contemplated by the Master Plan.

i. Community Restrictions. The Community Restrictions shall not be applied in a manner which would prohibit or restrict the development of a Parcel and any improvements thereon, so long as such Parcel is developed in accordance with the Master Plan and the requirements of the City.

j. Interference with Private Amenities. No rule or action by the Association shall interfere with the use or operation of any Private Amenity.

The limitations in subsections (a) through (h) of this Section 3.4 shall only limit rulemaking authority exercised under Section 3.2; they shall not apply to amendments to this Declaration adopted in accordance with Article XVIII.

Article IV Architecture and Landscaping

4.1 No Architectural Approvals.

Parcels and Residential Units are not subject to any architectural requirements or Association review or approval process, except as expressly stated in Section 4.2 below. However, certain Parcels and all Residential Units may be subject to Supplemental Declarations or other covenants applicable to any portion of Alton containing architectural review and approval requirements.

4.2 General

No structure or thing shall be placed, erected, or installed upon any Parcel or Residential Unit after the date it is made subject to this Declaration, and no improvements or other work (including staking, clearing, excavation, grading and other site work, exterior alterations of existing improvements, or planting or removal of landscaping) shall take place on any property within Alton after the date it is made subject to this Declaration, except in compliance with all applicable laws, rules, regulations or ordinances promulgated by any governmental agency having jurisdiction over Alton, (including, without limitation the City, the County, SFWMD, NPBCID) and shall specifically comply with the terms of this Declaration and the Design Guidelines.

4.3 High Level Maintenance Agreements and Maintenance Delegation Agreements.

Any property within Alton that is subject to a High Level Maintenance Agreement and/or a Maintenance Delegation Agreement shall be used, operated and maintained in accordance with the terms of such agreement(s).

The FPL Parcel Owner, the Retail Parcel Owner and the Apartment Parcel Owner shall each enter into specific Maintenance Delegation Agreements whereby such Parcel Owner shall, at their sole cost and expense, (i) maintain to the Community-Wide Standard the landscaping in all Buffers located on or adjacent to their respective Parcels and (ii) maintain to the Community-Wide Standard the landscaping located within the portion of all lake banks adjacent to their respective Parcels, including, without limitation, mowing and repair of any damage to any portion of the irrigation system (that will be installed by NPBCID) that is caused by such Parcel Owner's maintenance. In the event such Parcel Owner fails to perform its duties under the terms of any Maintenance Delegation Agreements, the Association shall have the rights of enforcement set forth in Section 7.3.

4.4 Maintenance of Parcels and Residential Units.

Each Owner shall maintain his or her Parcel or Residential Unit and all landscaping and improvements comprising the Parcel or Residential Unit in a manner consistent with the Governing Documents, the Design Guidelines and all applicable covenants, unless such maintenance responsibility is otherwise assumed by or assigned to the Association or an Additional Association pursuant to any Supplemental Declaration or other declaration of covenants applicable to such Parcel or Residential Unit.

Unless maintained by the Association or an Additional Association, each Owner of a Residential Unit shall also be responsible for maintaining (i) the landscaping within that portion of any adjacent Common Area or public right-of-way lying between the Residential Unit boundary and any wall, fence, curb, lake or pond located on the Common Area or public right-of-way within thirty (30) feet of the Residential Unit boundary and (ii) the landscaping located within the portion of all lake banks adjacent to their respective Residential Unit, including, without limitation, mowing and repair of any damage to any portion of the irrigation system (that will be installed by Declarant or a Builder) that is caused by such Parcel Owner's maintenance; provided, there shall be no right to remove trees, shrubs or similar vegetation from this area without prior approval pursuant to Section 4.2.

The Association may also assign or delegate some or all of its obligations to any Additional Association or Parcel Owner in a Maintenance Delegation Agreement. In such event, the applicable Additional Association or Parcel Owner shall, at its sole cost and expense, maintain such specified areas of Alton (i.e. such as Buffers or Conservation Areas) in accordance with the terms of the Maintenance Delegation Agreement.

Responsibility for maintenance of landscaping under this Section 4.4 shall include responsibility for irrigation systems, watering of lawns and other landscaping as needed to maintain it in a healthy condition. It shall also include responsibility for removal and replacement of diseased or dead plant material, subject to the provisions of Section 4.2. In addition, each Parcel Owner or Additional Association shall be responsible for all permit reporting requirements.

4.5 Maintenance by Additional Associations.

Any Additional Association shall maintain its common property and any other property for which it has maintenance responsibility in a manner consistent with the Governing Documents, the Design Guidelines, if any, and all applicable Community Restrictions.

Any Additional Association shall also be responsible for maintaining and irrigating the landscaping within that portion of any adjacent Common Area or public right-of-way lying between the boundary of its common property and any wall, fence or curb located on the Common Area or public right-of-way within thirty (30) feet of its boundary; provided, there shall be no right to remove trees, shrubs or similar vegetation from this area without prior approval pursuant to Section 4.2.

The Association may assume the maintenance responsibility of any Additional Association or Parcel, either by agreement with the Additional Association or an individual Parcel Owner or because, in the opinion of the Board, the level and quality of maintenance then being provided is in violation of the Community Restrictions or is not consistent with the Community-Wide Standard. All costs of maintenance pursuant to this paragraph shall be assessed as a Specific Assessment (pursuant to Section 7.3) against the individual Parcel or against the Residential Units subject to the jurisdiction of the Additional Association, as applicable. The provision of services in accordance with this Section shall not constitute discrimination within a class.

4.6 Responsibility for Repair and Replacement.

Unless otherwise specifically provided in the Governing Documents or in other instruments creating and assigning maintenance responsibility, responsibility for maintenance shall include responsibility for repair and replacement necessary to maintain the property to a level consistent with the Community-Wide Standard.

Each Owner further covenants and agrees that in the event of damage to or destruction of structures on or comprising his Parcel or Residential Unit, the Owner shall proceed promptly to repair or to reconstruct in a manner consistent with the original construction or such other plans and specifications as are approved by the Association. Alternatively, the Owner shall clear the Parcel or Residential Unit and maintain it in a neat and attractive landscaped condition consistent with the Community-Wide Standard.

The requirements of this Section shall apply to any Additional Association in the same manner as if the Additional Association were an Owner and the property for which it has maintenance responsibility were a Residential Unit. Additional covenants applicable to any portion of Alton may establish more stringent requirements for insurance and more stringent design guidelines for rebuilding or reconstructing structures on the Residential Units within such area and for clearing and maintaining the Residential Units in the event the structures are not rebuilt or reconstructed.

PART THREE: ALTON COMMUNITY GOVERNANCE AND ADMINISTRATION

The Declaration establishes the Association as a mechanism by which each Owner is able to participate in the governance and administration of Alton. While many powers and responsibilities are

vested in the Association's board of directors in order to facilitate day-to-day management and operation, some decisions are considered of such importance that they are reserved for the Association's membership – the Owners of property in Alton.

Article V The Association and its Members

5.1 Function of Association.

The Association has been established for the purpose of administering Alton in accordance with the Governing Documents. Its responsibilities include, but are not limited to:

- a. management, maintenance, operation and control of the Areas of Common Responsibility;
- b. interpretation and enforcement of the Governing Documents; and
- c. upholding the Community-Wide Standard within Alton.

5.2 Membership.

Every Parcel Owner and Additional Association shall be a Member of the Association. Once a Residential Parcel has been platted and Residential Units have been created, the Additional Association governing such Residential Units, and not the Residential Parcel Owner, shall be the Member. There shall be only one membership per Parcel or Additional Association. If a Parcel is owned by more than one Person, all co-Parcel Owners shall share the privileges of such membership, subject to reasonable Board regulation and the restrictions on voting set forth in Section 5.3(b) and in the By-Laws, and all such co-Parcel Owners shall be jointly and severally obligated to perform the responsibilities of Parcel Owners. The membership rights of a Parcel Owner or Additional Association that is not a natural person may be exercised by any officer, director, partner or trustee, or by the individual designated from time to time by the Parcel Owner or the Additional Association in a written instrument provided to the Secretary of the Association.

5.3 Voting.

- a. Classes of Membership. The Association initially shall have two classes of membership, Class "A" and Class "B," as follows:

Class "A". Class "A" Members shall be all the Additional Associations and Parcel Owners, except the Class "B" Member, if such exists. Class "A" Members shall be allocated votes based on the formula set forth in Exhibit "D", except that no vote shall be exercised for any Parcels or other property which are exempt from assessment under Section 7.8. All Class "A" votes shall be cast as provided in Sections 5.3(b) and (c) below.

Class "B". The sole Class "B" Member shall be the Declarant. The Class "B" Member shall not have voting rights relative to the number of Parcels or Residential Unit it owns; rather, the consent of the Class "B" Member shall be required for various actions of the Board, the membership and committees, as specifically provided elsewhere in the Governing Documents. In addition, the Class "B" Member may appoint a majority of the members of the Board of Directors during the Class "B" Control Period, as specified in the By-Laws. Additional rights of the Class "B" Member are specified in the relevant sections of the Governing Documents. The Class "B" membership shall terminate upon expiration of the Class "B" Control Period, however, Declarant shall be entitled to appoint one Board member to the Association

so long as Declarant holds for sale in the ordinary course of business at least five (5%) percent of the Residential Units planned to be constructed within Alton. Upon termination of the Class "B" membership, Declarant shall be entitled to Class "A" membership and voting rights for each Additional Association under the control of Declarant and for any Parcel or Residential Unit which it owns.

Declarant may, by Supplemental Declaration, create additional classes of membership for the owners of Parcels or Residential Units within any additional property made subject to this Declaration pursuant to Article VIII, with such rights, privileges and obligations as may be specified in such Supplemental Declaration, in recognition of the different character and intended use of the property subject to such Supplemental Declaration.

b. Exercise of Voting Rights. Except as otherwise specified in this Declaration or the By-Laws, the vote for each Parcel owned by a Class "A" Member or an Additional Association shall be exercised by the Voting Member representing such Parcel or Additional Association. In any situation where a Member is entitled personally to exercise the vote for his or her Parcel, and there is more than one Parcel Owner of such Parcel, the vote for such Parcel shall be exercised as the co-Parcel Owners determine among themselves and advise the Secretary of the Association in writing prior to the vote being taken. Absent such advice, the Parcel's vote shall be suspended if more than one Person seeks to exercise it.

c. Representative Voting. Due to the large number of Residential Units anticipated to be developed in Alton and the anticipated formation of Additional Associations to govern the Residential Parcels, the Governing Documents provide for a representative system of voting for Residential Units. The Additional Association governing any Residential Unit shall be the Member of the Association and shall have the right to cast all votes attributable to Residential Units located within the Residential Parcel that is subject to the Additional Association on all Association matters requiring a vote of Class "A" Members, except as otherwise specified in this Declaration or the By-Laws.

Article VI Association Powers and Responsibilities

6.1 Acceptance and Control of Association Property.

a. The Association, through action of its Board, may acquire, hold, lease (as lessor or lessee), operate and dispose of tangible and intangible personal property and real property. The Board may enter into leases, licenses or operating agreements for portions of the Common Area, for such consideration or no consideration as the Board deems appropriate, to permit use of such portions of the Common Area by community organizations and by others, whether nonprofit or for profit, for the provision of goods or services for the general benefit or convenience of owners, occupants and residents of Alton.

b. Declarant and its designees may convey to the Association personal property and fee title, leasehold or other property interests in any real property, improved or unimproved, within or adjacent to the real property described in Exhibit "A" and the Association shall accept any such property interests. If Declarant conveys property to the Association as Common Area at no cost to the Association, the Association shall, upon Declarant's written request, reconvey to Declarant any unimproved portions of such property, to the extent conveyed by Declarant in error or needed by Declarant to make minor adjustments in property lines.

c. The Association shall be responsible for management, operation and control of the Common Area, subject to any covenants and restrictions set forth in the deed or other instrument

transferring such property to the Association. The Board may adopt such reasonable rules regulating use of the Common Area as it deems appropriate.

6.2 Maintenance and Operation of Areas of Common Responsibility.

The Association shall maintain, or cause to be maintained in accordance with the terms of a Maintenance Delegation Agreement, in accordance with the Community-Wide Standard, the Areas of Common Responsibility, which may include, but need not be limited to:

- a. all portions of and structures situated on the Common Area;
- b. all streets and roadways within Alton until such time as they are accepted by a public body for perpetual maintenance, and any Buffers or landscaping within the rights-of-way of streets or roads within or abutting Alton, whether or not dedicated to the public;
- c. such portions of any additional property included within the Areas of Common Responsibility as may be dictated by this Declaration, any Supplemental Declaration, or any contract or agreement for maintenance thereof entered into by the Association;
- d. subject to the rights of NPBCID, and the terms of any High Level Maintenance Agreement, if any, with respect thereto, all lakes, ponds, streams and/or wetlands located within Alton which serve as part of the Surface Water Management System for Alton, including the maintenance and operation of any improvements and equipment installed therein or used in connection therewith; and
- e. any property and facilities within or adjacent to Alton which are owned by Declarant, or any organization designated by Declarant which is tax-exempt under Internal Revenue Code Section 501(c)(3), and made available, on a temporary or permanent basis, for the primary use and enjoyment of the Association and its Members, such property and facilities to be identified by written notice from Declarant to the Association and to remain a part of the Areas of Common Responsibility and be maintained by the Association until such time as Declarant revokes such privilege of use and enjoyment by written notice to the Association.

Without limiting the foregoing, the Association may also agree to maintain other property which it does not own, including, without limitation, property dedicated to the public, if the Board of Directors determines that such maintenance is necessary or desirable to maintain the Community-Wide Standard. However, the Association shall not be liable for any damage or injury occurring on, or arising out of the condition of, property which it does not own except to the extent that it has been negligent in the performance of its maintenance responsibilities.

The Association shall maintain the facilities and equipment within the Areas of Common Responsibility in continuous operation, except for any periods necessary, as determined in the sole discretion of the Board, to perform required maintenance or repairs, unless Members representing 75% of the Class "A" votes in the Association and the Class "B" Member, if any, agree in writing to discontinue such operation.

Except as provided above, the Areas of Common Responsibility shall not be reduced by amendment of this Declaration or any other means except with Declarant's prior written approval as long as Declarant or any Declarant Affiliate owns any property described in Exhibit "A" of this Declaration.

Except as specifically provided herein, the costs associated with maintenance, repair, replacement, insurance and operation of the Areas of Common Responsibility shall be a Common

Expense, subject to the right of the Association to seek reimbursement from the owner(s) of, or other Persons responsible for, certain portions of the Areas of Common Responsibility pursuant to this Declaration, other Recorded covenants, or agreements with the owner(s) thereof. The cost of maintenance, repair, replacement and insurance of Limited Common Areas shall be a Service Area Expense assessed against the Parcels or Residential Units to which the Limited Common Areas are assigned, notwithstanding that the Association may be responsible for performing such maintenance hereunder.

Upon resolution of the Board, Parcels or Residential Units within each Service Area may be assessed Service Area Assessments to fund the costs of operating, maintaining and insuring certain portions of the Areas of Common Responsibility within or adjacent to such Service Area. This may include, without limitation, the costs of utilities as well as maintaining any signage, entry features, right-of-way and greenspace between the Service Area and adjacent public roads, private streets within the Service Area, and lakes or ponds within the Service Area, regardless of ownership and regardless of the fact that such maintenance may be performed by the Association; provided, however, all Service Areas which are similarly situated shall be treated the same.

6.3 Provision of Benefits or Services to Service Areas.

The Declarant by Supplemental Declaration, may assign portions of the Properties to one or more Service Areas (by name or other identifying designation) as it deems appropriate, which Service Areas may be then existing or newly created, and may require that the Association provide benefits or services to such Parcels or Residential Units in addition to those which the Association generally provides to all Parcels or Residential Units. The cost of providing such benefits or services shall be assessed against the Parcels or Residential Units within such Service Area as a Service Area Assessment.

Any group of Owners may petition the Board to designate their Parcels or Residential Units as a Service Area for the purpose of receiving from the Association (a) special benefits or services which are not provided to all Parcels or Residential Units, or (b) a higher level of service than the Association provides to all Parcels or Residential Units. Upon receipt of such petition signed by Owners of a majority of the Parcels or Residential Units within the proposed Service Area, the Board shall investigate the terms upon which the requested benefits or services might be provided and notify the Owners in the proposed Service Area of such terms and the cost thereof, which may include a reasonable administrative charge in such amount as the Board deems appropriate (provided, any such administrative charge shall apply at a uniform rate as among Parcels or Residential Units in all Service Areas receiving the same service). Upon written approval of the proposal by Owners of at least 75% of the Parcels or Residential Units within the proposed Service Area, the Association shall provide the requested benefits or services and shall assess the cost thereof among the Parcels or Residential Units in the proposed Service Area as a Service Area assessment pursuant to Section 7.1, subject to the right of the Owners of Parcels or Residential Units within the Service Area thereafter to veto the budget for their Service Area as provided in Section 7.1.

6.4 Insurance.

a. Required Coverages. The Association, acting through its Board or its duly authorized agent, shall obtain and continue in effect the following types of insurance, if reasonably available, or if not reasonably available, the most nearly equivalent coverages as are reasonably available:

i. Blanket property insurance covering "risks of direct physical loss" on a "special form" basis (or comparable coverage by whatever name denominated) for all insurable improvements on the Common Area and within the Areas of Common Responsibility to the extent that Association has assumed responsibility in the event of a casualty, regardless of ownership. If such coverage is not

generally available at reasonable cost, then "broad form" coverage may be substituted. All property insurance policies obtained by the Association shall have policy limits sufficient to cover the full replacement cost of the insured improvements under current building ordinances and codes;

ii. Commercial general liability insurance on the Areas of Common Responsibility, insuring the Association and its Members for damage or injury caused by the negligence of the Association or any of its Members, employees, agents, or contractors while acting on its behalf. If generally available at reasonable cost, such coverage (including primary and any umbrella coverage) shall have a limit of at least \$1,000,000.00 per occurrence with respect to bodily injury, personal injury, and property damage; provided, however, the Association may obtain such additional coverage and/or higher limits as are reasonably determined by the Association;

iii. Workers compensation insurance and employers liability insurance, if and to the extent required by law;

iv. Directors and officers liability coverage;

v. Commercial crime insurance, including fidelity insurance covering all Persons responsible for handling Association funds in an amount determined in the Board's business judgment but not less than an amount equal to the maximum funds that will be in the custody of the Association or its management agent at any one time. Fidelity insurance policies shall contain a waiver of all defenses based upon the exclusion of Persons serving without compensation; and

vi. Such additional insurance as the Board, in the exercise of its business judgment, determines advisable.

In addition, the Association shall, if so specified in a Supplemental Declaration applicable to any Service Area, obtain and maintain property insurance on the insurable improvements within such Service Area which insurance shall comply with the requirements of Section 6.4(a)(i). Any such policies shall provide for a certificate of insurance to be furnished upon request to the Owner of each Parcel or Residential Unit insured.

Premiums for all insurance on the Areas of Common Responsibility shall be Common Expenses, except that (i) premiums for property insurance on Parcels or Residential Units within a Service Area shall be a Service Area Expense; and (ii) premiums for insurance on Limited Common Areas may be included in the Service Area Expenses of the Service Area(s) to which such Limited Common Areas are assigned unless the Board reasonably determines that other treatment of the premiums is more appropriate.

b. Policy Requirements. The Association shall arrange for an annual review of the sufficiency of its insurance coverage by one or more qualified Persons, at least one of whom must be familiar with insurable replacement costs in Palm Beach County, Florida. All Association policies shall provide for a certificate of insurance to be furnished to the Association and, upon request, to each Member insured.

The policies may contain a reasonable deductible and the amount thereof shall not be subtracted from the face amount of the policy in determining whether the policy limits satisfy the requirements of Section 6.4(a). In the event of an insured loss, the deductible shall be treated as a Common Expense or a Service Area Expense in the same manner as the premiums for the applicable insurance coverage. However, if the Board reasonably determines, after notice and an opportunity to be heard in accordance with the By-Laws, that the loss is the result of the negligence or willful misconduct of one or more

Owners, their guests, invitees, or lessees, then the Board may assess the full amount of such deductible against such Owner(s) and their Parcels or Residential Units as a Specific Assessment.

All insurance coverage obtained by the Board shall:

i. be written with a company authorized to do business in Florida which satisfies the requirements of the Federal National Mortgage Association, or such other secondary mortgage market agencies or federal agencies as the Board deems appropriate;

ii. be written in the name of the Association as trustee for the benefited parties. Policies on the Common Areas shall be for the benefit of the Association and its Members. Policies secured on behalf of a Service Area shall be for the benefit of the Owners of Parcels or Residential Units within the Service Area;

iii. not be brought into contribution with insurance purchased by Owners, occupants, or their Mortgagees individually;

iv. contain an inflation guard endorsement;

v. include an agreed amount endorsement, if the policy contains a co-insurance clause;

vi. provide that each Owner is an insured person under the policy with respect to liability arising out of such Owner's interest as a member of the Association in the Common Area (provided, this provision shall not be construed as giving an Owner any interest in the Common Area other than that of a Member);

vii. provide a waiver of subrogation under the policy against any Owner or occupant of a Parcel or Residential Unit;

viii. include an endorsement precluding cancellation, invalidation, suspension, or non-renewal by the insurer on account of any one or more Owners, or on account of any curable defect or violation without prior written demand to the Association to cure the defect or violation and allowance of a reasonable time to cure; and

ix. include an endorsement precluding cancellation, invalidation, or condition to recovery under the policy on account of any act or omission of any one or more individual Owners, unless such Owner is acting within the scope of its authority on behalf of the Association.

In addition, the Board shall use reasonable efforts to secure insurance policies which name the Owners, collectively, as additional insureds and provide:

i. a waiver of subrogation as to any claims against the Association's Board, officers, employees, and its manager, the Owners and their tenants, servants, agents, and guests;

ii. a waiver of the insurer's rights to repair and reconstruct instead of paying cash;

iii. an endorsement excluding Owners' individual policies from consideration under any "other insurance" clause;

iv. an endorsement requiring at least thirty (30) days' prior written notice to the Association of any cancellation, substantial modification, or non-renewal;

v. a cross liability provision; and

vi. a provision vesting in the Board exclusive authority to adjust losses; provided, however, no Mortgagee having an interest in such losses may be prohibited from participating in the settlement negotiations, if any, related to the loss.

Restoring Damaged Improvements. In the event of damage to or destruction of Common Area or other property which the Association is obligated to insure, the Board or its duly authorized agent shall file and adjust all insurance claims and obtain reliable and detailed estimates of the cost of repairing or restoring the property to substantially the condition in which it existed prior to the damage, allowing for changes or improvements necessitated by changes in applicable building codes.

Damaged improvements on the Common Area shall be repaired or reconstructed unless Voting Members representing at least 75% of the total votes attributable to Parcels entitled to use and enjoy the damaged portion of the Common Area, and the Class "B" Member, if any, decide within sixty (60) days after the loss not to repair or reconstruct. If either the insurance proceeds or estimates of the loss, or both, are not available to the Association within such sixty (60)-day period, then the period shall be extended until such funds or information are available. However, such extension shall not exceed sixty (60) additional days.

If a decision is made not to restore the damaged improvements, and no alternative improvements are authorized, the affected property shall be cleared of all debris and ruins and thereafter shall be maintained by the Association in a neat and attractive, landscaped condition consistent with the Community-Wide Standard.

Any insurance proceeds remaining after paying the costs of repair or reconstruction, or after such settlement as is necessary and appropriate, shall be retained by the Association for the benefit of its Members or the Owners of Parcels or Residential Units within the insured Service Area, as appropriate, and placed in a capital improvements account. This is a covenant for the benefit of Mortgagees and may be enforced by the Mortgagee of any affected Parcels or Residential Units.

If insurance proceeds are insufficient to cover the costs of repair or reconstruction, the Board may, without a vote of the Voting Members, levy Special Assessments to cover the shortfall against those Owners responsible for the premiums for the applicable insurance coverage under Section 6.4(a).

6.5 Compliance and Enforcement.

a. Every Owner and occupant of a Parcel or Residential Unit shall comply with the Governing Documents. The Board may impose sanctions for violation of the Governing Documents after notice and a hearing in accordance with the procedures set forth in the By-Laws. Such sanctions may include, without limitation:

i. imposing reasonable monetary fines which shall constitute a lien upon the violator's Parcel or Residential Unit. (In the event that any occupant, guest or invitee of a Parcel or Residential Unit violates the Governing Documents and a fine is imposed, the fine shall first be assessed against the violator; provided, however, if the fine is not paid by the violator within the time period set by the Board, the Owner shall pay the fine upon notice from the Board);

- ii. suspending a Parcel Owner's voting rights;
- iii. suspending any Person's right to use any recreational facilities within the Common Area;
- iv. suspending any services provided by the Association to an Owner or the Owner's Parcel or Residential Unit if the Owner is more than ninety (90) days delinquent in paying any assessment or other charge owed to the Association;
- v. exercising self-help or taking action to abate any violation of the Governing Documents in a non-emergency situation;
- vi. requiring an Owner, at its own expense, to remove any structure or improvement on such Owner's Parcel or Residential Unit in violation of Article IV and to restore the Parcel or Residential Unit to its previous condition and, upon failure of the Owner to do so, the Board or its designee shall have the right to enter the property, remove the violation and restore the property to substantially the same condition as previously existed and any such action shall not be deemed a trespass;
- vii. without liability to any Person, precluding any contractor, subcontractor, agent, employee or other invitee of an Owner who fails to comply with any applicable laws, rules, regulations or ordinances promulgated by any governmental agency having jurisdiction over Alton, (including, without limitation the City, the County, SEWMD, NPBCID) from continuing or performing any further activities in Alton; and
- viii. levying Specific Assessments to cover costs incurred by the Association to bring a Parcel or Residential Unit into compliance with the Governing Documents.

In addition, the Board may take the following enforcement procedures to ensure compliance with the Governing Documents without the necessity of compliance with the procedures set forth in the By-Laws:

- i. exercising self-help in any emergency situation (specifically including, but not limited to, the towing of vehicles that are in violation of parking rules and regulations), and entry onto any Parcel or Residential Unit for such purpose shall not be considered a trespass;
- ii. bringing suit at law or in equity to enjoin any violation or to recover monetary damages or both.

In addition to any other enforcement rights, if an Owner fails to perform properly his or her maintenance responsibility after written notice specifying the maintenance required and a reasonable opportunity to perform such maintenance, the Association may Record a notice of violation or perform such maintenance responsibilities and assess all costs, including, without limitation, reasonable administrative fees, incurred by the Association against the Parcel or Residential Unit and the Owner as a Specific Assessment. If an Additional Association fails to perform its maintenance responsibilities, the Association may perform such maintenance and assess the costs, including, without limitation, reasonable administrative fees, as a Specific Assessment against all Parcels and Residential Units within the jurisdiction of such Additional Association. In the event of either of the foregoing, the Association shall be entitled to choose a service provider or contractor of its choice to perform the work and shall not be required to obtain bids for the work that is performed. In the event the Association does obtain such bids, the Association shall not be required to choose the lowest bid.

All remedies set forth in the Governing Documents shall be cumulative of any remedies available at law or in equity. In any action to enforce the Governing Documents, if the Association prevails, it shall be entitled to recover all costs, including, without limitation, attorneys fees and court costs, reasonably incurred in such action.

b. The decision to have the Association pursue enforcement action in any particular case shall be left to the Board's discretion, except that the Board shall not be arbitrary or capricious in taking enforcement action. Without limiting the generality of the foregoing sentence, the Board may determine that, under the circumstances of a particular case:

i. the Association's position is not strong enough to justify taking any or further action; or

ii. the covenant, restriction or rule being enforced is, or is likely to be construed as, inconsistent with applicable law; or

iii. although a technical violation may exist or may have occurred, it is not of such a material nature as to be objectionable to a reasonable person or to justify expending the Association's resources; or

iv. it is not in the Association's best interest, based upon hardship, expense, or other reasonable criteria, to pursue enforcement action.

Such a decision shall not be construed a waiver of the right of the Association to enforce such provision at a later time under other circumstances or preclude the Association from enforcing any other covenant, restriction or rule, nor shall it preclude any Owner from taking action at law or in equity to enforce the Governing Documents.

The Association, by contract or other agreement, may enforce applicable town and county ordinances, if applicable, and permit the County and/or the City to enforce ordinances within Alton for the benefit of the Association and its Members.

6.6 Implied Rights; Board Authority.

The Association may exercise any right or privilege given to it expressly by the Governing Documents, or reasonably implied from or reasonably necessary to effectuate any such right or privilege. Except as otherwise specifically provided in the Governing Documents, or by law, all rights and powers of the Association may be exercised by the Board without a vote of the membership.

The Board may institute, defend, settle, or intervene on behalf of the Association in, mediation, binding or non-binding arbitration, litigation, or administrative proceedings in matters pertaining to the Areas of Common Responsibility, enforcement of the Governing Documents, or any other civil claim or action. However, the Governing Documents shall not be construed as creating any independent legal duty to institute litigation on behalf of or in the name of the Association or its members.

In exercising the rights and powers of the Association, making decisions on behalf of the Association, and conducting the Association's affairs, Board members shall be subject to, and their actions shall be judged in accordance with, the Design Guidelines required by Florida law.

6.7 Indemnification of Officers, Directors and Others.

Subject to the requirements of Florida law, the Association shall indemnify and defend every officer, director, and committee member against all damages and expenses, including counsel fees, reasonably incurred in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the then Board of Directors) to which he or she may be a party by reason of being or having been an officer, director, or committee member, except that such obligation to indemnify and defend shall be limited to those actions for which liability is limited under this Section.

The officers, directors, and committee members shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct, or bad faith. The officers and directors shall have no personal liability with respect to any contract or other commitment made or action taken in good faith on behalf of the Association (except to the extent that such officers or directors may all be Members of the Association). The Association shall indemnify and forever hold each such officer, director and committee member harmless from any and all liability to others on account of any such contract, commitment or action. This right to indemnification shall not be exclusive of any other rights to which any present or former officer, director, or committee member may be entitled. The Association shall, as a Common Expense, maintain adequate general liability and officers' and directors' liability insurance to fund this obligation, if such insurance is generally available at a reasonable cost.

6.8 Safety and Security.

Each Owner and occupant of a Parcel or Residential Unit, and their respective guests and invitees shall be responsible for their own personal safety and the security of their property in Alton. The Association may, but shall not be obligated to, maintain or support certain activities within Alton designed to enhance the level of safety or security which each person provides for himself and his property. Neither the Association nor Declarant shall in any way be considered insurers or guarantors of security within Alton, nor shall either be held liable for any loss or damage by reason of failure to provide adequate security or ineffectiveness of security measures undertaken. No representation or warranty is made that any systems or measures, including any mechanism or system for limiting access to Alton, cannot be compromised or circumvented, nor that any such systems or security measures undertaken will in all cases prevent loss or provide the detection or protection for which the system is designed or intended. Each Owner acknowledges, understands and shall be responsible for informing its tenants and all occupants of its Parcel or Residential Unit that the Association, its Board and committees, and Declarant are not guarantors of security or safety and that each Person using Alton assumes all risks of personal injury and loss or damage to property, including Parcels and Residential Units and the contents of Parcels and Residential Units, resulting from acts of third parties.

6.9 Powers of the Association Relating to Additional Associations.

The Association shall have the power to block, and to seek injunctive relief (without the necessity of posting a bond therefor) with respect to any action taken or contemplated to be taken by any Additional Association which the Board reasonably determines to be adverse to the interests of the Association or its Members or inconsistent with the Community-Wide Standard. The Association also shall have the power to require specific action to be taken by any Additional Association in connection with its obligations and responsibilities, such as requiring specific maintenance or repairs or aesthetic changes to be effectuated and requiring that a proposed budget include certain items and that expenditures be made therefor.

An Additional Association shall take appropriate action required by the Association in a written notice within the reasonable time frame set by the Association in the notice. If the Additional Association

fails to comply, the Association shall have the right to effect such action on behalf of the Additional Association and levy Specific Assessments against the Parcels and Residential Units subject to the Additional Association's jurisdiction to cover the costs incurred, as well as an administrative charge and sanctions.

6.10 Provision of Services.

The Association may provide, or provide for, management, services and facilities for the Members and their Parcels and Residential Units, and shall be authorized to enter into and terminate contracts or agreements with other entities, including Declarant, to provide such management, services and facilities. The Board may charge use or service fees for any such management, services and facilities provided at the option of an Owner, or may include the costs thereof in the Association's budget as a Common Expense and assess it as part of the Base Assessment if provided to all Parcels and Residential Units. By way of example, such management, services and facilities might include property management, landscape maintenance, pest control service, cable television service, security, caretaker, transportation, fire protection, utilities, and similar services and facilities.

Nothing in this Section shall be construed as a representation by Declarant or the Association as to what, if any, services shall be provided. In addition, the Board shall be permitted to modify or cancel existing contracts for services in its discretion, unless the provision of such services is otherwise required by the Governing Documents. Non-use of services provided to all Owners or Parcels and Residential Units as a Common Expense shall not exempt any Owner from the obligation to pay assessments for such services.

6.11 Relationships with Other Properties.

The Association may enter into High Level Maintenance Agreements or other contractual agreements, easements and covenants to share costs with the NPBCID, the City, the County or owner(s) of any neighboring property to contribute funds for, among other things, shared or mutually beneficial property or services and/or a higher level of Common Area maintenance.

6.12 Facilities and Services Open to the Public.

Certain facilities and areas within Alton may be open for use and enjoyment of the public. Such facilities and areas may include, by way of example: roads, sidewalks, greenbelts, trails, paths, parks, and similar areas conducive to public gathering and interaction. Declarant may designate such facilities and areas as open to the public at the time Declarant makes such facilities and areas a part of the Areas of Common Responsibility or the Board may so designate them at any time thereafter. The availability of such areas to the general public shall not relieve any Owner of responsibility for assessments levied to fund the Association expenses incurred in connection with such areas.

6.13 Authorization of PCD Amendments

In accordance with Section 78-46(e)(5) of the City of Palm Beach Gardens Land Development Code, the Association shall have the power to sign any and all authorizations with respect to Planned Community District (PCD) amendments regarding Alton, as the same may be requested by a Parcel Owner. In such event, no other Parcel Owner may object to such amendment so long as such amendment (i) does not remove any entitlements associated with the other Parcel Owner's Parcel, (ii) impose additional requirements for the development of the other Parcel or (iii) otherwise materially and adversely affect the development of the other Parcel. Any such authorizations executed by an officer of the

Assessment; provided, if so specified in the applicable Supplemental Declaration or if so directed by a petition signed by at least two-thirds of the Owners of Parcels and Residential Units in the Service Area, any portion of the Service Area Assessment intended for exterior maintenance, insurance or replacement reserves relating to structures on Parcels and Residential Units shall be levied on the benefited Parcels and Residential Units in proportion to the benefit received, as the Board may reasonably determine.

All amounts collected by the Association as Service Area Assessments shall be held in trust for and expended solely for the benefit of the Service Area for which they were collected and shall be accounted for separately from the Association's general funds.

Notice of Budget and Assessment. Once the final budget has been approved by the Board at a properly called Board meeting, the Board shall send a copy of the final budget, together with notice of the amount of the Base Assessment and any Service Area Assessment to be levied pursuant to such budget, to each Owner at least thirty (30) days prior to the effective date of such budget; unless such Owner is subject to an Additional Association that collects Assessments as set forth in Section 7.7 below in which event the Board shall send a copy of the foregoing to such Additional Association. The budget shall automatically become effective. There shall be no obligation to call a Member meeting for the purpose of considering any budget. If the Board fails for any reason to determine the budget for any year, then the budget most recently in effect shall continue in effect until a new budget is determined.

e. **Budget Revisions.** The Board may revise the budget and adjust the assessments levied pursuant thereto from time to time during the year, subject to the same notice requirements and rights to disapprove the revised budget as set forth above.

7.2 Special Assessments

In addition to other authorized assessments, the Association may levy Special Assessments to cover unbudgeted expenses or expenses in excess of those budgeted. Except as otherwise provided in this Declaration, any such Special Assessment may be levied against the entire membership, if such Special Assessment is for Common Expenses or against the Parcels and Residential Units within any Service Area if such Special Assessment is for Service Area Expenses. Except as otherwise specifically provided in this Declaration, any Special Assessment shall require the affirmative vote or written consent of the Class "B" Member, if such exists. Special Assessments shall be payable in such manner and at such times as determined by the Board, and may be payable in installments extending beyond the fiscal year in which the Special Assessment is approved.

7.3 Specific Assessments

The Association shall have the power to levy Specific Assessments against a particular Parcel and Residential Unit or Parcels and Residential Units as follows:

a. to cover the costs, including overhead and administrative costs, of providing services to Parcels and Residential Units upon request of an Owner pursuant to any menu of special services which may be offered by the Association (which might include the items identified in Section 6.10). Specific Assessments for special services may be levied in advance of the provision of the requested service; and

b. to cover costs incurred in bringing the Parcel or Residential Unit into compliance with the Governing Documents, or costs incurred as a consequence of the conduct of the Owner or occupants of the Parcel or Residential Unit, their agents, contractors, employees, licensees, invitees, or guests; provided, the Board shall give the Owner prior written notice and an opportunity for a hearing, in accordance with the By-Laws, before levying any Specific Assessment under this subsection (b); and

Association may be relied upon by the City of Palm Beach Gardens as binding the Owners of all Parcels and Residential Units within Alton.

6.14 Declarant Approval Required for any Applications Seeking Development Approval Within Alton.

Prior to the submittal of any application to the City, the County, NPBCID or SFWMD seeking site plan approval or any modifications to any approved Master Plan, Design Guidelines, SFWMD Permit or any of the DRI Approvals, the Owner wishing to submit such application must submit the application to Declarant for review and must obtain Declarant's written approval of such application prior to filing same.

Article VII Association Finances

7.1 Budgeting for and Allocating Association Expenses.

a. **Preparation of Budget.** At least sixty (60) days before the beginning of each fiscal year, the Board shall prepare a budget of the estimated Common Expenses of the Association for the coming year, to be allocated among all Parcels and Residential Units, except as otherwise provided in this Declaration, and, and separate budgets reflecting the estimated Service Area Expenses for each Service Area to which the Association expects to provide benefits or services during the budget period. Each budget may reflect the sources and estimated amounts of funds to cover such expenses, which may include any surplus to be applied from prior years, any income expected from sources other than assessments levied against the Parcels and Residential Units, and the amount estimated to be generated through the levy of assessments against the Parcels and Residential Units.

The estimated expenses in each budget may include any operating reserves and/or a reasonable contribution to a reserve fund for repair and replacement of any capital items to be maintained as a Common Expense or as a Service Area Expense, respectively. In determining the amount of such reserve contribution, if any, the Board shall take into account the number and nature of replaceable assets, the expected life of each, the expected repair or replacement cost, and the contribution required to fund the projected need by annual contributions over the expected useful life of the asset.

b. **Calculation of Base Assessments.** Upon determining the total amount of income required to be generated through the levy of Base Assessments, the Association shall allocate such amount among all Parcels and Residential Units subject to assessment under Section 7.1 on the effective date of the budget in accordance with the formula set forth on Exhibit "D". The amount allocated to each Parcel and Residential Unit shall then be levied as a Base Assessment.

Declarant may, but shall not be obligated to, reduce the Base Assessment for any fiscal year by payment of a subsidy (in addition to any amounts paid by Declarant under Section 7.4(b)), which may be either a contribution, an advance against future assessments due from Declarant, or a loan, in Declarant's discretion. Any such subsidy shall be disclosed as a line item in the income portion of the budget.

Payment of such subsidy in any year shall not obligate Declarant to continue payment of such subsidy in future years, unless otherwise provided in a written agreement between the Association and Declarant.

c. **Calculation of Service Area Assessments.** The total amount of estimated Service Area Expenses for each Service Area shall be allocated equally among all Parcels and Residential Units within the Service Area which are subject to assessment under Section 7.6 and assessed as a Service Area

Upon written request, the Association shall furnish to any Owner liable for any type of assessment a certificate in writing signed by an Association officer setting forth whether such assessment has been paid. Such certificate shall be conclusive evidence of payment. The Association may require the advance payment of a reasonable processing fee for the issuance of such certificate.

b. Declarant's Option to Fund Budget Deficits. During the Class "B" Control Period, Declarant may satisfy its obligation for assessments on Parcels or Residential Units which it owns either by paying such assessments in the same manner as any other Owner or by paying the difference between the amount of assessments levied on all other Parcels or Residential Units subject to assessment and any other sources of income collected or due to the Association and the amount of actual expenditures by the Association during the fiscal year. In the event of a surplus for any fiscal year, Declarant shall have the right to use such surplus to offset its obligation for assessments during the next fiscal year. Unless Declarant otherwise notifies the Board in writing at least sixty (60) days before the beginning of each fiscal year, Declarant shall be deemed to have elected to continue paying on the same basis as during the immediately preceding fiscal year. Regardless of Declarant's election, Declarant's obligations hereunder may be satisfied in the form of cash or by "in kind" contributions of services or materials, or by a combination of these. After termination of the Class "B" Control Period, Declarant shall pay assessments on its unsold Parcels or Residential Units in the same manner as any other Owner.

7.5 Lien for Assessments.

The Association shall have a lien against each Parcel and Residential Unit to secure payment of delinquent assessments, as well as interest, late charges (subject to the limitations of Florida law), and costs of collection (including attorneys' fees). Such lien shall be superior to all other liens, except (a) the liens of all taxes, bonds, assessments, and other levies which by law would be superior, and (b) the lien or charge of any Recorded first Mortgage (meaning any Recorded Mortgage with first priority over other Mortgages) made in good faith and for value. Such lien, when delinquent, may be enforced by suit, judgment, and judicial or nonjudicial foreclosure.

The Association may bid for the Parcel or Residential Unit at the foreclosure sale and acquire, hold, lease, mortgage, and convey the Parcel or Residential Unit. While a Parcel or Residential Unit is owned by the Association following foreclosure: (a) no right to vote shall be exercised on its behalf; (b) no assessment shall be levied on it; and (c) each other Parcel and Residential Unit shall be charged, in addition to its usual assessment, its pro rata share of the assessment that would have been charged such Parcel or Residential Unit had it not been acquired by the Association. The Association may sue for unpaid assessments and other charges authorized hereunder without foreclosing or waiving the lien securing the same.

Sale or transfer of any Parcel or Residential Unit shall not affect the assessment lien or relieve such Parcel or Residential Unit from the lien for any subsequent assessments. Such unpaid assessments shall be deemed to be Common Expenses collectible from Owners of all Parcels and Residential Units subject to assessment under Section 7.6, including such acquirer, its successors and assigns.

7.6 Authority to Assess Owners; Time of Payment.

The obligation to pay assessments as provided for in this Article shall commence as to each Parcel and Residential Unit on the first day of the month following: (a) the month in which the Parcel or Residential Unit is made subject to this Declaration, or (b) the month in which the Board first determines a budget and levies assessments pursuant to this Article, whichever is later. The first annual Base Assessment and Service Area Assessment, if any, levied on each Parcel or Residential Unit shall be

c. to cover costs incurred or expected to be incurred by the Association to set up, clean up, provide additional security, utilities or other services in connection with any festival or other special events sponsored by the Owners or tenants of any Parcel or Residential Unit or group of Parcels or Residential Units, upon the Board's determination, in the exercise of its business judgment, that such services are necessary are appropriate and the Owner to be subject to such Specific Assessment is provided with prior written notice of the additional security, utilities or other services determined necessary by the Board as well as the amount of the Specific Assessment; and

d. to cover costs of bringing a Parcel or Additional Association into compliance under the terms of a Maintenance Delegation Agreement, including, without limitation, any fines or penalties that may be imposed under the terms of the Maintenance Delegation Agreement or Section 7.5 of this Declaration; provided, the Association shall give the Owner prior written notice and an opportunity to cure as required by any Maintenance Delegation Agreement before levying any Specific Assessment under this subsection (d).

The Association may also levy a Specific Assessment against the Parcels or Residential Units within any Service Area to reimburse the Association for costs incurred in bringing the Service Area into compliance with the provisions of the Governing Documents, provided the Board gives prior written notice to the Owners of Parcels or Residential Units in, or the Voting Member representing, the Service Area and an opportunity for such Owners or Voting Member to be heard before levying any such assessment.

Without limiting the foregoing, any Specific Assessment levied under 7.3(b) or 7.3(d) above may include charges for administrative fees and/or penalties upon the Board's determination, in the exercise of its business judgment, that such fees and/or penalties are appropriate.

7.4 Obligation for Assessments.

a. Personal Obligation. Each Owner, by accepting a deed or entering into a Recorded contract of sale for any portion of Alton, is deemed to covenant and agree to pay all assessments authorized in the Governing Documents. All assessments, together with interest (computed from its due date at a rate of 18% per annum or such other interest rate as the Board may establish, subject to the limitations of Florida law), late charges as determined by Board resolution, costs, and reasonable attorneys' fees, shall be the personal obligation of each Owner and a lien upon each Parcel or Residential Unit until paid in full. Upon a transfer of title to a Parcel or Residential Unit, the grantee shall be jointly and severally liable for any assessments and other charges due at the time of conveyance.

Failure of the Board to fix assessment amounts or rates or to deliver or mail each Owner an assessment notice shall not be deemed a waiver, modification, or a release of any Owner from the obligation to pay assessments. In such event, each Owner shall continue to pay Base Assessments and Service Area Assessments on the same basis as during the last year for which an assessment was made, if any, until a new budget becomes effective and a new assessment is levied pursuant thereto. Any such budget may include as an expense item any shortfall in amounts previously collected.

No Owner may exempt himself from liability for assessments by non-use of Common Area, abandonment of his Parcel or Residential Unit, or any other means. The obligation to pay assessments is a separate and independent covenant on the part of each Owner. No diminution or abatement of assessments or set-off shall be claimed or allowed for any alleged failure of the Association or Board to take some action or perform some function required of it, or for inconvenience or discomfort arising from the making of repairs or improvements, or from any other action it takes.

adjusted according to the number of months remaining in the fiscal year at the time assessments commence on the Parcel or Residential Unit.

Assessments shall be paid in such manner and on such dates as the Board may establish. The Board may require advance payment of assessments at closing of the transfer of title to a Parcel or Residential Unit and impose special requirements for Owners with a history of delinquent payment. If the Board so elects, assessments may be paid in two or more installments. Unless the Board otherwise provides, the Base Assessment and any Service Area Assessment shall be due and payable in advance on the first day of each fiscal year. If any Owner is delinquent in paying any assessments or other charges levied on his Parcel or Residential Unit, the Board may require the outstanding balance on all assessments to be paid in full immediately.

7.7 Authority to Require Collection of Assessments by Additional Associations.

Upon written notice from the Board to any Additional Association, all Base Assessments, Service Area Assessments, and Special Assessments due to the Association (collectively, "Assessments") shall be billed to and collected from each Additional Association. The amount of the Assessments due from each Additional Association to the Association shall be the total Assessments due from all of its members as determined in Sections 7.1(b), 7.1(c) and 7.2. Each Additional Association shall be responsible for the collection of the Assessments from its members and each Additional Association shall be liable to the Association for timely payment of the Assessments to the Association regardless of whether such Additional Association has collected such Assessments from its members. The Association shall have the right to any legal remedy including, without limitation, injunctive or other equitable relief to compel payment of any Assessments by the Additional Associations. Nothing herein shall be deemed a waiver by the Association of its independent rights of collection and lien against each Owner as provided in this Declaration.

7.8 Exempt Property

Notwithstanding anything to the contrary contained in this Declaration, the following property shall be exempt from payment of Base Assessments, Service Area Assessments, and Special Assessments, and no such Assessments shall be levied against the following property:

- a. All Common Area and such portions of the property owned by Declarant as are included in the Areas of Common Responsibility;
- b. Any property dedicated to and accepted by any governmental authority, including NPBCID or public utility (other than the County Parcel);
- c. Property owned by any Additional Association for the common use and enjoyment of its members, or owned by the members of an Additional Association as tenants-in-common;
- d. The Retail Parcel;
- e. The Apartment Parcel; and
- f. The FPL Parcel.

In addition, Declarant and/or the Association shall have the right, but not the obligation, to grant exemptions to certain Persons qualifying for tax exempt status under Section 501(c) of the Internal

Revenue Code so long as such Persons own property subject to this Declaration for purposes listed in Section 501(c).

This Section 7.8 shall not be amended without the consent of the party that will be affected by such amendment (i.e., the governmental authority, Declarant, the Additional Association or the Parcel Owner, as applicable).

County Parcel.

Notwithstanding anything in this Article VII to the contrary, pursuant to the laws of the State of Florida, the County Parcel is immune and exempt from the lien and foreclosure rights set forth in this Article VII while owned by County and County shall not be deemed to have waived such immunity and exemption rights, nor be estopped from asserting such rights due to County's joinder to this Declaration. Neither Declarant nor Association shall be entitled to exercise lien and foreclosure rights against the County Parcel while such parcel is owned by County. County shall, however, be liable for assessments and Declarant and Association shall be entitled to pursue collection of unpaid assessments by other legally available means, including, without limitation, mandamus or other suit for collection of any unpaid assessments.

PART FOUR: COMMUNITY DEVELOPMENT

The Declaration reserves various rights to the Declarant, as the developer of Alton, in order to facilitate the smooth and orderly development of the community and to accommodate changes in the master plan for such development which inevitably will occur as the community grows and matures.

Article VIII Expansion of the Community

8.1 Expansion by Declarant.

Declarant may from time to time expand Alton to include additional property by Recording a Supplemental Declaration describing the additional property and stating the intent to subject it to the provisions of this Declaration. A Supplemental Declaration Recorded pursuant to this Section shall not require the consent of any Person except the owner of such property, if other than Declarant. A Supplemental Declaration may assign Parcels or Residential Units to an existing Service Area or establish a new Service Area pursuant to Section 6.3.

Declarant's right to expand Alton pursuant to this Section shall expire twenty (20) years after this Declaration is recorded. Until then, Declarant may transfer or assign this right to any Person who is the developer of a portion of Alton. Any such transfer shall be memorialized in a written, recorded instrument executed by Declarant.

Nothing in this Declaration shall be construed to require Declarant or any successor to subject additional property to this Declaration in any manner whatsoever.

8.2 Expansion by the Association.

The Association may also expand Alton to include additional property by Recording a Supplemental Declaration describing the additional property and the intent to subject it to the provisions of this Declaration. Any such Supplemental Declaration shall require the affirmative vote of Voting Members representing more than 50% of the Class "A" votes represented at a meeting duly called for such purpose and the consent of the owner of the additional property. In addition, so long as Declarant or

a Declarant Affiliate owns property subject to this Declaration or which may become subject to this Declaration in accordance with Section 8.1, Declarant's consent shall be necessary. The Supplemental Declaration shall be signed by the President and Secretary of the Association, by the owner of the additional property, and by Declarant, if Declarant's consent is necessary.

8.3 Additional Covenants and Easements.

Declarant may subject any portion of Alton to additional covenants and easements, including covenants obligating the Association to maintain and insure such property and authorizing the Association to recover its costs through Service Area Assessments. Such additional covenants and easements may be set forth either in a Supplemental Declaration subjecting such property to this Declaration or in a separate Supplemental Declaration referencing property previously subjected to this Declaration. If the property is owned by someone other than Declarant, then the consent of the Owner(s) shall be necessary and shall be evidenced by their execution of the Supplemental Declaration. Any such Supplemental Declaration may supplement, create exceptions to, or otherwise modify the terms of this Declaration as it applies to the subject property in order to reflect the different character and intended use of such property.

8.4 Effect of Filing Supplemental Declaration.

A Supplemental Declaration shall be effective upon Recording unless otherwise specified in such Supplemental Declaration. On the effective date of the Supplemental Declaration, any additional property subjected to this Declaration shall be assigned voting rights in the Association and assessment liability in accordance with the provisions of this Declaration.

Article IX Additional Rights Reserved to Declarant

9.1 Withdrawal of Property.

So long as Declarant has a right to expand Alton pursuant to Section 8.1, Declarant reserves the right to amend this Declaration for the purpose of withdrawing from the coverage of this Declaration any portion of Alton which has not yet been improved with structures, provided such withdrawal does not reduce the total number of Parcels or Residential Units then subject to the Declaration by more than 10%. Such amendment shall not require the consent of any Person other than the Owner(s) of the property to be withdrawn, if not the Declarant. If the property is Common Area, the Association shall consent to such withdrawal.

9.2 Right to Approve Changes in Alton Community Restrictions.

So long as Declarant or a Declarant Affiliate owns property subject to this Declaration or which may become subject to this Declaration in accordance with Section 8.1, no amendment to or modification of the Community Restrictions shall be effective without prior notice to and the written approval of Declarant.

9.3 Development and Sales Activities.

Until the Recording by Declarant of a written statement that all sales activity has ceased or forty (40) years from the date this Declaration is recorded, whichever is earlier:

a. Declarant and Builders authorized by Declarant may construct and maintain upon portions of the Common Area such facilities and activities as Declarant, in its sole opinion, may be

reasonably required, convenient, or incidental to the construction or sale of Parcels or Residential Units, including, but not limited to, business offices, signs, model units, and sales offices. Declarant and authorized Builders shall have easements for access to and use of such facilities at no charge.

b. Declarant and its employees, agents and designees shall have a right of access and use and an easement over and upon all of the Common Area for the purpose of making, constructing, and installing such improvements to the Common Area as it deems appropriate in its sole discretion.

9.4 Control of and Changes in Development Plan.

a. Every Person that acquires any interest in Alton acknowledges that Alton is a master planned community, the development of which is likely to extend over many years, and that changes in the Master Plan will likely occur as the development of Alton proceeds. Each such Person therefore agrees not to protest, challenge or otherwise object to changes made or proposed by Declarant in the development plan or in the uses or density of property beyond the boundaries of that shown on the Recorded subdivision plat applicable to the Parcel or Residential Unit in which such Person holds an interest.

b. No Person shall Record any declaration of covenants, conditions and restrictions, or declaration of condominium or similar instrument affecting any portion of Alton without Declarant's review and written consent. Any attempted Recordation without such consent shall result in such instrument being void and of no force and effect unless subsequently approved by written consent signed and Recorded by Declarant.

c. The rights and limitations set forth in this Section 9.4 shall continue in effect until the Recording by Declarant of a written statement that all sales activity has ceased or forty (40) years from the date this Declaration is Recorded, whichever is earlier.

9.5 Exclusive Rights To Use Name of Development.

Declarant, for itself, its successors, and assigns, hereby reserves sole and exclusive rights in and to the name "Alton" and no Person shall use the name "Alton" or any derivative of such names in any printed or promotional material without Declarant's prior written consent. However, Owners may use the name "Alton" in printed or promotional matter where such term is used solely to specify that particular property is located within Alton or is a part of Alton development and the Association shall be entitled to use the word "Alton" in its name.

9.6 Right to Transfer or Assign Declarant Rights.

Any or all of Declarant's special rights and obligations set forth in this Declaration or the By-Laws may be transferred in whole or in part to other Persons; provided, the transfer shall not reduce an obligation nor enlarge a right beyond that which Declarant has under this Declaration or the By-Laws. No such transfer or assignment shall be effective unless it is in a written instrument signed and Recorded by Declarant. The foregoing sentence shall not preclude Declarant from permitting other Persons to exercise, on a one time or limited basis, any right reserved to Declarant in this Declaration where Declarant does not intend to transfer such right in its entirety, and in such case it shall not be necessary to Record any written assignment unless necessary to evidence Declarant's consent to such exercise.

9.7 Right to Notice of Design or Construction Claims.

No Person shall retain an expert for the purpose of inspecting the design or construction of any structures or improvements within Alton in connection with or in anticipation of any potential or pending claim, demand or litigation involving such design or construction unless Declarant and any builder involved in the design or construction have been first notified in writing and given an opportunity to meet with the owner of the property to discuss such Person's concerns and conduct their own inspection pursuant to the rights reserved in Section 10.7.

PART FIVE: PROPERTY RIGHTS WITHIN ALTON

The nature of living in a traditional community development, with various areas intended for shared use and the proximity of various land uses to one another, requires the creation of special property rights and provisions to address the relationships between various parcels of property and the rights and responsibilities of Owners and the Association.

Article X Easements

10.1 Easements in Common Area.

Declarant grants to each Owner a nonexclusive right and easement of use, access, and enjoyment in and to the Common Area, subject to:

- a. The Governing Documents and any other applicable covenants;
- b. Any restrictions or limitations contained in any deed conveying such property to the Association;
- c. The Board's right to:
 - i. adopt rules regulating use and enjoyment of the Common Area, including rules limiting the number of guests who may use the Common Area;
 - ii. suspend the right of an Owner to use recreational facilities within the Common Area (A) for any period during which any charge against such Owner's Parcel or Residential Unit remains delinquent, and (B) for a period not to exceed thirty (30) days for a single violation or for a longer period in the case of any continuing violation, of the Governing Documents after notice and a hearing pursuant to the By-Laws;
 - iii. dedicate or transfer all or any part of the Common Area, subject to such approval requirements as may be set forth in this Declaration;
 - iv. impose reasonable membership requirements and charge reasonable admission or other use fees for the use of any recreational facility situated upon the Common Area;
 - v. permit use of any recreational facilities situated on the Common Area by persons other than Owners, their families, lessees and guests upon payment of use fees established by the Board and designate other areas and facilities within the Areas of Common Responsibility as open for the use and enjoyment of the public; and

vi. mortgage, pledge, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred.

d. The rights of certain Owners to the exclusive use of those portions of the Common Area designated "Limited Common Areas," as described in Article XI.

The Owner of a Residential Unit who resides in the Residential Unit may extend his or her right of use and enjoyment of the Common Area to the other members of his or her household and to guests, subject to reasonable Board regulation. If the Owner of a Residential Unit does not reside in the Residential Unit, the Owner shall be deemed to have assigned all of the Owner's rights to use and enjoy the recreational facilities within the Common Area to the occupants of the Residential Unit, who may extend the privilege of use and enjoyment to their guests, subject to reasonable Board regulation.

The Parcel Owner may extend the Parcel Owner's right of use and enjoyment of the Common Area to such Parcel Owner's employees whose regular place of work is the Parcel and to the Parcel Owner's business invitees, to the extent necessary to conduct business at the Parcel, all subject to reasonable Board regulation.

10.2 Easements of Encroachment.

Declarant grants reciprocal appurtenant easements of encroachment, and for maintenance and use of any permitted encroachment, between each Parcel or Residential Unit and any adjacent Common Area and between adjacent Residential Units due to the unintentional placement or settling or shifting of the improvements constructed, reconstructed, or altered thereon (in accordance with the terms of these restrictions) to a distance of not more than three feet, as measured from any point on the common boundary along a line perpendicular to such boundary. However, in no event shall an easement for encroachment exist if such encroachment occurred due to willful and knowing conduct on the part of, or with the knowledge and consent of, the Person claiming the benefit of such easement.

10.3 Easements for Utilities, Development, Etc.

a. Installation and Maintenance. Declarant reserves for itself, so long as Declarant owns any property described in Exhibit "A" of this Declaration, and grants to the Association and all governmental and utility providers, perpetual non-exclusive easements throughout Alton (but not through a structure) to the extent reasonably necessary for the purpose of:

i. installing utilities and infrastructure to serve Alton, cable and other systems for sending and receiving data and/or other electronic signals, security and similar systems, walkways, pathways and trails, stormwater drainage systems, landscaping, irrigation systems, sanitary sewer systems, street lights and signage on property which Declarant or a Declarant Affiliate owns or within public rights-of-way or easements reserved for such purpose on Recorded plats;

ii. inspecting, maintaining, repairing and replacing the utilities, infrastructure and other improvements described in Section 10.3(a)(i); and

iii. access to read utility meters.

iv. development, construction, marketing and customer service operations in a customary and reasonable fashion including the maintenance of construction and supply vehicles, staff and activities associated with development and construction, marketing and customer service operations (including the placement of signs on Alton) and the right to provide for storage and materials.

b. Right to Grant Specific Easements. Declarant also reserves for itself the non-exclusive right and power to grant and Record such specific easements as may be necessary, in the sole discretion of Declarant, in connection with the orderly development of any property described in Exhibit "A". The Owner of any property to be burdened by any easement granted pursuant to this subsection (b) shall be given written notice in advance of the grant. The location of the easement shall be subject to the written approval of the Owner of the burdened property, which approval shall not unreasonably be withheld, delayed or conditioned.

c. Minimal Interference. All work associated with the exercise of the easements described in subsections (a) and (b) of this Section shall be performed in such a manner as to minimize interference with the use and enjoyment of the property burdened by the easement. Upon completion of the work, the Person exercising the easement shall restore the property, to the extent reasonably possible, to its condition prior to the commencement of the work. The exercise of these easements shall not extend to permitting entry into the structures on any Residential Unit, nor shall it unreasonably interfere with the use of any Residential Unit and, except in an emergency, entry onto any Residential Unit shall be made only after reasonable notice to the Owner or occupant.

10.4 Easements to Serve Additional Property.

Declarant hereby reserves for itself and its duly authorized agents, successors, assigns, and mortgagees, a perpetual, nonexclusive easement over the Common Area for the purposes of enjoyment, use, access, and development of any additional property, whether or not such property is made subject to this Declaration. This easement includes, but is not limited to, a right of ingress and egress over the Common Area for construction of roads and for connecting and installing any and all utilities on such property.

Declarant agrees that it and its successors or assigns shall be responsible for any damage caused to the Common Area as a result of their respective actions in connection with development of such property. Declarant further agrees that if the easement is exercised for permanent access to such property and such property or any portion thereof benefiting from such easement is not made subject to this Declaration, Declarant, its successors or assigns shall enter into a reasonable agreement with the Association to share the cost of any maintenance which the Association provides to or along any roadway providing access to such property.

10.5 Easements for Maintenance, Emergency and Enforcement.

Declarant grants to the Association easements over Alton as necessary to enable the Association to fulfill its maintenance responsibilities under Section 6.2. The Association shall also have the right, but not the obligation, to enter upon any Parcel or Residential Unit for emergency, security, and safety reasons, to perform maintenance and to inspect for the purpose of ensuring compliance with and enforce the Governing Documents. Such right may be exercised by any member of the Board and its duly authorized agents and assignees, and all emergency personnel in the performance of their duties. Except in an emergency situation, entry shall only be during reasonable hours and after notice to the Owner.

10.6 Easements for Lake and Pond Maintenance and Flood Water.

Subject to the rights of NPBCID where applicable, Declarant reserves for itself, the Association, and their successors, assigns, and designees, the nonexclusive right and easement, but not the obligation, to enter upon bodies of water and wetlands located within the Areas of Common Responsibility to (a) install, operate, maintain, and replace pumps to supply irrigation water to the Areas of Common Responsibility; (b) construct, improve, maintain, and repair structures and equipment used for retaining or

draining water; and (c) maintain such areas in a manner consistent with the Community-Wide Standard. Declarant, the Association, and their successors, assigns and designees shall have an access easement over and across any of Alton abutting or containing bodies of water or wetlands to the extent reasonably necessary to exercise their rights under this Section.

Declarant further reserves for itself, the Association, and their successors, assigns and designees, a perpetual, nonexclusive right and easement of access and encroachment over the Common Area Parcels and Residential Units (but not the dwellings thereon) adjacent to or within fifty (50) feet of bodies of water and wetlands within Alton, in order to (a) temporarily flood and back water upon and maintain water over such portions of Alton; (b) alter in any manner and generally maintain the bodies of water and wetlands within the Areas of Common Responsibility; and (c) maintain and landscape the slopes and banks pertaining to such areas. All Persons entitled to exercise these easements shall use reasonable care in and repair any damage resulting from the intentional exercise of such easements. Nothing herein shall be construed to make Declarant or any other Person liable for damage resulting from flooding due to heavy rainfall or other natural occurrences.

10.7 Easement to Inspect and Right to Correct.

Except for NPBCID facilities or property and the FPL Parcel, Declarant reserves for itself and others it may designate the right to inspect, monitor, test, redesign, and correct any structure, improvement or condition which may exist on any portion of the property within Alton, including Parcels and Residential Units, and a perpetual, nonexclusive easement of access throughout Alton to the extent reasonably necessary to exercise such right. Except in an emergency, entry onto a Parcel or Residential Unit shall be only after reasonable notice to the Owner and no entry into a dwelling shall be permitted without the consent of the Owner. The Person exercising this easement shall promptly repair, at such Person's own expense, any damage resulting from such exercise.

10.8 Easement for Maintenance by the Parcel Owners and Additional Associations.

Declarant grants to Parcel Owners and the Additional Associations who have entered into a Maintenance Delegation Agreement easements over Alton as necessary to enable the Parcel Owner or Additional Association to perform its maintenance obligations thereunder. The Person exercising this easement shall promptly repair, at such Person's own expense, any damage resulting from such exercise.

10.9 Easement for Maintenance by the Owners.

Declarant grants to the Owners easements that are reasonably required to enable the Owners to perform their maintenance obligations under Section 4.4, if any. The Person exercising this easement shall promptly repair, at such Person's own expense, any damage resulting from such exercise.

10.10 Easements and Agreements by the Association.

Declarant reserves for itself and the Association the non-exclusive right and power to grant and Record specific easements to specific Owners and to enter into certain Maintenance Delegation Agreement with respect to certain Buffers as shown on the Master Plan and any plats filed for Alton as may be necessary for the development of Parcels and Residential Units within Alton. However, the Association shall reserve an easement under Section 10.7 to inspect and correct any maintenance deficiencies within any Buffers by such Persons.

Article XI Limited Common Areas

11.1 Purpose.

Certain portions of the Common Area may be designated as Limited Common Area and reserved for the exclusive use or primary benefit of Owners and occupants within a particular Service Area or Service Areas. By way of illustration and not limitation, Limited Common Areas may include entry features, recreational facilities, landscaped medians, turnabouts and closes, lakes and other portions of the Common Area within a particular Service Area or Service Areas. All costs associated with maintenance, repair, replacement, and insurance of a Limited Common Area shall be a Service Area Expense allocated among the Owners in the Service Area(s) to which the Limited Common Areas are assigned.

11.2 Designation.

Initially, any Limited Common Area shall be designated as such in the deed conveying such area to the Association or on the subdivision plat relating to such Common Area; provided, however, any such assignment shall not preclude Declarant from later assigning use of the same Limited Common Area to additional Parcels, Residential Units and/or Service Areas, so long as Declarant has a right to subject additional property to this Declaration pursuant to Section 8.1.

Thereafter, a portion of the Common Area may be assigned as Limited Common Area upon approval of the Board and the vote of Voting Members representing a majority of the total Class "A" votes in the Association. Limited Common Area may be reassigned upon approval of the Owners of those Parcels or Residential Units to which the Limited Common Area is assigned and the approval of the Owners of those Parcels or Residential Units to which it is to be reassigned. As long as Declarant or any Declarant Affiliate owns any property subject to this Declaration or which may become subject to this Declaration in accordance with Sections 8.1 or 8.2, any such assignment or reassignment shall also require Declarant's written consent.

11.3 Use by Others.

Upon approval of a majority of Owners of Parcels or Residential Units within the Service Area to which any Limited Common Area is assigned, the Association may permit Owners of Parcels or Residential Units in other Service Areas to use all or a portion of such Limited Common Area upon payment of reasonable user fees, which fees shall be used to offset the Service Area Expenses attributable to such Limited Common Area.

Article XII Party Walls and Other Shared Structures

12.1 General Rules of Law to Apply.

Each wall, fence, driveway or similar structure built as a part of the original construction on adjacent Parcels which serves and/or separates any two adjoining Parcels shall constitute a party structure. To the extent not inconsistent with the provisions of this Section, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto. Any dispute arising concerning a party structure shall be handled in accordance with the provisions of Article XIII.

12.2 Maintenance; Damage and Destruction.

The cost of reasonable repair and maintenance of a party structure shall be shared equally by the adjacent Parcel Owners who make use of the party structure. However, in the case of a Residential Parcel, the Additional Association formed to govern such Residential Parcel shall be deemed a "Parcel Owner" for purposes of this Section.

If a party structure is destroyed or damaged by fire or other casualty, then to the extent that such damage is not covered by insurance and repaired out of the proceeds of insurance, any Owner who has used the structure may restore it. If other Parcel Owners thereafter use the structure, they shall contribute to the restoration cost in equal proportions. However, such contribution will not prejudice the right to call for a larger contribution from the other users under any rule of law regarding liability for negligent or willful acts or omissions.

The right of any Parcel Owner to contribution from any other Parcel Owner under this Section shall be appurtenant to the land and shall pass to such Owner's successors-in-title.

PART SIX: RELATIONSHIPS WITHIN AND OUTSIDE THE COMMUNITY

The success of Alton as a community in which neighbors care about one another and work together for the good of the entire community requires good faith efforts to resolve disputes amicably, acknowledgment of Alton's role in and relationship to the larger community, and protection of the rights of others who have an interest in the community.

Article XIII Dispute Resolution and Limitation on Litigation

13.1 Agreement to Encourage Resolution of Disputes Without Litigation.

a. All election disputes and recall disputes shall be resolved in accordance with the requirements of Section 720.311(1), Florida Statutes.

b. Declarant, the Association and its officers, directors, and committee members, all Persons subject to this Declaration, and any Person not otherwise subject to this Declaration who agrees to submit to this Article (collectively, "Bound Parties"), agree that it is in the best interest of all concerned to encourage the amicable resolution of disputes involving Alton without the emotional and financial costs of litigation. Accordingly, each Bound Party agrees not to file suit in any court with respect to a Claim described in subsection (c), unless and until it has first submitted such Claim to the alternative dispute resolution procedures set forth in Section 13.2 in a good faith effort to resolve such Claim.

c. As used in this Article, the term "Claim" shall refer to any claim, grievance or dispute arising out of or relating to any matter other than those set forth in Section 13.1(a), except that the following shall not be considered "Claims" unless all parties to the matter otherwise agree to submit the matter to the procedures set forth in Section 13.2:

i. any suit by the Association to collect Assessments or other amounts due from any Owner;

ii. any suit by the Association to obtain a temporary restraining order (or emergency equitable relief) and such ancillary relief as the court may deem necessary in order to maintain the status quo and preserve the Association's ability to enforce the provisions of Part Two of this Declaration;

iii. any suit between Owners, which does not include Declarant or the Association as a party, if such suit asserts a Claim which would constitute a cause of action independent of the Governing Documents;

iv. any suit in which any indispensable party is not a Bound Party; and

v. any suit as to which any applicable statute of limitations would expire within 180 days of giving the Notice required by Section 13.2(a), unless the party or parties against whom the Claim is made agree to toll the statute of limitations as to such Claim for such period as may reasonably be necessary to comply with this Article.

13.2 Dispute Resolution Procedures.

a. Notice. The Bound Party asserting a Claim ("Claimant") against another Bound Party ("Respondent") shall give written notice to each Respondent and to the Board stating plainly and concisely:

- i. the nature of the Claim, including the Persons involved and the Respondent's role in the Claim;
- ii. the legal basis of the Claim (i.e., the specific authority out of which the Claim arises)
- iii. the Claimant's proposed resolution or remedy; and
- iv. the Claimant's desire to meet with the Respondent to discuss in good faith ways to resolve the Claim.

b. Negotiation. The Claimant and Respondent shall make every reasonable effort to meet in person and confer for the purpose of resolving the Claim by good faith negotiation. If requested in writing, accompanied by a copy of the Notice, the Board may appoint a representative to assist the parties in negotiating a resolution of the Claim.

c. Mediation. If the parties have not resolved the Claim through negotiation within thirty (30) days of the date of the notice described in Section 13.2(a) (or within such other period as the parties may agree upon), the Claimant shall have thirty (30) additional days to submit the Claim to mediation with an entity designated by the Association (if the Association is not a party to the Claim) or to an independent agency providing dispute resolution services in the Palm Beach County area. If the Claimant does not submit the Claim to mediation within such time, or does not appear for the mediation when scheduled, the Claimant shall be deemed to have waived the Claim, and the Respondent shall be relieved of any and all liability to the Claimant (but not third parties) on account of such Claim.

If the Parties do not settle the Claim within thirty (30) days after submission of the matter to mediation, or within such time as determined reasonable by the mediator, the mediator shall issue a notice of termination of the mediation proceedings indicating that the parties are at an impasse and the date that mediation was terminated. The Claimant shall thereafter be entitled to file suit or to initiate administrative proceedings on the Claim, as appropriate.

Each Party shall bear its own costs of the mediation, including attorneys' fees, and each Party shall share equally all fees charged by the mediator.

d. Settlement. Any settlement of the Claim through negotiation or mediation shall be documented in writing and signed by the parties. If any party thereafter fails to abide by the terms of such agreement, then any other party may file suit or initiate administrative proceedings to enforce such agreement without the need to again comply with the procedures set forth in this Section. In such event, the party taking action to enforce the agreement or award shall, upon prevailing, be entitled to recover from the non-complying party (or if more than one non-complying party, from all such parties in equal proportions) all costs incurred in enforcing such agreement or award, including, without limitation, attorneys' fees and court costs.

13.3 Initiation of Litigation by Association.

In addition to compliance with the foregoing alternative dispute resolution procedures, if applicable, the Association shall not initiate any judicial or administrative proceeding unless first approved by a vote of Voting Members entitled to cast 75% of the total Class "A" votes in the Association, respectively, except that no such approval shall be required for actions or proceedings:

- a. initiated during the Class "B" Control Period;
- b. initiated to enforce the provisions of this Declaration, including collection of assessments and foreclosure of liens;
- c. initiated to challenge ad valorem taxation or condemnation proceedings;
- d. initiated against any contractor, vendor, or supplier of goods or services arising out of a contract for services or supplies; or
- e. to defend claims filed against the Association or to assert counterclaims in proceedings instituted against it.

This Section shall not be amended unless such amendment is approved by the same percentage of votes necessary to institute proceedings.

Article XIV Private Amenities

Various properties within, adjacent to, or in the vicinity of Alton may be privately owned by Persons other than the Association ("Private Amenities") and may be made available for use by the public, as determined by the owner of such Private Amenity in such owner's sole discretion. Some or a portion of any of the Private Amenities may also be made available for use by Owners and others for recreational purposes, pursuant to an agreement with the Association or otherwise. Access to and use of any Private Amenity is strictly subject to the rules and procedures of the owner of such Private Amenity, and except as may otherwise be set forth in a written agreement between the Association and the owner of the Private Amenity, no Person gains any right to enter or to use any Private Amenity solely by virtue of membership in the Association or ownership or occupancy of a Parcel or Residential Unit.

All Persons, including all Owners, are hereby advised that no representations or warranties have been or are made by Declarant, the Association, any Builder, or by any Person acting on behalf of any of the foregoing, with regard to the continuing ownership, operation or availability of any Private Amenity. No purported representation or warranty in such regard, written or oral, shall be effective unless specifically set forth in a written instrument executed by the record owner of the Private Amenity.

Rights to use the Private Amenities will be granted only to such persons, and on such terms and conditions, as may be determined by their respective owners. Such owners shall have the right, from time to time in their sole and absolute discretion and without notice, to amend or waive the terms and conditions of use of their respective Private Amenities and to terminate use rights altogether. No consent of the Association, any Additional Association, the Voting Members, or any Owner shall be required to effectuate any change in ownership, operation or terms of access to any Private Amenity.

Article XV Mortgage Provisions

The following provisions are for the benefit of holders, insurers and guarantors of first Mortgages on Parcels or Residential Units in Alton. The provisions of this Article apply to both this Declaration and to the By-Laws, notwithstanding any other provisions contained therein.

15.1 Notices of Action.

An institutional holder, insurer, or guarantor of a first Mortgage which provides a written request to the Association (such request to state the name and address of such holder, insurer, or guarantor and the street address of the Parcel or Residential Unit to which its Mortgage relates, thereby becoming an "Eligible Holder"), will be entitled to timely written notice of:

a. Any condemnation loss or any casualty loss which affects a material portion of Alton or which affects any Parcel or Residential Unit on which there is a first Mortgage held, insured, or guaranteed by such Eligible Holder;

b. Any delinquency in the payment of assessments or charges owed by a Parcel or Residential Unit subject to the Mortgage of such Eligible Holder, where such delinquency has continued for a period of ninety (90) days, or any other violation of the Governing Documents relating to such Parcel or Residential Unit or the Owner or Occupant which is not cured within ninety (90) days; or

c. Any proposed action which would require the consent of a specified percentage of Eligible Holders.

First Mortgagees may, jointly or singly, pay taxes or other charges which are in default and which may or have become a charge against the Common Area and may pay overdue premiums on casualty insurance policies or secure new casualty insurance coverage upon the lapse of an Association policy, and first Mortgagees making such payments shall be entitled to immediate reimbursement from the Association.

15.2 No Priority.

No provision of this Declaration or the By-Laws gives or shall be construed as giving any Owner or other party priority over any rights of the first Mortgagee of any Parcel or Residential Unit in the case of distribution to such Owner of insurance proceeds or condemnation awards for losses to or a taking of the Common Area.

15.3 Notice to Association.

Upon request, each Owner shall be obligated to furnish to the Association the name and address of the holder of any Mortgage encumbering such Owner's Parcel or Residential Unit.

15.4 Failure of Mortgagee to Respond.

Any Mortgagee who receives a written request from the Board to respond to or consent to any action shall be deemed to have approved such action if the Association does not receive a written response from the Mortgagee within thirty (30) days of the date of the Association's request, provided such request is delivered to the Mortgagee by certified or registered mail, return receipt requested.

15.5 Construction of Article XV.

Nothing contained in this Article shall be construed to reduce the percentage vote that must otherwise be obtained under this Declaration, the By-Laws, or Florida law for any of the acts set out in this Article.

PART SEVEN: CHANGES IN THE COMMUNITY

Communities such as Alton are dynamic and constantly evolving as circumstances, technology, needs and desires, and laws change, as the residents' age and other demographics change over time, and as the surrounding community changes. Alton and its Governing Documents must be able to adapt to these changes while protecting the things that make Alton unique.

Article XVI Changes in Ownership of Parcels or Residential Units

Any Owner desiring to sell or otherwise transfer title to his or her Parcel or Residential Unit shall provide written notice to the Association within seven (7) days after any sale or other transfer of a Parcel providing the name and address of the purchaser or transferee, the date of such transfer of title, and such other information as the Board may reasonably require. However, the Association does not have any approval rights with respect to any transfer.

Article XVII Changes in Common Area

17.1 Condemnation.

If any part of the Common Area shall be taken (or conveyed in lieu of and under threat of condemnation by the Board acting on the written direction of Voting Members representing at least 67% of the total Class "A" votes in the Association and of Declarant, as long as Declarant or any Declarant Affiliate owns any property subject to the Declaration or which may be made subject to the Declaration in accordance with Section 8.1) by any authority having the power of condemnation or eminent domain, each Owner shall be entitled to written notice of such taking or conveyance prior to disbursement of any condemnation award or proceeds from such conveyance. Such award or proceeds shall be payable to the Association to be disbursed as follows:

If the taking or conveyance involves a portion of the Common Area on which improvements have been constructed, the Association shall restore or replace such improvements on the remaining land included in the Common Area to the extent available, unless within sixty (60) days after such taking Declarant, so long as Declarant or a Declarant Affiliate owns any property subject to the Declaration or which may be made subject to the Declaration in accordance with Section 8.1, and Voting Members representing at least 75% of the total Class "A" votes in the Association shall otherwise agree. Any such construction shall be in accordance with plans approved by the Board. The provisions of Section 6.4(c) regarding funds for restoring improvements shall apply.

If the taking or conveyance does not involve any improvements on the Common Area, or if a decision is made not to repair or restore, or if net funds remain after any such restoration or replacement is complete, then such award or net funds shall be disbursed to the Association and used for such purposes as the Board shall determine.

17.2 Partition.

Except as permitted in this Declaration, the Common Area shall remain undivided, and no Person shall bring any action for the partition of any portion of the Common Area without the written consent of all Owners. This Section shall not prohibit the Board from acquiring and disposing of tangible personal property nor from acquiring and disposing of real property which may or may not be subject to this Declaration.

17.3 Transfer or Dedication of Common Area.

The Association may dedicate portions of the Common Area to Palm Beach County, Florida, the City of Palm Beach Gardens, or to any other local, state, or federal governmental or quasi-governmental entity or to any organization which is tax-exempt under the provisions of Section 501(c)(3) or Section 501(c)(4) of the Internal Revenue Code.

Article XVIII Amendment of Declaration

18.1 By Declarant.

In addition to specific amendment rights granted elsewhere in this Declaration, prior to the expiration of the Class "B" Control Period, Declarant shall have the unilateral right to amend this Declaration as it deems appropriate, without joinder or consent of any person or entity whatsoever, except that Declarant shall obtain the consent of Declarant's Mortgage and except as provided below in this Section 18.1. Notwithstanding the foregoing, no amendments to this Declaration shall modify the rights of either NPBCID or the SPWMD under the terms of this Declaration or any exhibit attached hereto, including, without limitation, Article XIX of this Declaration without the written consent of NPBCID and/or SPWMD, as applicable. With the exception of amendments to exhibits referenced in the preceding sentence, all exhibits may be amended as provided therein or in the provisions of this Declaration which refer to such exhibits.

18.2 By Members.

Except as otherwise specifically provided above and elsewhere in this Declaration, this Declaration may be amended only by the affirmative vote or written consent, or any combination thereof, of Voting Members representing at least 75% of the total Class "A" votes in the Association and the consent of Declarant and Declarant's Mortgagee, so long as Declarant or a Declarant Affiliate owns any property subject to this Declaration or which may become subject to this Declaration in accordance with Section 8.1. In addition, the approval requirements set forth in Article XV shall be met, if applicable.

Notwithstanding the above, the percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause; so long as the Board does not deem such amendment a "material change". If the Board deems an amendment a "material change", then the percentage of votes necessary to amend such specific clause shall require the affirmative vote of Voting Members representing at least 75% of the total Class "A" votes in the Association.

18.3 Validity and Effective Date.

No amendment may remove, revoke, or modify any right or privilege of Declarant or the Class "B" Member without the written consent of the Declarant or the Class "B" Member, respectively (or the assignee of such right or privilege).

If an Owner consents to any amendment to this Declaration or the By-Laws, it will be conclusively presumed that such Owner has the authority to consent, and no contrary provision in any Mortgage or contract between the Owner and a third party will affect the validity of such amendment.

Any amendment shall become effective upon Recording, unless a later effective date is specified in the amendment. Any procedural challenge to an amendment must be made within six months of its recordation or such amendment shall be presumed to have been validly adopted. In no event shall a change of conditions or circumstances operate to amend any provisions of this Declaration.

18.4 Parcel Owner and Private Amenity Approval Rights to Amendments.

No amendment of this Declaration which would materially and adversely affect any Parcel shall occur unless first agreed to in writing by the owner of the applicable Parcel and any Mortgagee of such Parcel. No amendment of this Declaration which would interfere with the use or operation of any Private Amenity shall occur unless first agreed to in writing by the owner of the Private Amenity.

18.5 The County Parcel.

Notwithstanding anything to the contrary in this Article XVIII, no amendments to this Declaration shall modify the rights of the County or impose any additional obligations on the County or the County Parcel without the written consent of the County.

PART EIGHT: NPBCID AND THE SURFACE WATER MANAGEMENT SYSTEM

The affairs and governance of Alton is subject to the jurisdiction of various governmental bodies that include without limitation the Northern Palm Beach County Improvement District and the South Florida Water Management District. These entities have various requirements that will affect and impose duties and responsibilities upon each of the Owners as well as the Association.

Article XIX NPBCID and SFWMD

NPBCID is an independent special district of the State of Florida and may be involved in the implementation and maintenance of various public benefits and improvements to the property located within Alton, all of which is located within NPBCID's Units of Development No. 2C. Alton is also subject to the conceptual surface water management plan as approved by the SFWMD, pursuant to the terms of the SFWMD Permit.

19.1 Non-Ad Valorem Assessments.

All individuals or entities owing or purchasing Parcels or Residential Units within Alton and any additional property legally established of which Alton is a part will be obligated and responsible for paying such debt or operation/maintenance non-ad valorem assessments that have or may be assessed and levied annually by NPBCID upon the Owner's real property. These non-ad valorem assessments are in addition to county, city and all other taxes and assessments provided by law and will appear on each

Owner's annual Unified Real Property Tax Bill that is issued and collected by the Tax Collector of Palm Beach County, Florida.

19.2 Maintenance of NPBCID Improvements.

NPBCID may install, construct, operate and maintain certain road, drainage, utility, landscaping and infrastructure improvements pursuant to the NPBCID Plan of Improvements for the benefit of Alton. All NPBCID improvements will be maintained by NPBCID unless and until (i) NPBCID conveys certain road improvements to the City (upon which the City shall accept and maintain such road improvements), or (ii) the Association enters into a High Level Maintenance Agreement with NPBCID whereby the Association contractually agrees to maintain all or part of such improvements, pursuant to the terms of such High Level Maintenance Agreement. To the extent that NPBCID maintains such improvements, all individuals or entities owning or purchasing Parcels or Residential Units within Alton will pay for such operation/maintenance expenses through NPBCID non-ad valorem assessments. In the event the Association contracts to maintain such NPBCID improvements, then such maintenance expenses will be paid by the Owners through their Base Assessments due the Association.

19.3 Surface Water Management Systems.

Alton is subject to a conceptual surface water management plan which has been or will be approved by the SFWMD. The Surface Water Management System for Alton is authorized pursuant to the SFWMD Permit. Various real property interests have or will be conveyed to NPBCID for roads, stormwater retention, drainage, Conservation Areas and Buffers. The entire Surface Water Management System and other NPBCID facilities constructed pursuant to the NPBCID Plan of Improvements shall be maintained by NPBCID unless the Association enters into a High Level Maintenance Agreement with NPBCID to maintain a portion of the Surface Water Management System and/or such other NPBCID facilities.

The Association may, in turn, delegate certain of its maintenance responsibilities to either a Parcel Owner or an Additional Association pursuant to a Maintenance Delegation Agreement. If the Association enters into a Maintenance Delegation Agreement and the Parcel Owner or Additional Association, as the case may be, does not properly maintain that portion of the Surface Water Management System for which it has assumed such obligation, the Association shall correct the maintenance problem and assess the applicable Additional Association or Parcel Owner for the cost thereof pursuant to Sections 6.5 and 7.3 of this Declaration.

The Surface Water Management System shall be maintained in compliance with the SFWMD Permit and the rules and regulations promulgated by the SFWMD and NPBCID. The conceptual surface water management plans cover surface water drainage throughout Alton, including but not limited to regular and storm drainage on dedicated streets and other rights of way, lake drainage, and such other requirements as may be imposed by the SFWMD and NPBCID. In the event the Association contracts with NPBCID for the maintenance of any portion of the Surface Water Management System, then the Association: (a) shall apply for and obtain such permits and licenses as may be required by the SFWMD for Alton, (b) at the Association's expense, provide Declarant, SFWMD and NPBCID with any and all plans and specifications, surveys, descriptive maps, and other documentation required for the maintenance of surface water as contemplated by this Section and shall give and grant to Declarant, owners of land adjacent to Alton, the County, SFWMD, and NPBCID, any and all easements and rights of way required to effect real property surface water management, and (c) after the original development of Alton by NPBCID and Declarant, they shall cause all physical earth moving, landscaping, sloping, grading and other work required to be done within Alton in connection with the maintenance of the Surface Water Management System to be done at the cost and expense of the Association unless such

obligation is assumed by a Additional Association. If the apportionment of such work between the Association and the Additional Association, as applicable, cannot be agreed to by the parties involved, such apportionment shall be determined by arbitration as defined in Florida Arbitration Code (Florida Statute 1998, Chapter 683), but may be collected through the non-ad valorem assessments. This portion of this Section shall be deemed an arbitration agreement as defined in Florida Statute 682.02. The Association shall have no authority to reconfigure or modify any aspect of the Surface Water Management System titled in or dedicated to NPBCID except with the prior written permit and consent issued by NPBCID.

19.4 No Easements Over NPBCID Land.

No easements in, upon, over, under or across any water body, drainage system or tract of land dedicated to, owned by, or subject to an easement in favor of NPBCID shall be granted, rather the party desiring such easement rights must apply for and obtain permits from NPBCID for any such rights.

19.5 NPBCID Land Not Subject to Assessments.

Notwithstanding anything to the contrary herein, NPBCID and all of NPBCID's interest in land within Alton shall be exempt from all annual assessments, special assessments, extraordinary special assessments and fines that may be levied by the Association or any Additional Association. The Association and Additional Associations are prohibited from filing or attempting to execute upon any claim of lien as to a property interest owned by NPBCID within Alton and any such recording in the public records shall be deemed null and void ab initio.

19.6 Lakes, Ponds, Retention Areas and Water Bodies.

No swimming, operation of any boats or other recreational uses shall be permitted in or on any of the lakes, ponds, retention areas or other water bodies which are dedicated or deeded to NPBCID or over which NPBCID has an easement, unless previously permitted in writing by NPBCID. No removal of water nor discharge of any materials or water, nor removal or interference with aquatic vegetation or alteration of banks or shoreline of any lake, pond, canal or retention area dedicated or deeded to NPBCID or to which NPBCID has an easement is permitted, unless previously approved in writing by NPBCID. Notwithstanding the preceding sentence, where a permit, interlocal agreement or other agreement is in existence from or with NPBCID and any other entity that has the right to charge for withdrawal for irrigation, no other approval shall be required for the removal of water in accordance with the overall IQ water irrigation system for Alton if such IQ water irrigation system has been approved in writing by NPBCID and the entity having the right to charge for such removal. The canal and lake levels are subject to fluctuation based on, among other things, the amount of rainfall occurring over time and the well water withdrawal by the City, or the utility company having jurisdiction, from the wells located within and adjacent to Alton.

19.7 NPBCID and SFWMD Approval Rights to Amendments.

No amendment of this Declaration which would amend this Article XIX or otherwise materially affect NPBCID's property interest or improvements located within Alton shall occur unless first agreed to in writing by NPBCID. Similarly, no amendment of this Declaration which would change the Surface Water Management System or any part thereof located within Alton shall occur unless agreed to in writing by NPBCID and the SFWMD.

19.8 Use Restrictions.

Except as to governmental ownership and usage, the Association shall enforce the use restrictions of the Surface Water Management System. Activities prohibited within the Surface Water Management System shall include but not be limited to:

- a. digging or excavations;
- b. depositing fill, debris, or any other material or item;
- c. constructing or altering any water control structure; or
- d. any other construction that would modify the Surface Water Management System.

19.9 Enforcement by SFWMD.

SFWMD shall have the primary right to enforce, by a proceeding at law or in equity, the provisions contained in this Article XIX and take enforcement measures including a civil action for injunction and/or penalties against the Association to compel the Association to correct any outstanding problems with the Surface Water Management System.

19.10 Maintenance and Monitoring.

Subject to the rights and obligations of NPBCID, the Association shall be responsible for the maintenance, operation and repair of the Surface Water Management System. Maintenance of the Surface Water Management System shall mean the exercise of practices which allow the system to provide drainage, water storage, conveyance or other surface water or storm water management capabilities as permitted by the SFWMD, including but not limited to complying with the "best management practices" prevailing in the area and as otherwise required by the District. Any repair or reconstruction of the Surface Water Management System shall be as permitted or if modified, as approved by the District and NPBCID.

In the event the Association, an Additional Association or NPBCID, as the case may be, does not maintain, operate or repair the Surface Water Management System in accordance with the requirements of the SFWMD Permit because the SFWMD Permit in the future is bifurcated or because portions of Alton are no longer subject to this Declaration, the Association and NPBCID, shall become jointly responsible for the operation, maintenance and repair of the Surface Water Management System for Alton in accordance with the rules and regulations promulgated by the SFWMD from time to time. Any repair or reconstruction of the Surface Water Management System by the Association shall be as permitted or if modified, as approved by the SFWMD.

19.11 Prohibition of Wetland Alteration.

THE CONSERVATION AREAS SHALL BE THE PERPETUAL RESPONSIBILITY OF NPBCID OR THE ASSOCIATION, AS PROVIDED HEREIN, AND MAY IN NO WAY BE ALTERED FROM THEIR NATURAL OR PERMITTED STATE. ACTIVITIES PROHIBITED WITHIN THE CONSERVATION AREAS INCLUDE, BUT ARE NOT LIMITED TO, CONSTRUCTION OR PLACING OF BUILDINGS ON OR ABOVE THE GROUND; DUMPING OR PLACING SOIL OR OTHER SUBSTANCES SUCH AS TRASH; REMOVAL OR DESTRUCTION OF TREES, SHRUBS, OR OTHER VEGETATION - WITH THE EXCEPTION OF EXOTIC/NUISANCE VEGETATION REMOVAL; EXCAVATION, DREDGING OR REMOVAL OF SOIL MATERIAL;

DIKING OR FENCING; ANY OTHER ACTIVITIES DETRIMENTAL TO DRAINAGE; FLOOD CONTROL, WATER CONSERVATION, EROSION CONTROL, OR FISH AND WILDLIFE HABITAT CONSERVATION OR PRESERVATION.

19.12 Covenant for Maintenance Assessment for Association.

Assessments may be used for the maintenance and repair of the Surface Water Management System including but not limited to work within retention areas, drainage structures and drainage easements.

19.13 Conservation Areas.

Portions of Alton shall contain Conservation Areas, as required by the SFWMD, and as more particularly identified on the Master Plan, and as shown on any future plats or conservation easements recorded in Alton. NPBCID will own, operate and maintain the Conservation Areas. The Conservation Areas for which NPBCID retains ownership shall be maintained by NPBCID unless the Association contracts with NPBCID for the Association to maintain all or part of such Conservation Areas. In the event NPBCID maintains the Conservation Areas, all individuals or entities owning or purchasing Parcels or Residential Units within Alton will pay for such operation/maintenance expenses through NPBCID non-ad valorem assessments. In the event the Association contracts to maintain such Conservation Areas, then such maintenance expenses will be paid by the Owner through their Base Assessments due the Association. All Owners are notified that portions of the Parcels or Residential Units may contain or lie adjacent to Conservation Areas and each Owner shall comply with all use restrictions created herein or pursuant to any conservation easements created for the Conservation Areas. NPBCID is charged with the duty of perpetually maintaining all Conservation Areas in accordance with the use restrictions as set forth in Section 19.8 hereof as well as the requirements contained in the SFWMD Permit pertaining to Alton and any subsequent conservation easements created. NPBCID is further charged with the duty to perpetually maintain all markers and signage required by the SFWMD Permit governing Alton and the NPBCID and the Association shall have a perpetual right and easement over the entire area of Alton to maintain the Conservation Areas, and all markers and signs pertaining thereto.

19.14 Lake Banks. The Association may enter into High Level Maintenance Agreements with NPBCID agreeing to sod, plant and maintain the lake banks of certain lakes or stormwater retention areas. The Association may delegate this responsibility to an Additional Association or Parcel Owners located adjacent to such lakes or retention areas pursuant to a Maintenance Delegation Agreement, and pursuant to Section 4.3 of this Declaration.

19.15 Notice Regarding NPBCID.

THE NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT IMPOSES ASSESSMENTS ON THIS PROPERTY THROUGH A SPECIAL TAXING DISTRICT. THESE ASSESSMENTS PAY THE CONSTRUCTION, OPERATION, AND MAINTENANCE COSTS OF CERTAIN PUBLIC FACILITIES OF THE DISTRICT AND ARE SET ANNUALLY BY THE GOVERNING BOARD OF THE DISTRICT. THESE ASSESSMENTS ARE IN ADDITION TO COUNTY AND ALL OTHER TAXES AND ASSESSMENTS PROVIDED FOR BY LAW.

PART NINE: EXHIBITS

Article XX EXHIBITS

20.1 Exhibits.

The following Exhibits "A" - "G" are attached to this Declaration and are incorporated by this reference and amendment of such exhibits shall be governed by this Article:

Exhibit "A" - Alton Legal Description
Exhibit "B" - Articles of Incorporation
Exhibit "C" - Bylaws

Exhibit "D" - Formula for Determining
Assessments and Voting Rights
Exhibit "E" - Community Restrictions
Exhibit "F" - Master Plan
Exhibit "G" - SFWMD Permit

SIGNATURE PAGE OF DECLARANT
TO
MASTER DECLARATION OF COVENANTS, EASEMENTS AND RESTRICTIONS
FOR ALTON

IN WITNESS WHEREOF, the undersigned Declarant has executed this Declaration as of January 21, 2014.

DECLARANT:

KH ALTON LLC, a Florida limited liability company

By: The Kolter Group LLC, a Florida limited liability company, its Manager

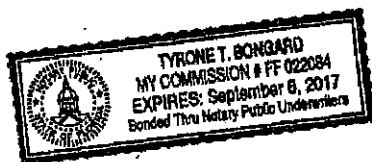
By: John C. Csapo
John C. Csapo, Authorized Signatory

STATE OF FLORIDA

COUNTY OF PALM BEACH

The foregoing instrument was acknowledged before me this 21st day of January, 2014 by John C. Csapo, as Authorized Signatory of The Kolter Group LLC, a Florida limited liability company, which is Manager of KH ALTON LLC, a Florida limited liability company, on behalf of said companies, and who is ☒ personally known to me or [] has produced _____ as identification.

[NOTARIAL SEAL]



Notary: Tyrone T. Bongard
Print Name: _____
Notary Public, State of Florida
My commission expires: _____

CONSENT OF MORTGAGEE
TO
MASTER DECLARATION OF COVENANTS, EASEMENTS AND RESTRICTIONS
FOR ALTON

Mortgage, Assignment of Rents and Security Agreement
Regions Bank, an Alabama banking corporation ("Mortgagee"), the holder of that certain recorded in Official Records Book 26522, Page 0244, of the Public Records of Palm Beach County, Florida (the "Mortgage"), which Mortgage encumbers the real property described in Exhibit "A" to this Declaration to which this consent is attached, does hereby consent to Declarant, subjecting the Property described in the Declaration to the provisions of the Declaration and agrees that the Declaration shall be binding upon the present and future owners of the real property covered by the Declaration. Notwithstanding the execution of this Consent of Mortgagee, nothing contained in the Declaration or this Consent shall obligate Mortgagee to release any property from the lien of the Mortgage, and the provisions in the Mortgage with respect to insurance and condemnation proceeds shall prevail over the terms contained in the Declaration.

Dated this 16th day of December, 2013.

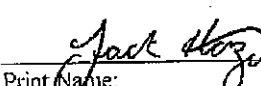
IN WITNESS WHEREOF, the undersigned has executed this Consent of Mortgagee effective as of the day and year above written.

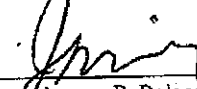
Signed, sealed and delivered
in the presence of:


Print Name: SHERIE F. HEARD

MORTGAGEE:

**REGIONS BANK, Alabama banking
corporation**


Print Name: JACK HAZE

By: 
Jenney P. Polgar
Vice President

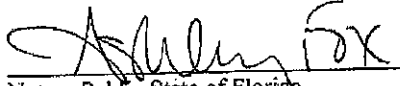
(corporate seal)

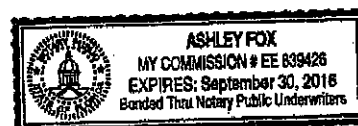
STATE OF FLORIDA)
) ss.:
COUNTY OF PALM BEACH)

The foregoing instrument was acknowledged before me this 16th day of December, 2013, by Jeffrey I. Shulman, as Executive Vice President of Regions Bank, an Alabama banking corporation, on behalf of the corporation. He is ☒ personally known to me or ☐ has produced _____ as identification.

(Notary Seal)

Print Name: Ashley Fox


Notary Public-State of Florida



**JOINDER OF GRANDIFLORA MULTIFAMILY INVESTMENTS LLC, A FLORIDA LIMITED
LIABILITY COMPANY
TO
MASTER DECLARATION OF COVENANTS, EASEMENTS AND RESTRICTIONS
FOR ALTON**

Grandiflora Multifamily Investments LLC, a Florida limited liability company, as a Parcel Owner within Alton, does hereby join in and consent to this Declaration and acknowledges that the terms hereof are and shall be binding upon all Parcels in Alton and on Grandiflora Multifamily Investments LLC, a Florida limited liability company, its successors and assigns.

IN WITNESS WHEREOF, the undersigned has executed this Joinder as of January 21, 2014.

**GRANDIFLORA MULTIFAMILY
INVESTMENTS LLC**, a Florida limited
liability company

By: The Kolter Group LLC, a Florida limited
liability company, its Manager

By: [Signature]
John C. Csapo, Authorized Signatory

[Signature: Vera Russell]
Print Name: Vera Russell

[Signature: Tyrone T. Bongard]
Print Name: Tyrone T. Bongard

STATE OF FLORIDA)

) ss.:

COUNTY OF PALM BEACH)

The foregoing instrument was acknowledged before me this 21th day of January, 2014 by John C. Csapo, as Authorized Signatory of The Kolter Group LLC, a Florida limited liability company, which is Manager of GRANDIFLORA MULTIFAMILY INVESTMENTS LLC, a Florida limited liability company, on behalf of said companies, and who is ☒ personally known to me or [] has produced _____ as identification.

[NOTARIAL SEAL]

Notary: [Signature]

Print Name: _____

Notary Public, State of Florida

My commission expires: _____



EXHIBIT "A"

LEGAL DESCRIPTION OF PROPERTY

(KH Alton LLC Parcel)

PHASE I:

A PORTION OF SECTION 26, TOWNSHIP 41 SOUTH, RANGE 42 EAST, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE EAST QUARTER CORNER OF SAID SECTION 26; THENCE N.01°20'36"E ALONG THE EAST LINE OF THE NORTHEAST ONE-QUARTER OF SAID SECTION 26, A DISTANCE OF 206.73 FEET; THENCE N.88°41'00"W., A DISTANCE OF 100.00 FEET TO THE POINT OF BEGINNING; THENCE S.01°20'36"W. ALONG A LINE 100.00 FEET WEST OF (AS MEASURED AT RIGHT ANGLES TO) AND PARALLEL WITH THE EAST LINE OF THE NORTHEAST ONE-QUARTER OF SAID SECTION 26, A DISTANCE OF 206.72 FEET; THENCE S.01°17'32"W. ALONG A LINE 100.00 FEET WEST OF (AS MEASURED AT RIGHT ANGLES TO) AND PARALLEL WITH THE EAST LINE OF THE SOUTHEAST ONE-QUARTER OF SAID SECTION 26, A DISTANCE OF 994.45 FEET; THENCE N.89°11'56"W., A DISTANCE OF 1,024.93 FEET; THENCE N.43°57'12"W., A DISTANCE OF 35.51 FEET; THENCE N.01°17'32"E., A DISTANCE OF 250.96 FEET TO A POINT OF CURVATURE TO THE LEFT HAVING A RADIUS OF 1,200.00 FEET AND A CENTRAL ANGLE OF 42°54'41"; THENCE NORTHERLY ALONG THE ARC A DISTANCE OF 898.74 FEET; THENCE N.45°55'42"E., A DISTANCE OF 123.10 FEET TO THE POINT OF CURVE OF A NON-TANGENT CURVE TO THE RIGHT, OF WHICH THE RADIUS POINT LIES S.48°09'10"W., A RADIAL DISTANCE OF 1,323.00 FEET; THENCE SOUTHEASTERLY ALONG THE ARC, THROUGH A CENTRAL ANGLE OF 00°49'53", A DISTANCE OF 19.20 FEET TO THE POINT OF CURVATURE OF A NON TANGENT CURVE TO THE LEFT, OF WHICH THE RADIUS POINT LIES N.48°59'03"E., A RADIAL DISTANCE OF 15.00 FEET; THENCE SOUTHEASTERLY ALONG THE ARC, THROUGH A CENTRAL ANGLE OF 10°48'54", A DISTANCE OF 2.83 FEET; THENCE N.45°55'42"E., A DISTANCE OF 149.75 FEET TO THE POINT OF CURVATURE OF A NON TANGENT CURVE TO THE RIGHT, OF WHICH THE RADIUS POINT LIES S.46°13'08"W., A RADIAL DISTANCE OF 1,282.50 FEET; THENCE SOUTHEASTERLY ALONG THE ARC, THROUGH A CENTRAL ANGLE OF 05°55'13", A DISTANCE OF 132.52 FEET TO A POINT OF REVERSE CURVATURE TO THE LEFT HAVING A RADIUS OF 15.00 FEET AND A CENTRAL ANGLE OF 79°32'17"; THENCE EASTERLY ALONG THE ARC, A DISTANCE OF 20.82 FEET TO A POINT OF REVERSE CURVATURE TO THE RIGHT HAVING A RADIUS OF 481.50 FEET AND A CENTRAL ANGLE OF 28°42'55"; THENCE EASTERLY ALONG THE ARC, A DISTANCE OF 241.32 FEET; THENCE S.88°41'00"E., A DISTANCE OF 685.46 FEET; THENCE S.01°19'00"W., A DISTANCE OF 18.01 FEET; THENCE S.88°41'00"E., A DISTANCE OF 140.10 FEET TO THE POINT OF BEGINNING.

TOGETHER WITH THE FOLLOWING PROPOSED ROADWAY TRACT:

A PORTION OF SECTION 26, TOWNSHIP 41 SOUTH, RANGE 42 EAST, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE EAST QUARTER CORNER OF SAID SECTION 26; THENCE S.01°17'32"W. ALONG THE EAST LINE OF THE SOUTHEAST ONE-QUARTER OF SAID SECTION 26, A DISTANCE OF 993.55 FEET TO THE POINT OF BEGINNING; THENCE CONTINUE S.01°17'32"W. ALONG SAID EAST LINE, A DISTANCE OF 114.00 FEET; THENCE N.89°11'56"W., A DISTANCE OF 1,135.36 FEET; THENCE S.46°02'48"W., A DISTANCE OF 35.20 FEET; THENCE S.89°13'22"W., A DISTANCE OF 88.82 FEET; THENCE N.00°46'38"W., A DISTANCE OF 34.24 FEET; THENCE N.01°17'32"E., A DISTANCE OF 384.04 FEET TO A POINT OF CURVATURE TO THE LEFT HAVING A RADIUS OF 1,100.00 FEET AND A CENTRAL ANGLE OF 45°21'46"; THENCE NORTHERLY ALONG THE ARC A DISTANCE OF 870.90 FEET; THENCE N.44°04'14"W., A DISTANCE OF 563.34 FEET TO A POINT OF CURVATURE TO THE RIGHT HAVING A RADIUS OF 1,200.00 FEET AND A CENTRAL ANGLE OF 44°00'00"; THENCE NORTHERLY ALONG THE ARC A DISTANCE OF 929.21 FEET; THENCE N.00°04'14"W., A DISTANCE OF 1,205.00 FEET TO A POINT OF INTERSECTION WITH THE SOUTH RIGHT-OF-WAY LINE OF DONALD ROSS ROAD, AS RECORDED IN DEED BOOK 1036, PAGE 478 OF THE PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA; THENCE N.89°55'46"E. ALONG SAID RIGHT-OF-WAY LINE, A DISTANCE OF 150.00 FEET; THENCE S.44°55'46"W., A DISTANCE OF 35.36 FEET; THENCE S.00°04'14"E., A DISTANCE OF 1,209.93 FEET TO A POINT OF CURVATURE TO THE LEFT HAVING A RADIUS OF 1,100.00 FEET AND A CENTRAL ANGLE OF 44°00'00"; THENCE SOUTHERLY ALONG THE ARC A DISTANCE OF 844.74 FEET; THENCE S.44°04'14"E., A DISTANCE OF 531.39 FEET TO A POINT OF CURVATURE TO THE RIGHT HAVING A RADIUS OF 1,200.00 FEET AND A CENTRAL ANGLE OF 45°21'46"; THENCE SOUTHERLY ALONG THE ARC A DISTANCE OF 950.08 FEET; THENCE S.01°17'32"W., A DISTANCE OF 250.96 FEET; THENCE S.43°57'12"E., A DISTANCE OF 35.51 FEET; THENCE S.89°11'56"E., A DISTANCE OF 1,124.93 FEET TO THE POINT OF BEGINNING.

PHASE II:

A PARCEL OF LAND BEING A PORTION OF SECTION 26, TOWNSHIP 41 SOUTH, RANGE 42 EAST, PALM BEACH COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE EAST QUARTER CORNER OF SAID SECTION 26; THENCE SOUTH 01°17'32" WEST ALONG THE EAST LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 26, A DISTANCE OF 993.55 FEET; THENCE NORTH 89°11'56" WEST, A DISTANCE OF 100.00 FEET; THENCE NORTH 01°17'32" EAST, A DISTANCE OF 994.45 FEET; THENCE NORTH 1°20'36" EAST, A DISTANCE OF 926.79 FEET; THENCE NORTH 88°39'23" WEST, A DISTANCE OF 1101.83 FEET TO A POINT OF CURVATURE OF A CURVE CONCAVE TO THE SOUTHEAST, HAVING A RADIUS OF 600 FEET AND A CENTRAL ANGLE OF 45°24'51"; THENCE SOUTHWESTERLY ALONG THE ARC OF SAID CURVE, A DISTANCE OF 475.58 FEET TO A POINT OF TANGENCY; THENCE SOUTH 45°55'46" WEST, A DISTANCE OF 155.12 FEET TO THE POINT OF

CURVATURE OF A CURVE CONCAVE TO THE SOUTHEAST, HAVING A RADIUS OF 137.50 FEET AND A CENTRAL ANGLE OF 5°26'33"; THENCE SOUTHWESTERLY ALONG THE ARC OF SAID CURVE, A DISTANCE OF 13.06 FEET TO A POINT OF TANGENCY; THENCE SOUTH 40°29'13" WEST, A DISTANCE OF 168.70 FEET; THENCE NORTH 89°05'01" WEST, A DISTANCE OF 2.31 FEET; THENCE SOUTH 44°04'14" EAST, A DISTANCE OF 509.02 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE TO THE SOUTHWEST, HAVING A RADIUS OF 1220.00 FEET AND A CENTRAL ANGLE OF 2°24'40"; THENCE SOUTHEASTERLY ALONG THE ARC OF SAID CURVE, A DISTANCE OF 51.34 FEET TO A POINT OF NON TANGENCY; THENCE SOUTH 45°55'42" WEST, A DISTANCE OF 20.02 FEET TO THE BEGINNING OF A CURVE CONCAVE TO THE SOUTHWEST, HAVING A RADIUS OF 1200.00 FEET, A CENTRAL ANGLE OF 2°27'05" AND A CHORD BEARING OF SOUTH 42°50'41" EAST; THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE, A DISTANCE OF 51.34 FEET TO A POINT OF TANGENCY; THENCE NORTH 44°04'14" WEST, A DISTANCE OF 51.39 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE TO THE NORTHEAST, HAVING A RADIUS OF 1100.00 FEET AND A CENTRAL ANGLE OF 33°39'03"; THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE, A DISTANCE OF 646.05 FEET TO A POINT OF NON TANGENCY; THENCE NORTH 89°55'46" EAST, A DISTANCE OF 1220.81 FEET; THENCE NORTH 00°04'14" WEST, A DISTANCE OF 481.70 FEET; THENCE NORTH 89°55'46" EAST, A DISTANCE OF 646.35 FEET; THENCE NORTH 37°50'08" EAST, A DISTANCE OF 62.69 FEET; THENCE NORTH 39°15'34" WEST, A DISTANCE OF 63.42 FEET; THENCE NORTH 01°20'36" EAST, A DISTANCE OF 360.39 FEET; THENCE NORTH 89°56'25" EAST, A DISTANCE OF 314.62 FEET; THENCE SOUTH 01°20'36" WEST, A DISTANCE OF 107.45 FEET; THENCE SOUTH 88°39'24" EAST, A DISTANCE OF 25.00 FEET TO A POINT ON THE EAST LINE OF THE NORTHEAST QUARTER OF SAID SECTION 26; THENCE SOUTH 01°20'36" WEST ALONG SAID EAST LINE OF THE NORTHEAST QUARTER, A DISTANCE OF 1944.32 FEET TO THE POINT OF BEGINNING.

TOGETHER WITH:

A PORTION OF SECTION 26, TOWNSHIP 41 SOUTH, RANGE 42 EAST, PALM BEACH COUNTY, FLORIDA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE EAST QUARTER CORNER OF SAID SECTION 26; THENCE SOUTH 01°17'32" WEST ALONG THE EAST LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 26, A DISTANCE OF 1150.55 FEET; THENCE NORTH 89°11'56" WEST, A DISTANCE OF 100.00 FEET; THENCE NORTH 1°17'32" EAST, A DISTANCE OF 23.00 FEET; THENCE NORTH 89°11'56" WEST, A DISTANCE OF 1026.95 FEET; THENCE SOUTH 46°02'48" WEST, A DISTANCE OF 18.74 FEET; THENCE NORTH 66°19'50" WEST, A DISTANCE OF 21.63 FEET; THENCE SOUTH 89°13'22" WEST, A DISTANCE OF 88.82 FEET TO THE POINT OF BEGINNING; THENCE SOUTH 89°13'22" WEST, A DISTANCE OF 20.00 FEET; THENCE NORTH 00°46'38" WEST, A DISTANCE OF 34.61 FEET; THENCE NORTH 01°17'32" EAST, A DISTANCE OF 384.40 FEET TO A POINT OF CURVATURE OF A CURVE CONCAVE TO THE SOUTHWEST, HAVING A RADIUS OF 1080.00 FEET AND A CENTRAL ANGLE OF 2°33'49"; THENCE NORTHERLY ALONG

THE ARC OF SAID CURVE, A DISTANCE OF 48.32 FEET TO A POINT OF NON TANGENCY AND A POINT REFERENCED AS POINT "A", SAID POINT BEING THE BEGINNING OF A CURVE CONCAVE TO THE NORTHEAST, HAVING A RADIUS OF 584.00 FEET, A CENTRAL ANGLE OF 92°42'04" AND A CHORD BEARING OF NORTH 61°03'21" WEST; THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE, A DISTANCE OF 944.87 FEET TO A POINT OF TANGENCY; THENCE NORTH 14°42'19" WEST, A DISTANCE OF 355.16 FEET; THENCE NORTH 45°55'46" EAST, A DISTANCE OF 327.86 FEET; THENCE SOUTH 89°04'14" EAST, A DISTANCE OF 74.14 FEET; THENCE SOUTH 44°04'14" EAST, A DISTANCE OF 331.58 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE TO THE SOUTHWEST, HAVING A RADIUS OF 1100.00 AND A CENTRAL ANGLE OF 45°21'46"; THENCE SOUTHEASTERLY ALONG THE ARC OF SAID CURVE, A DISTANCE OF 870.90 FEET TO A POINT OF TANGENCY; THENCE SOUTH 01°17'32" WEST, A DISTANCE OF 384.04 FEET; THENCE SOUTH 00°46'38" EAST, A DISTANCE OF 34.24 FEET TO THE POINT OF BEGINNING;

TOGETHER WITH THE FOLLOWING DESCRIBED PARCEL OF LAND:

A PARCEL OF LAND BEING A PORTION OF SECTION 26, TOWNSHIP 41 SOUTH, RANGE 42 EAST, PALM BEACH COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE EAST QUARTER CORNER OF SAID SECTION 26; THENCE SOUTH 01°17'32" WEST ALONG THE EAST LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 26, A DISTANCE OF 1150.55 FEET TO THE POINT OF BEGINNING; THENCE NORTH 89°11'56" WEST, A DISTANCE OF 100.00 FEET; THENCE NORTH 1°17'32" EAST, A DISTANCE OF 23.00 FEET; THENCE NORTH 89°11'56" WEST, A DISTANCE OF 1026.95 FEET; THENCE SOUTH 46°02'48" WEST, A DISTANCE OF 18.74 FEET; THENCE NORTH 66°19'50" WEST, A DISTANCE OF 21.63 FEET; THENCE NORTH 46°02'48" EAST, A DISTANCE OF 35.20 FEET; THENCE SOUTH 89°11'56" EAST, A DISTANCE OF 1135.36 FEET TO A POINT ON SAID EAST LINE OF THE SOUTHEAST QUARTER; THENCE SOUTH 01°17'32" WEST ALONG SAID EAST LINE OF THE SOUTHEAST QUARTER, A DISTANCE OF 43.00 FEET TO THE POINT OF BEGINNING;

LESS THE FOLLOWING DESCRIBED PARCEL OF LAND:

A PARCEL OF LAND BEING A PORTION OF SECTION 26, TOWNSHIP 41 SOUTH, RANGE 42 EAST, PALM BEACH COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE AFOREMENTIONED REFERENCE POINT "A"; THENCE NORTH 05°29'55" WEST, A DISTANCE OF 159.22 FEET TO THE POINT OF BEGINNING, SAID POINT BEING THE BEGINNING OF A CURVE CONCAVE TO THE NORTHEAST, HAVING A RADIUS OF 429.56 FEET, A CENTRAL ANGLE OF 157°27'03" AND A CHORD BEARING OF NORTH 32°47'45" WEST; THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE, A DISTANCE OF 1180.44 FEET TO A POINT OF

TANGENCY; THENCE NORTH 45°55'46" EAST, A DISTANCE OF 23.57 FEET; THENCE SOUTH 44°04'14" EAST, A DISTANCE OF 216.97 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE TO THE SOUTHWEST, HAVING A RADIUS OF 1080.00 FEET AND A CENTRAL ANGLE OF 26°44'18"; THENCE SOUTHEASTERLY ALONG THE ARC OF SAID CURVE, A DISTANCE OF 504.01 FEET TO A POINT OF NON TANGENCY; THENCE SOUTH 74°15'38" WEST, A DISTANCE OF 79.58 FEET; THENCE SOUTH 15°44'14" EAST, A DISTANCE OF 104.74 FEET; THENCE NORTH 74°15'38" EAST, A DISTANCE OF 77.41 FEET TO THE BEGINNING OF A CURVE CONCAVE TO THE SOUTHWEST, HAVING A RADIUS OF 1080.00 FEET, A CENTRAL ANGLE OF 2°02'46" AND A CHORD BEARING OF SOUTH 09°43'32" EAST; THENCE SOUTHEASTERLY ALONG THE ARC OF SAID CURVE, A DISTANCE OF 38.57 FEET TO THE POINT OF BEGINNING.

TOGETHER WITH THE FOLLOWING DESCRIBED PARCEL OF LAND:

(Grandiflora Multifamily Investments LLC Parcel)

A PARCEL OF LAND LYING IN THE NORTHEAST QUARTER OF SECTION 26, TOWNSHIP 41 SOUTH, RANGE 42 EAST, PALM BEACH COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF SAID SECTION 26; THENCE SOUTH 01°20'36" WEST ALONG THE EAST LINE OF SAID SECTION 26, A DISTANCE OF 1046.17 FEET; THENCE SOUTH 89°55'46" WEST, A DISTANCE OF 981.49 FEET TO THE POINT OF BEGINNING; THENCE CONTINUE SOUTH 89°55'46" WEST, A DISTANCE OF 888.71 FEET; THENCE SOUTH 84°13'08" WEST, A DISTANCE OF 150.75 FEET; THENCE SOUTH 89°55'46" WEST, A DISTANCE OF 175.00 FEET; THENCE SOUTH 44°55'46" WEST, A DISTANCE OF 35.36 FEET; THENCE SOUTH 00°04'14" EAST, A DISTANCE OF 224.08 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE TO THE NORTHEAST, HAVING A RADIUS OF 1100.00 FEET; THENCE SOUTHEASTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 10°20'57", A DISTANCE OF 198.69 FEET TO A POINT OF NON-TANGENCY; THENCE NORTH 89°55'46" EAST, A DISTANCE OF 1220.81 FEET; THENCE NORTH 00°04'14" WEST, A DISTANCE OF 461.69 FEET TO THE AFOREMENTIONED POINT OF BEGINNING.

THE ABOVE DESCRIBED PARCEL OF LAND CONTAINS 13.00 ACRES (566,285 SQUARE FEET) MORE OR LESS.

EXHIBIT "B"

Articles of Incorporation for Alton Property Owners Association, Inc.

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This is not a certified copy

ARTICLES OF INCORPORATION

OF

ALTON PROPERTY OWNERS ASSOCIATION, INC.

(a FLORIDA CORPORATION NOT FOR PROFIT)

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**ARTICLES OF INCORPORATION
OF
ALTON PROPERTY OWNERS ASSOCIATION, INC.**

(a Florida Corporation Not For Profit)

In compliance with the requirements of the laws of the State of Florida, and for the purpose of forming a corporation not-for-profit, the undersigned does hereby acknowledge:

1. Name of Corporation. The name of the corporation is ALTON PROPERTY OWNERS ASSOCIATION, INC. (the "Association").
2. Principal Office. The initial principal office of the Association is at located at 701 S. Olive Avenue, Suite 104, West Palm Beach, Florida 33401.
3. Registered Office - Registered Agent. The street address of the Registered Office of the Association is 1201 Hays Street, Tallahassee, Florida 32301. The name of the registered agent of the Association is Corporation Services Company.
4. Definitions. A declaration entitled Master Declaration of Covenants, Easements and Restrictions for Alton (as amended and appended and restated from time to time, the "Declaration") has been or will be recorded among the Public Records of Palm Beach County, Florida, and shall govern all of the operations of a community to be known as Alton. All initially capitalized terms not defined herein shall have the meanings set forth in the Declaration.
5. Purpose of the Association. The Association is formed to:
 - 5.1 Provide for the ownership, operation, maintenance and preservation of the Common Areas and improvements thereon.
 - 5.2 Perform the duties delegated to it in the Declaration.
 - 5.3 Administer the interests of the Association and the Owners.
 - 5.4 Promote the health, safety and welfare of the Owners.
6. Not-for-Profit. The Association is a Florida corporation not for profit and does not contemplate pecuniary gain to, or profit for, its members.
7. Powers of the Association. The Association shall, subject to the limitations and reservations set forth in applicable law and the Declaration, have all powers, privileges, and duties allowed by law and/or which are reasonably necessary to discharge its obligations, including, without limitation, the following:
 - 7.1 To perform all the duties and obligations of the Association as set forth in the Declaration, these Articles of Incorporation, and the By-Laws.
 - 7.2 To enforce, by legal action or otherwise, the provisions of the Declaration, these Articles of Incorporation, the By-Laws, and the rules, covenants, conditions, restrictions, regulations, and/or agreements governing or binding the Association.
 - 7.3 To operate and maintain any Areas of Common Responsibility.

7.4 To fix, levy, collect and enforce payment by any lawful means, of all Assessments payable pursuant to the terms of the Declaration, these Articles of Incorporation, and the By-Laws.

7.5 To pay all Common Expenses and Association expenses including, without limitation, all licenses, taxes or governmental charges levied or imposed against the Common Areas or other property of the Association.

7.6 To acquire (by gift, purchase or otherwise), annex, own, hold, improve, build upon, operate, maintain, convey, grant rights and easements, sell, dedicate, lease, transfer or otherwise dispose of real or personal property (including the Common Areas) in connection with the functions of the Association, except as limited by the Declaration.

7.7 To borrow money, and to mortgage, pledge or hypothecate any or all of its real or personal property as security for money or debts incurred.

7.8 To dedicate, grant, license, lease, create easements upon, sell or transfer all or any part of, the Common Areas to any public agency, entity, authority, utility, or other person or entity for such purposes and subject to such conditions as it determines, subject only to requirements set forth in the Declaration, if any.

7.9 To participate in mergers and consolidations with other non-profit corporations organized for the same purpose.

7.10 To adopt, publish, promulgate or enforce rules, regulations, covenants, restrictions or agreements governing the Association, Alton, the Areas of Common Responsibility, Parcels and Residential Units as provided in the Declaration, and to effectuate all of the purposes for which the Association is organized.

7.11 To have and to exercise any and all powers, rights and privileges which a not-for-profit corporation organized under the laws of the State of Florida that, as a homeowners' association, operates a community may, now or hereafter, have or exercise, including all powers under Chapters 617 and 720, Florida Statutes.

7.12 To employ personnel and retain independent contractors to contract for management of the Association, Alton and the Common Areas as provided in the Declaration, and to delegate in such contract all or any part of the powers and duties of the Association.

7.13 To contract for services to be provided to, or for the benefit of, the Association, Owners, the Common Areas, and Alton, as provided in the Declaration including, without limitation, telecommunication services, maintenance, garbage pick-up, and utility services. The foregoing rights shall not be deemed to impose any obligation on the Association to provide such services. Neither the Board of Directors of the Association nor any manager or management company hired or retained by the Board shall approve any contract with a contingency payment or payment provisions without the approval of the Members.

7.14 To establish committees and delegate certain of its functions to those committees.

7.15 To enter into agreements and/or contracts with the SFWMD under which the Association shall perform certain maintenance, management and/or other agreed-upon services for the SFWMD.

7.16 To enter into agreements and/or contracts with NPBCID under which the Association may perform certain maintenance, management and/or other agreed-upon services with respect to certain improvements constructed within Alton by NPBCID.

The Board may employ for the Association a professional management agent or agents at a compensation established by the Board to perform such duties and services stated in these Articles of Incorporation as the Board shall authorize.

8. Association Lawsuits. The Board shall have no duty to bring suit against any party, and the Board is permitted to apply a rule of reasonableness when determining whether to bring suit against any party.

9. Members' Voting Rights. Each Parcel Owner, Additional Association and Declarant shall be a Member of the Association. The Members shall have the voting rights set forth in the Declaration and the By-Laws.

10. Board of Directors. The affairs of the Association shall be managed by a Board of odd number with not less than three (3) nor more than nine (9) members. The current number of directors shall be three (3) Board members and have been appointed as stated in the By-Laws. The election of Directors by Members other than Declarant shall initially be held on the date Declarant no longer has the legal right pursuant to the Declaration to appoint Directors, and thereafter at the Annual Members Meeting. Directors shall be elected for a term expiring on the date of the next Annual Meeting. The names and addresses of the current members of the Board, who shall hold office until their successors are appointed or elected or otherwise removed, are as follows:

<u>NAME</u>	<u>ADDRESS</u>
Rick Covell ,	701 S. Olive Avenue Suite 104 West Palm Beach, FL 33401
John Csapo	701 S. Olive Avenue Suite 104 West Palm Beach, FL 33401
James B. Traxinger	701 S. Olive Avenue Suite 104 West Palm Beach, FL 33401

11. Dissolution. In the event of a dissolution of the Association other than incident to a merger or consolidation, any Owner may petition the Circuit Court having jurisdiction over Alton for the appointment of a receiver to manage the affairs of the dissolved Association and to manage the Common Areas in the place and stead of the Association, and to make such provisions as may be necessary for the continued management of the affairs of the dissolved Association its properties. In addition, if the Association is dissolved, the Surface Water Management System shall be conveyed to an appropriate agency of local government. If a governmental agency will not accept the Surface Water Management System, then it must be dedicated to a similar non-profit corporation.

12. Duration. The Association's existence shall be perpetual.

13. Amendment(s).

13.1 General Restrictions on Amendment(s). Notwithstanding any other provision herein to the contrary, no amendment to these Articles of Incorporation shall affect the rights of Declarant unless such amendment receives the prior written consent of Declarant, which consent may be withheld for any reason whatsoever. No amendment shall be effective until it is recorded among the Public Records.

13.2 Amendment(s) Prior to and Including the Expiration Date of the Class "B" Control Period. Prior to the expiration of the Class "B" Control Period, Declarant shall have the right to amend these Articles of Incorporation as it deems appropriate, without the joinder or consent of any person or entity whatsoever. Declarant's right to amend under this Section 13.2 is to be construed as broadly as possible. In the event that the Association shall desire to amend these Articles of Incorporation prior to the expiration of the Class "B" Control Period, the Association must first obtain Declarant's prior written consent to any proposed amendment. After receiving Declarant's written consent to the proposed amendment, an amendment identical to that approved by Declarant may be adopted by the Association pursuant to the requirements for amendment after the expiration of the Class "B" Control Period. After approval of the amendment by the Board, Declarant shall join in such identical amendment so that its consent to the same will be reflected in the Public Records.

13.3 Amendment(s) After the Expiration of the Class "B" Control Period. After the expiration of the Class "B" Control Period, but subject to the general restrictions of amendments set forth above, these Articles of Incorporation may be amended with (i) the approval of two-thirds percent (66-2/3%) of the Board and (ii) seventy-five percent (75%) of the votes present (in person and by proxy) at a duly called meeting of the Members in which there is a quorum. Notwithstanding the foregoing, these Articles of Incorporation may be amended after the expiration of the Class "B" Control Period by a two-thirds percent (66-2/3%) of the Board acting alone to change the number of directors on the Board. Such change shall not require the approval of the Members. Any change in the number of directors shall not take effect until the next Annual Members Meeting.

14. Limitations.

14.1 Declaration is Paramount. No amendment may be made to these Articles of Incorporation which shall in any manner reduce, amend, affect or modify the terms, conditions, provisions, rights and obligations set forth in the Declaration.

14.2 Rights of Declarant. There shall be no amendment to these Articles of Incorporation which shall abridge, reduce, amend, affect or modify the rights of Declarant.

14.3 By-Laws. These Articles of Incorporation shall not be amended in a manner that conflicts with the By-Laws adopted by the Association.

14.4 Amendment. Notwithstanding anything to the contrary herein, no amendment to these Articles of Incorporation shall be made which materially and adversely affects the Members' rights under these Articles without the written approval of seventy-five (75%) of the Members so affected.

15. Officers. The Board shall elect as President, Secretary, Treasurer, and as many Vice Presidents, Assistant Vice Presidents, Assistant Secretaries, and Assistant Treasurers as the Board shall from time to time determine. The names and addresses of the current Officers, who shall serve until their successors are elected by the Board are as follows:

Rick Covell	-	President
James B. Traxinger	-	Vice President/Treasurer
John Csapo	-	Secretary

16. Indemnification of Officers and Directors. Membership shall be established effective immediately upon becoming an Owner; provided, however, that such new Member's rights shall not become effective until the new Member presents to the Association a recorded copy of the deed of conveyance or other muniment of title conveying the title to the Parcel or Residential Unit so conveyed, and such membership shall pass with title to the Unit in question as an appurtenance thereto with no such membership or rights arising therefrom being transferable in any manner except as an appurtenance to such Parcel or Residential Unit. Each and every Member shall be entitled to the benefits of membership and shall be bound to abide by the provisions of these Articles of Incorporation, the Declaration and the By-Laws of the Association, as amended from time to time.

17. Transactions in Which Directors or Officers are Interested Parties. No contract or transaction between the Association and any one (1) or more of its Directors and/or Officers or Declarant, or between the Association and any other corporation, partnership, association or other organization in which one (1) or more of its Officers and/or Directors is an officer, director, or employee, or is otherwise affiliated or holds an interest in such entity (whether or not legally recognized), shall be invalid, void or voidable solely for this reason, or solely because the Officer or Director is present at, or participates in, meetings of the Board thereof which authorized the contract or transaction, or solely because said Officer's or Director's vote is counted for such purpose. No Director or Officer shall incur liability by reason of the fact that such Director or Officer may be interested in any such contract or transaction. Interested Directors or Officers shall disclose the general nature of their interest and may be counted in determining the presence of a quorum at a meeting of the Board which authorizes the contract or transaction. Notwithstanding anything to the contrary in this Section 17, no such contract or transaction shall violate Section 720.303(12), Florida Statutes, which, among other things, prohibits the direct receipt by any director, officer or committee member of any homeowners' association of any salary or other compensation for the performance of his or her duties as a director, officer or committee member.

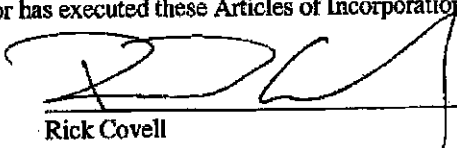
18. Incorporator.

The name and address of the Incorporator is as follows:

Rick Covell
701 S. Olive Avenue
Suite 104
West Palm Beach, FL 33401

19. Severability. Invalidation of any of the provisions of these Articles of Incorporation by judgment or court order shall in no way affect any other provision, and the remainder of these Articles of Incorporation shall thereafter remain in full force and effect.

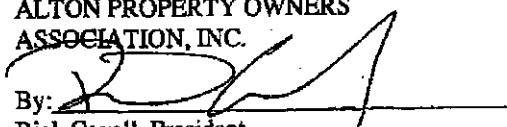
IN WITNESS WHEREOF, the Incorporator has executed these Articles of Incorporation as of the
27th day of January, 2014.


 Rick Covell

IN COMPLIANCE WITH SECTION 617.0501, FLORIDA STATUTES, THE FOLLOWING IS
 SUBMITTED:

ALTON PROPERTY OWNERS ASSOCIATION, INC., DESIRING TO ORGANIZE UNDER THE
 LAWS OF THE STATE OF FLORIDA HAS NAMED CORPORATION SERVICE COMPANY,
 WHOSE ADDRESS 1201 HAYS STREET, TALLAHASSEE, FLORIDA 32301, AS ITS
 REGISTERED AGENT TO ACCEPT SERVICE OF PROCESS WITHIN THE STATE OF FLORIDA.
 SAID REGISTERED AGENT'S ADDRESS IS THE CORPORATION'S REGISTERED OFFICE.

ALTON PROPERTY OWNERS
 ASSOCIATION, INC.

By: 
 Rick Covell, President

HAVING BEEN NAMED TO ACCEPT SERVICE OF PROCESS FOR THE ABOVE NAMED
 CORPORATION, AT THE PLACE DESIGNATED IN THIS CERTIFICATE, I HEREBY AGREE TO
 ACT IN THIS CAPACITY, AND I FURTHER AGREE TO COMPLY WITH THE PROVISIONS OF
 ALL STATUTES RELATIVE TO THE PROPER AND COMPLETE PERFORMANCE OF MY
 DUTIES.

Registered Agent:

Corporation Service Company

By: /s/ Carina Dunlap

Print Name: Carina Dunlap

Title: Asst. Vice President

Dated: January 27, 2014

EXHIBIT "C"

By-Laws for Alton Property Owners Association, Inc.

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BY-LAWS
of
ALTON PROPERTY OWNERS ASSOCIATION, INC.
(a Florida corporation not for profit)

ARTICLE I
DEFINITIONS

Section 1. The term "Association" as used herein, shall mean Alton Property Owners Association, Inc., a Florida corporation not for profit, its successors or assigns.

Section 2. All terms which are defined in the MASTER DECLARATION OF COVENANTS, EASEMENTS AND RESTRICTIONS FOR ALTON, recorded in the Public Records of Palm Beach County, Florida, and any amendments or supplements thereto (hereinafter referred to as the "Declaration") and the Articles of Incorporation of the Association, shall be used herein with the same meanings as defined in the Declaration or Articles of Incorporation, as the case may be.

ARTICLE II
LOCATION OF PRINCIPAL OFFICE

The principal office of the Association shall be located at 701 S. Olive Avenue, Suite 104, West Palm Beach, FL 33401. Attn: Association President, or at such other place as may be established by resolution of the Board of Directors.

ARTICLE III
MEMBERS' VOTING RIGHTS

Section 1. Voting classification and voting rights shall be as set forth in the Declaration. Every Parcel Owner and Additional Association shall be deemed to have membership in the Association. No Person who holds an interest in a Parcel only as security for the performance of an obligation shall be a Member of the Association. Membership shall be appurtenant to, and may not be separated from, ownership of a Parcel. The number of votes allocated to each Parcel or Additional Association and the exercise of the voting rights shall be as set forth in the Declaration.

Section 2. The Association may act in reliance upon any writing or instrument or signature, whether original or facsimile, which the Association, in good faith, believes to be genuine, may assume the validity and accuracy of any statement or assertion contained in such a writing or instrument, and may assume that any Person purporting to give any writing, notice, advice or instruction in connection with the provisions hereof has been duly authorized to do so. So long as the Association acts in good faith, the Association shall have no liability or obligation with respect to the exercise of voting rights, and no election shall be invalidated (in the absence of fraud) on the basis that the Association permitted or denied any Person the right to exercise voting rights. In addition, the Board may impose additional requirements respecting the exercise of voting rights (e.g., the execution of a voting certificate).

ARTICLE IV

BOARD OF DIRECTORS

Section 1. The affairs of the Association shall be managed by a Board of Directors consisting of an odd number with no less than three (3) persons and no more than nine (9) persons. Board members appointed by Declarant need not be Members of the Association. Board of Directors elected by the other Members must be Members of the Association.

Section 2. Declarant shall have the right to appoint the initial Board of Directors and thereafter a majority of the members of the Board of Directors during the Class "B" Control Period.

Section 3. The "Class "B" Control Period" shall mean that period commencing as of the date of these By-Laws and terminating upon the earlier of:

- (a) the date that is three (3) months after ninety percent (90%) of the total Residential Units located in all Residential Parcels contemplated to be constructed within all phases of Alton that will ultimately be operated by a homeowners' association have been conveyed to Persons other than Declarant or any Person who succeeds to the rights and liabilities of Declarant hereunder in a writing;
- (b) upon Declarant abandoning or deserting its responsibility to maintain and complete the amenities or infrastructure as disclosed in the Governing Documents;
- (c) upon Declarant filing a petition seeking protection under Chapter 7 of the Federal Bankruptcy Code;
- (d) upon Declarant losing title to Alton through a foreclosure action or the transfer of a deed in lieu of foreclosure, unless the successor owner has accepted an assignment of developer rights and responsibilities first arising after the date of such assignment;
- (e) upon a receiver for Declarant being appointed by a circuit court and not being discharged within 30 days after such appointment, unless the court determines within 30 days after such appointment that transfer of control would be detrimental to the Association or its Members;
- (f) forty (40) years after the date on which this Declaration is recorded in the public records of Palm Beach County, Florida; or
- (g) when, in its discretion, the Class "B" Member so determines.

Section 4. No Director shall receive compensation for any service rendered as a Director to the Association; provided, however, any Director may be reimbursed for actual expenses incurred as Director.

Section 5. A majority of the Board of Directors shall constitute a quorum to transact business at any meeting of the Board, and the action of the majority present at a meeting at which a quorum is present shall constitute the action of the Board of Directors.

Section 6. Any vacancy occurring on the Board of Directors because of death, resignation or other termination of services of any Director, shall be filled by the Board of Directors; except that Declarant, to the exclusion of other Members and/or the Board itself, shall fill any vacancy created by the death, resignation, removal or other termination of services of any Director appointed by Declarant. A Director appointed to fill a vacancy shall be appointed for the unexpired term of his predecessor in office and shall serve until his successor shall have been elected and/or appointed and qualified.

Section 7. Except to the extent prohibited by law, the Board of Directors shall have the right to take any action without a meeting by obtaining the written approval of the required number of Directors. Any action so approved shall have the same effect as though at a meeting of the Directors.

ARTICLE V ELECTION OF DIRECTORS;

Section 1. Subject to Article IV, Section 2 above:

- (a) Election to the Board of Directors shall be by written ballot (and not by proxy) as hereinafter provided. At such election, the Members may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. Election shall be by plurality vote.
- (b) All Members of the association are eligible to serve on the Board of Directors. In the event a Member desires to nominate himself or herself as a candidate for the Board of Directors, such Member shall deliver a written "Intent to Run" to the Association on or before the date that is forty (40) days prior to the annual or special meeting of the Members where the election is to be held. Any Member may also nominate another Member to serve on the Board of Directors by delivery of a written nomination to the Association on or before the date that is forty (40) days prior to the annual or special meeting of the Members where the election is to be held.
- (c) An election is not required unless more candidates are nominated than vacancies exist.
- (d) A Person who is delinquent in the payment of any fee, fine, or other monetary obligation to the association for more than ninety (90) days is not eligible for Board of Directors membership. A person who has been convicted of any felony in this Florida or in a United States District or Territorial Court, or has been convicted of any offense in another jurisdiction which would be considered a felony if committed in Florida, is not eligible for Board of Directors membership unless such felon's civil rights have been restored for at least five (5) years as of the date on which such person seeks election to the Board of Directors.
- (e) All elections to the Board of Directors shall be made by written ballot which shall:
 - (i) describe the vacancies to be filled; and

- (ii) set forth the names of those nominated as provided in Section 1(b) above.

Such ballots shall be prepared and mailed by the Secretary to the Members at least twenty-one (21) days in advance of the date set forth therein for the annual or special meeting of the Members called for elections.

Section 2. Each Member shall receive as many ballots as he has votes. Notwithstanding that a Member may be entitled to several votes, he shall exercise on any one (1) ballot only one (1) vote for each vacancy shown thereon. The completed ballots may be returned by mail to the Secretary or filed with the Secretary at the annual or special meeting of the Members. Only those ballots received by the Secretary on or before the date of the meeting shall be counted.

ARTICLE VI

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. The Board of Directors shall have the power:

- (a) To call special meetings of the Members whenever it deems necessary and it shall call a meeting at any time upon written request of ten percent (10%) of the entire voting membership, as provided in Article X, Section 2 hereof.
- (b) To appoint and remove all Officers, agents and employees of the Association, except those appointed by Declarant; prescribe their duties; fix their compensation, if any; and require of them such security or fidelity bond as it may deem expedient. Nothing contained in these By-Laws shall be construed to prohibit the employment of any Member, Officer or Director of the Association in any capacity whatsoever.
- (c) To exercise for the Association all powers, duties and authority vested in or delegated to the Association, except those reserved to the Members in the Declaration.
- (d) In the event that any member of the Board of Directors of the Association (other than a member appointed by Declarant) shall be absent from three (3) consecutive regular meetings of the Board of Directors, the Board may by action taken at the meeting during which said third absence occurs, declare the seat of the absent Director to be vacant.
- (e) To employ for the Association a professional management agent or agents at a compensation established by the Board of Directors to perform such duties and services stated in these By-laws as the Board of Directors shall authorize.

Section 2. It shall be the duty of the Board of Directors:

- (a) To cause to be kept minutes of all its acts and corporate affairs.
- (b) To supervise all Officers, agents and employees of the Association.
- (c) To prepare financial reports required by the Florida Statutes.

- (d) To exercise all powers to vote, except where the Declaration, the Articles of Incorporation, or these By-Laws specifically require a vote of the Members.
- (e) To fix the amount of assessments against each Parcel and Residential Unit for each assessment period at least thirty (30) days in advance of the Association's fiscal year or January 1st of each year.
- (f) To prepare a roster of Owners of Residential Units and Parcel Owners and the assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Member at reasonable times.
- (g) To issue, or to cause any appropriate Officer (or any authorized agent) to issue, upon demand by any interested person a certificate setting forth whether any assessment has been paid. Such certificate shall be conclusive evidence of any assessment therein stated to have been paid.

Section 3. Until the expiration of the Class "B" Control Period, Declarant shall have and is hereby granted the right to disapprove or veto any such action, policy, or program proposed or authorized by the Association, the Board of Directors, any committee of the Association, or the vote of the Members. This right may be exercised by Declarant at any time within ten (10) days following a meeting held pursuant to the terms and provisions thereof. This right to disapprove may be used to veto proposed actions but shall not extend to the requiring of any action or counteraction on behalf of the Association, the Board or any committee of the Association.

ARTICLE VII

DIRECTORS' MEETING

Section 1. A regular meeting of the Board of Directors shall be held at least semi-annually. A regular meeting of the Board of Directors shall also be held immediately following the regular annual meeting of the Members. Meetings of the Board shall be open to all Members of the Association.

Section 2. If the day for the regular meeting of the Board of Directors shall fall upon a holiday, the meeting shall be held at the same hour on the first day following which is not a holiday, and no notice thereof need be given.

Section 3. Special meetings of the Board of Directors shall be held when called by the President or Vice President of the Association or by any two Directors after not less than three (3) days' notice to each Director.

Section 4. In the event of an emergency involving immediate danger of injury or death to any person or damage to property, if a meeting of the Board of Directors cannot be immediately convened to determine a course of action, the President or, in his absence, any other Officer or Director, shall be authorized to take such action on behalf of the Association as shall be reasonably required to appropriately respond to the emergency situation, including the expenditures of Association funds in the minimum amount as may be reasonably required under the circumstances. The authority of Officers to act in accordance herewith shall remain in effect until the first to occur

of the resolution of the emergency situation of meeting of the Board of Directors convened to act in response thereto.

Section 5. The transaction of any business at any meeting of the Board of Directors, however called and noticed, or wherever held, shall be as valid as though made at a meeting duly held after regular call and notice if a quorum is present, and if either before or after the meeting, each of the Directors not present signs a written waiver of notice or a consent to the holding of such meeting, or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the corporate records of the Association and made a part of the minutes of the meeting.

Section 6. A majority of the Board of Directors shall constitute a quorum thereof.

Section 7. The Board of Directors shall cast votes in the manner provided in the Florida Statutes. In the absence of a statutory provision, the Board shall establish the manner in which votes will be cast.

Section 8. Nothing herein shall restrict or prohibit members of the Board of Directors from participation in a meeting of the Board by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time. Participating by such means shall constitute presence in person at a meeting.

Section 9. Notices of meetings of the Board of Directors shall be posted in a conspicuous place on the Common Areas at least 48 hours in advance, except in the event of an emergency. Alternatively, notice may be given to Members in any other manner provided by Florida Statutes. Notices of any meetings of the Board of Directors at which Assessments against Parcels and Residential Units are to be established and/or amendments regarding rules regarding parcel use are to be considered shall be provided not less than fourteen (14) days in advance and shall specifically contain a statement that Assessments shall be considered and a statement of the nature of such Assessments and/or amendments regarding rules regarding parcel use shall be considered.

ARTICLE VIII

OFFICERS

Section 1. The Officers of the Association shall be a President, a Secretary and a Treasurer and such other Officers as may be deemed necessary or appropriate by the Board of Directors. The President shall be a member of the Board of Directors.

Section 2. The Officers shall be chosen by a majority vote of the Board of Directors.

Section 3. All Officers shall hold office during the pleasure of the Board of Directors.

Section 4. The President shall preside at all meetings of the Board of Directors, shall see that orders and resolutions of the Board of Directors are carried out and sign all notes, leases, mortgages, deeds and all other written instruments. The President shall not be the Secretary.

Section 5. The Secretary of the Association shall be the Secretary of the Board of Directors, shall record the votes and keep minutes of all proceedings in a minute book to be kept for that

purpose. He shall sign certificates of membership, if any. He shall keep the official records of the Association. He shall record in a book kept for that purpose the names of all Members of the Association together with their addresses as registered by such Members.

Section 6. The Treasurer shall receive and deposit in appropriate bank accounts, insured by the FDIC, all monies of the Association and shall disburse such funds as directed by resolution of the Board; provided, however, that a resolution of the Board shall not be necessary for disbursements made in the ordinary course of business conducted within the limits of a budget adopted by the Board. The Treasurer may sign all checks of the Association, provided that such checks shall also be signed by one (1) Director. However, in the event that the Treasurer is unavailable, checks may be signed by any two (2) Directors. The Treasurer shall keep books of account according to generally accepted accounting principles consistently applied and cause an annual audit, review, or compilation, of the Association's books to be made by an auditor, accountant, or a certified public accountant at the completion of each fiscal year. He shall prepare an annual budget, an annual balance sheet statement and an annual statement of operations, and the balance sheet statement and statement of operations shall be presented to the membership at its regular annual meeting.

ARTICLE IX

COMMITTEES

Section 1. The Board of Directors may create committees including, but not limited to: (a) Recreation Committee; (b) Maintenance Committee; (c) Finance and Audit Committee and (d) Service Area Committee. Unless otherwise provided herein, each committee shall consist of a Chairman and two (2) or more Members and shall include a member of the Board of Directors. Committee members may be appointed by the Board of Directors to serve at the discretion of the Board. The Board of Directors may create, from time to time, such other committees as it deems desirable. All committees shall perform such functions as the Board in its sole discretion determines is necessary.

Section 2. The Recreation Committee, if created by the Board of Directors, shall advise the Board on all matters pertaining to the recreational program and activities of the Association, and shall perform such other functions as the Board, in its discretion, determines necessary.

Section 3. The Maintenance Committee, if created by the Board of Directors, shall advise the Board on all matters pertaining to the maintenance, repair or improvement of the property of the Association, and shall perform such other functions as the Board, in its discretion, determines necessary.

Section 4. The Finance and Audit Committee, if created by the Board of Directors, shall supervise the annual audit of the Association's books and approve the annual budget and balance sheet statement to be presented to the Board of Directors at a regular Board of Directors meeting. The Treasurer shall be an ex officio member of the committee.

Section 5. The Service Area Committee, if created by the Board of Directors, shall represent the interests of the Parcel Owners and the Owners of Residential Units within a Service Area.

Section 6. It shall be the duty of each committee, if created, to receive complaints and suggestions from Members on any matter involving Association functions, duties, and activities within its field of responsibility. It shall dispose of such complaints and suggestions, as it deems appropriate or refer them to such other committee, Director or Officer of the Association as is further concerned with the matter presented.

ARTICLE X

MEETINGS OF MEMBERS

Section 1. The regular annual meeting of the Members shall be held on or before the last day of the fourth month after the fiscal year end of the Association, or as soon as practicable thereafter at a time to be set by the Board of Directors. If the day for the annual meeting of the Members shall fall upon a holiday, the meeting will be held at the same hour on the first day following which is not a holiday.

Section 2. Special meetings of the Members for any purpose may be called at any time by a majority of the members of the Board of Directors, or upon written request of the Members who have the right to vote ten percent (10%) of all of the votes of the entire membership. The business to be conducted at a special Members meeting shall be limited to the extent required by Florida Statutes.

Section 3. Notice of any meeting of Members shall be given to the Members by the Secretary. Notice may be given to the Member either personally, electronically transmitted or by sending a copy of the notice through the mail, postage prepaid, to his address appearing on the books of the Association. Each Member shall register his address with the Secretary, and notices of meetings shall be mailed by him to such address. In addition to mailing, delivering, or electronically transmitting the notice of any meeting, the Association may, by reasonable rule, adopt a procedure for conspicuously posting and repeatedly broadcasting the notice and the agenda on a closed-circuit cable television system serving the association. When broadcast notice is provided, the notice and agenda must be broadcast in a manner and for a sufficient continuous length of time so as to allow an average reader to observe the notice and read and comprehend the entire content of the notice and the agenda. Notice of any meeting, regular or special, shall be delivered or mailed at least seven (7) days in advance of the meeting (unless a different length of time is provided for elsewhere in these By-Laws, the Articles of Incorporation or the Declaration) and shall set forth in general the nature of the business to be transacted; provided, however, that if the business of any meeting shall involve an election governed by Article V hereof, or any action governed by the Articles of Incorporation or by the Declaration, notice of such meeting shall be given or sent as therein provided. The notice shall specify the place, day, and hour of the meeting and, in the case of a special Members meeting, the purpose of the meeting. Alternatively, and to the extent not prohibited by the Florida Statutes, the Board may adopt from time to time, other procedures for giving notice to the Members of the annual meeting or a special meeting.

Section 4. Except as set forth in Section 6.3(c)(ii) of the Declaration, the presence at the meeting of Members, or their proxies, entitled to cast thirty percent (30%) of the votes of the entire membership shall constitute a quorum for any action governed by these By-Laws. Any action governed by the Articles of Incorporation or by the Declaration, shall require a quorum as therein

provided. If however, a quorum shall not be present at the Members meeting, the meeting may be adjourned as provided in the Florida Statutes. In the absence of a provision in the Florida Statutes, the Members present shall have power to adjourn the meeting and reschedule it on another date.

ARTICLE XI

PROXIES

Section 1. At all meetings of Members, each Member may vote in person or by proxy except Members may not vote by proxy for elections to the Board of Directors.

Section 2. All proxies shall be in writing and filed with the Secretary. No proxy shall extend beyond a period of ninety (90) days after the date of the first meeting for which it was given, and every proxy shall automatically terminate upon sale by the Member of his Parcel.

Section 3. A Member shall not be entitled to appoint more than one (1) proxy to attend on the same occasion and an instrument of proxy shall be valid only for the occasion for which it is given and may be in the following form or any other form which the Board of Directors shall approve:

I, _____ being a member in good standing of Alton Property Owners Association, Inc. hereby appoint _____ as my proxy to vote for me and on my behalf at the meeting of Members to be held at _____ (location), on the _____ day of _____, _____ at _____ (time), and any adjournment(s) thereof.

Signed this _____ day of _____.

Signature of Member

_____, as shown on the Plat of _____.

ARTICLE XII

OBLIGATIONS OF THE ASSOCIATION

Section 1. The Association must maintain and make available, during reasonable business hours, to inspection by any Member, the books, records and papers of the Association.

Section 2. The Association must supervise all Officers, agents, and employees, and see to it that their duties are properly performed.

Section 3. The Association shall fix and collect the amount of the Assessments against, or due from Members. All assessments and installments thereof not paid when due shall be assessed a late charge as described in the Declaration, commencing from the due date, and costs of collection thereof, and may result in the suspension of a Member's right to use the Common Areas (without impairing the right of that Member to have vehicular and pedestrian ingress to and egress from its

Parcel) and, subject to applicable law, any other privileges of membership during any period of such nonpayment.

Section 4. The Association shall have powers including but not limited to:

- (a) Issuing, or causing an appropriate Officer or agent to issue, upon demand by any person, a certificate setting forth whether or not Assessments have been paid and any other amounts due to the Association. A reasonable charge may be made by the appropriate Officer or agent for the issuance of the certificate. If the certificate states that Assessments have been paid, such certificate shall, as against all parties other than the Owner, be conclusive evidence of such payment.
- (b) Procuring and maintaining adequate bonds, liability, hazard, property, and/or casualty insurance, as required.
- (c) Administering the reconstruction after the casualty of improvements on the Common Areas, as required.
- (d) Operating, maintaining, repairing, and replacing the Common Areas.
- (e) Enforcing the provisions of the Declaration, the Articles of Incorporation, these By-Laws, and the Rules and Regulations.

ARTICLE XIII **ENFORCEMENT OF THE PROVISIONS OF THE DECLARATION,** **BY-LAWS OR RULES OF THE ASSOCIATION**

Section 1. The Board may suspend, for a reasonable period of time, the right of a Member, or a Member's tenant, guest, or invitee, to use common areas and facilities for the failure of the Parcel Owner or Owner of a Residential Unit or its occupant, licensee, or invitee to comply with any provision of the Declaration, these By-Laws, or reasonable rules of the Association in accordance with Chapter 720, Florida Statutes.

Section 2. The Board shall have the power to levy Specific Assessments against a particular Parcel or Residential Unit or Units as follows: The Board may levy reasonable fines of up to \$100 per violation against any Parcel Owner or Owner of a Residential Unit's tenant, guest, or invitee for the failure of the Parcel Owner or Owner of a Residential Unit or its occupant, licensee, or invitee to comply with any provision of the Declaration, these By-Laws, or the Restrictions and Rules of the Association. A fine may be levied for each day of a continuing violation, with a single notice and opportunity for hearing, except that the fine may not exceed \$5,000 in the aggregate. A fine of less than \$1,000 may not become a lien against a Parcel or Residential Unit. In any action to recover a fine, the prevailing party is entitled to reasonable attorney fees and costs from the nonprevailing party as determined by the court.

Section 3. A fine or suspension may not be imposed without at least fourteen (14) days' notice to the Parcel Owner or Owner of a Residential Unit sought to be fined or suspended and an

opportunity for a hearing before a committee of at least three (3) Members appointed by the Board of Directors who are not Officers, Directors, or employees of the Association, or the spouse, parent, child, brother, or sister of an Officer, Director, or employee. If the committee, by majority vote, does not approve a proposed fine or suspension, it may not be imposed. If the Association imposes a fine or suspension, the Association must provide written notice of such fine or suspension by mail or hand delivery to the Owner and, if applicable, to any tenant, occupant, guest, licensee, or invitee of the Owner.

CORPORATE SEAL

The Association may adopt a seal, and if adopted, shall be in circular form having within its circumference the words:

Alton Property Owners Association, Inc.

AMENDMENTS

Section 1. Prior to and including the expiration of the Class "B" Control Period, Declarant shall have the right to amend these By-Laws as it deems appropriate, without the joinder or consent of any person or entity whatsoever. Declarant's right to amend under this provision is to be construed as broadly as possible. In the event that the Association shall desire to amend these By-Laws prior to and including the expiration of the Class "B" Control Period, the Association must first obtain Declarant's consent, which may be withheld in Declarant's sole and absolute discretion. Thereafter, an amendment identical to that approved by Declarant may be adopted by the Association pursuant to the requirements for amendments after the expiration of the Class "B" Control Period. Thereafter, Declarant shall join in such identical amendment so that its consent to the same will be reflected in the Public Records.

Section 2. These By-Laws may be amended, at any regular or special meeting of the Board of Directors at which there is a quorum, by a vote of a majority of the Directors present in person or by proxy, provided that those provisions of these By-Laws which are governed by the Articles of Incorporation of the Association may not be amended except as provided in the Articles of Incorporation or applicable law; and provided further that any matter stated herein to be or which is in fact governed by the Declaration may not be amended except as provided in said Declaration.

Section 3. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles of Incorporation shall control, and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control; and in the event of any conflict between the Articles of Incorporation and the Declaration, the Declaration shall control.

Section 4. Notwithstanding the foregoing, no amendment to these By-Laws shall be effective which prejudices or otherwise detrimentally affects any of the rights or privileges of Declarant, without Declarant's prior written consent.

ARTICLE XIV **MISCELLANEOUS**

Section 1. The first fiscal year shall begin on the date of incorporation and end December 31 of that year. Thereafter, the fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year.

Section 2. Whenever in these By-Laws the context so requires, the use of any gender shall be deemed to include all genders.

Section 3. Whenever these By-Laws refer to the Florida Statutes, it shall be deemed to refer to the Florida Statutes, as they exist on the date these By-Laws are recorded except to the extent provided otherwise as to any particular provision of the Florida Statutes.

Section 4. Invalidation of any of the provisions of these By-Laws by judgment or court order shall in no way affect any other provision, and the remainder of these By-Laws shall remain in full force and effect.

Section 5. Notwithstanding the foregoing, no amendment to these By-Laws shall be made which materially and adversely affects the Parcel Owners' rights under these By-Laws without the written approval of seventy-five (75%) of the Parcel Owners so affected.

EXHIBIT "D"

Formula for Determining Assessments and Voting Rights

Calculation for Assessments.¹

Generally- Plan of Development

For purposes of allocating Common Expenses and Service Area Expenses among Residential Units and Parcels, the computation for these areas shall be initially based on the assumption that all of the property shown on the Master Plan will ultimately be submitted to the Declaration as "Property" and that the Residential Units and Parcels will be developed in accordance with Declarant's intended plan of development for Alton which may be modified and amended from time to time (the "Plan of Development").

Initially, for Purposes of Determining Assessments and Voting Rights:

- The total net developable acreage intended to be developed within Alton is 411 acres.
- The total net developable residential acreage (Residential Parcels) intended to be developed within Alton is 284 acres.
- The total net developable non-residential acreage as identified on the Master Plan as Parcel A and Parcel B (collectively, for purposes of this Exhibit, the "Non-Residential Parcels") initially intended to be developed within Alton is 127 acres.
- The total number of Residential Units intended to be developed within Alton is 1400.

Calculation of Percentage Share Based Upon Land Use Classification

The calculation for determining the percentage share of any Common Expenses or Service Area Expenses to be assessed by the Association against a Residential Unit or Parcel subject to the particular assessment under Article VII of the Declaration shall be determined according to acreage percentages as follows:

- Residential Parcels shall collectively be initially responsible for 69% of the Common Expenses (284 residential acres divided by 411 total acres rounded to the nearest whole percentage).
- Non-Residential Parcels shall collectively be initially responsible for 31% of the Common Expenses (127 non-residential acres divided by 411 total acres rounded to the nearest whole percentage).

By way of example, on the date hereof assuming an annual budget of \$1,209,050.00, the allocation to (i) all of the Non-Residential Parcels combined would be \$1,209,050.00 multiplied times 31%, for a total of \$374,806.00 and (ii) all of the Residential Parcels combined would be \$1,209,050.00 multiplied times 69%, for a total of \$834,245.00.

Calculation of Percentage Share of Each Non-Residential Parcel

As to Non-Residential Parcels, the percentage share of the total non-residential assessments to be paid by each Non-Residential Parcel Owner shall be calculated based upon the number of acres actually owned by

¹ The FPL Parcel, the Apartment Parcel and the Retail Parcel are exempt from Base Assessments, Service Area Assessments and Special Assessments, but are subject to Specific Assessments as provided in Section 7.3.

such Parcel Owner (rounded up to the nearest acre) divided by the sum of the rounded acres allocated to the Non-Residential Parcels as set forth herein, as said numbers are modified from time to time to reflect the actual number of acres contained within a the Non-Residential Parcels as determined by the Declarant, in Declarant's sole discretion.

On the date of the Recording of this Declaration, Declarant has, based upon the current Plan of Development, determined the net developable acreage attributable to the Non-Residential Parcels. Thereafter, on October 1st of each year the net developable acreage attributable to the Non-Residential Parcels shall be updated based upon the actual net developable acreage attributed to each category as a result of any modification to the Plan of Development for Alton. Declarant shall have the absolute right, in Declarant's reasonable discretion, to adjust the foregoing formula by substituting a different number of net developable acres for any or all Non-Residential Parcels. A new allocation of the percentage share of any Common Expenses or Service Area Expenses to be assessed by the Association against a Non-Residential Parcel shall then be calculated based on the new acreages.

By way of example, if the share of assessments due from all Non-Residential Parcels is \$374,806.00, and the total net developable acreage in all Non-Residential Parcels is 127 acres, then the total assessment per acre attributable to Non-Residential Parcels is \$374,806.00 divided by 127, for a total of \$2,951.22 per acre. If a specific Non-Residential Parcel is comprised of 10 acres, then that Parcel's share of the assessments would be \$2,951.22 multiplied by 10, for a total of \$29,512.20.

Calculation of Percentage Share of Each Residential Parcel

As to Residential Parcels, the assessments to be paid by each Residential Parcel Owner shall be calculated based upon the number of proposed or actual Residential Units within the Residential Parcel owned by such Residential Parcel Owner, divided by the sum of the actual number of proposed or existing Residential Units, as shown on plats, replats and condominium governing documents, plus 95% of the number of units allocated to the remaining Residential Parcels anticipated in the Plan of Development or as determined by Declarant, as said numbers are modified from time to time to reflect the actual number of proposed or existing Residential Units contained within a Residential Parcel as shown on plats, replats or condominium governing documents, or as determined by Declarant, in Declarant's sole discretion. Notwithstanding the foregoing, until October 1, 2014, the initial assessment allocation shall be based on 95% of the Residential Units as anticipated in the Plan of Development (i.e. 95% of 1400 Units, or 1330 Units) and shall not be based on any actual filed plats, replats and governing condominium documents. On October 1st of each year, the assessment obligation of each Residential Parcel Owner shall be adjusted. The adjustment for the Residential Parcels shall be determined based upon the actual number of proposed or existing Residential Units, as shown on plats, replats and condominium governing documents, if applicable, together with 95% of the number of assumed units in the remaining Residential Parcels anticipated in the Plan of Development. Once a Residential Unit has been conveyed to a third party purchaser, the purchaser of that Residential Unit shall be responsible for the assessment attributable to that Residential Unit.

By way of example, if the share of assessments due from all Residential Parcels is \$834,245.00, and 95% of the total number of Residential Units shown on the Master Plan is 1330 Residential Units, then the total assessment for each Residential Unit within a Residential Parcel would be \$834,245.00 divided by 1330, for a total of \$627.25 for each Residential Unit. If the number of Residential Units attributable to a specific Residential Parcel is 100 Residential Units, then that Residential Parcel's share of the assessments would be \$627.25 multiplied by 100, for a total of \$62,700.25.

By way of example, if the Plan of Development estimates 1400 Residential Units within the Residential Parcels, and as a result of a re-plat of a Residential Parcel, there are 100 actual platted lots (with one

Residential Unit assumed to be built on each platted lot) within that particular Residential Parcel, then the assessment attributable to each proposed or existing Residential Unit within the Residential Parcels shall be calculated as follows: 1300 unplatted lots multiplied times 95%, for a total of 1,235 lots plus 100 actual platted lots for a total of 1,335 total Residential Units. If the share of assessments due from all Residential Parcels is \$834,245.00, then the total assessment for each Residential Unit within a Residential Parcel would be \$834,245.00 divided by 1335, for a total of \$624.90 for each Residential Unit.

Voting Allocation. For purposes of allocating votes in the Association among Members, each Member shall be assigned a number of votes as set forth in the Table below.²

Member	Number of Votes
Additional Association	1.0 vote per acre of land comprising the Parcel*
Residential Parcel	2.0 votes per acre of land comprising the Parcel*
Nonresidential Parcel	2.0 votes per acre of land comprising the Parcel*
County Parcel	2.0 votes per acre of land comprising the Parcel *
Office Parcel	2.0 votes per acre of land comprising the Parcel *
Industrial/R&D/Biotech Parcel	2.0 votes per acre of land comprising the Parcel *
Hotel Parcel	2.0 votes per acre of land comprising the Parcel *

*(rounded to the nearest full acre)

² The FPL Parcel, the Apartment Parcel and the Retail Parcel do not have voting rights.

EXHIBIT "E"

Initial Community Restrictions

The following restrictions shall apply to all of Alton until such time as they are amended, modified, repealed or limited pursuant to Article III of the Declaration.

Restricted Activities. The following activities are prohibited within Alton unless expressly authorized by, and then subject to such conditions as may be imposed by, the Board of Directors:

- a. Any activity which tends to cause an unclean, unhealthy or unsafe condition to exist on the Parcels or Residential Units;
- b. Any activity which emits foul or obnoxious odors, fumes, dust, smoke, or pollution on the Parcels or Residential Units or which creates noise, unreasonable risk of fire or explosion, or other conditions which are a nuisance provided, nothing herein shall preclude normal and customary operation of any restaurant;
- c. Any activity which violates local, state or federal laws or regulations;
- d. Outside burning of trash, leaves, debris or other materials;
- e. Outdoor storage of goods, materials, or equipment, except that (1) outdoor storage of building materials shall be permitted during construction on the Parcels or Residential Units on which such materials are being stored and the foregoing outdoor storage shall be permitted on Parcels other than Residential Parcels in accordance with the requirements of the City; and (2) outdoor retail displays shall be permitted; and (3) and outdoor dining facilities shall be permitted;
- f. Fishing, swimming, boating, use of personal flotation devices, or other active use of lakes, ponds, streams or other bodies of water within Alton. Neither Declarant nor the Association shall be responsible for any loss, damage, or injury to any person or property arising out of the authorized or unauthorized use of lakes, ponds, streams or other bodies of water within Alton;
- g. Any activity which would constitute a public or private nuisance;
- h. Use or discharge of any radio, loudspeaker, horn, whistle, bell, or other sound device so as to be audible to occupants of other Parcels or Residential Units, except alarm devices used exclusively for security purposes;
- i. Use and discharge of firecrackers and other fireworks;
- j. Dumping grass clippings, leaves or other debris, petroleum products, fertilizers, or other potentially hazardous or toxic substances in any storm sewer, drainage ditch, or other component of the storm drainage system serving Alton, any stream, pond, or lake, or elsewhere within Alton, except that fertilizers may be applied to landscaping on Parcels and Residential Units provided care is taken to minimize runoff, and Declarant and Builders may dump and bury rocks and trees removed from a building site on such building site;
- k. Subdivision of a Residential Unit into two or more Residential Units, or changing the boundary lines of any Residential Unit after a subdivision plat including such Residential Unit has been

approved and Recorded, except that Declarant shall be permitted to subdivide or replat Residential Units which it owns;

l. Use of any Residential Unit for operation of a timesharing, fraction-sharing, or similar program whereby the right to exclusive use of the Residential Unit rotates among participants in the program on a fixed or floating time schedule over a period of years;

m. Discharge of firearms; provided, the Board shall have no obligation to take action to prevent or stop such discharge;

n. On-site storage of gasoline, heating, or other fuels on Residential Units, except that a reasonable amount of propane gas and other fuel may be stored on each Residential Unit for emergency purposes and operation of gas cooking grills, lawn mowers and similar tools or equipment, and the Association shall be permitted to store fuel for operation of maintenance vehicles, generators, and similar equipment. This provision shall not apply to any underground fuel tank authorized pursuant to Article IV;

o. Use of any Residential Unit for a business, trade, garage sale, moving sale, rummage sale, or similar activity, except that an Owner or occupant residing in a Residential Unit may conduct business activities within the Residential Unit so long as: (i) the existence or operation of the business activity is not apparent or detectable by sight, sound, or smell from outside the Residential Unit; (ii) the business activity conforms to all applicable zoning requirements; (iii) the business activity does not involve door-to-door solicitation of residents of Alton; (iv) the business activity does not, in the Board's reasonable judgment, generate a level of vehicular or pedestrian traffic or a number of vehicles being parked in Alton which is noticeably greater than that which is typical of Residential Units in which no business activity is being conducted; and (v) the business activity is consistent with the residential character of Alton and does not constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety of other residents of Alton, as may be determined in the sole discretion of the Board.

The terms "business" and "trade," as used in this provision, shall be construed to have their ordinary, generally accepted meanings and shall include, without limitation, any occupation, work, or activity undertaken on an ongoing basis which involves the provision of goods or services to persons other than the provider's family and for which the provider receives a fee, compensation, or other form of consideration, regardless of whether: (i) such activity is engaged in full or part-time, (ii) such activity is intended to or does generate a profit, or (iii) a license is required.

Leasing of a Residential Unit shall not be considered a business or trade within the meaning of this subsection. This subsection shall not apply to any activity conducted by Declarant or a Builder approved by Declarant with respect to its development and sale of Alton or its use of any Residential Unit which it or any Declarant Affiliate owns within Alton;

p. Capturing, trapping or killing of wildlife within Alton, except in circumstances posing an imminent threat to the safety of persons using Alton;

q. Any activities which materially disturb or destroy the vegetation, wildlife, wetlands, or air quality within Alton or which use excessive amounts of water or which result in unreasonable levels of sound or light pollution;

r. With respect to Residential Units, overnight or regular parking of commercial vehicles or equipment, motor homes, recreational vehicles, golf carts, boats and other watercraft, trailers, stored vehicles or inoperable vehicles in places other than enclosed garages or such other areas, if any, as the Board may designate within the Common Area;

s. Operation of motorized vehicles, with the exception of motorized wheelchairs and other vehicles used to assist handicapped individuals, on pathways or trails owned, controlled or maintained by the Association.

2. Prohibited Uses. In addition to uses which are inconsistent with applicable zoning or are prohibited or restricted by other recorded covenants, conditions, restrictions or easements, the following uses are prohibited within Alton:

- a. trailer courts, mobile home parks, and recreation vehicle campgrounds;
- b. oil, gas or mineral exploration; drilling, boring, excavation, development, refining, quarrying, or mining operations, and all construction and equipment incident thereto; and oil or gas wells or related equipment or facilities, except that nothing herein shall preclude the operation of automobile service stations or water wells, to the extent permitted under any applicable Laws;
- c. junk yards, scrap metal yards, automobile used parts and/or dismantling operations and sanitary landfills, except that nothing herein shall preclude recycling centers established solely for the collection and sorting of household recyclable materials provided that the same are not unsightly;
- d. commercial excavation of building or construction materials, except in the usual course of construction of improvements;
- e. dumping, storage, disposal, incineration, treatment, processing or reduction of garbage, or refuse of any nature, except as is incidental to the use, operation and ownership of any property (or a portion thereof) in accordance with this Declaration and in a manner which is not unsightly and does not result in noxious odors emitting from the subject property;
- f. lumberyards, sawmills, or outdoor storage of building or construction materials (except in the usual course of construction on the site here stored);
- g. flea markets, and ongoing fire and bankruptcy sale operations;
- h. truck terminals and truck stop-type facilities (specifically excluding loading docks and similar facilities incidental to the use, operation and ownership of any property or a portion thereof in accordance with this Declaration);
- i. massage parlors, and any establishment which offers entertainment or service which includes nude or partially dressed male or female persons;
- j. any industrial use (except within the County Parcel); and
- k. "adult entertainment uses," which terms shall mean, for the purposes of this Declaration, any theater or other establishment which shows, previews, or prominently displays, advertises, or conspicuously promotes for sale or rental: (i) movies, films, videos, magazines, books, or other medium (whether now or hereafter developed) which is rated "X" by the movie production industry (or any successor rating established by the movie production industry) or is otherwise of a pornographic or obscene nature; or (ii) sexually explicit games, toys, devices, or similar merchandise.

3. Prohibited Conditions. The following shall be prohibited at Alton:

a. Plants, animals, devices or other things of any sort whose activities or existence in any way is noxious, dangerous, unsightly, unpleasant, or of a nature as may diminish or destroy the enjoyment of Alton;

b. Structures, equipment or other items on the exterior portions of a Parcel or Residential Unit which have become rusty, dilapidated or otherwise fallen into disrepair; and

c. Sprinkler or irrigation systems or wells of any type which draw upon water from lakes, creeks, streams, rivers, ponds, wetlands, canals, or other ground or surface waters within Alton, except (i) with the approval of NPBCID and SFWMD, as applicable and (ii) after the Owner seeking to install such irrigation system applies for and obtains all required permits. Any Owner who installs such irrigation system shall be solely responsible for compliance with any and all permits required in connection therewith.

EXHIBIT "F"

Master Plan

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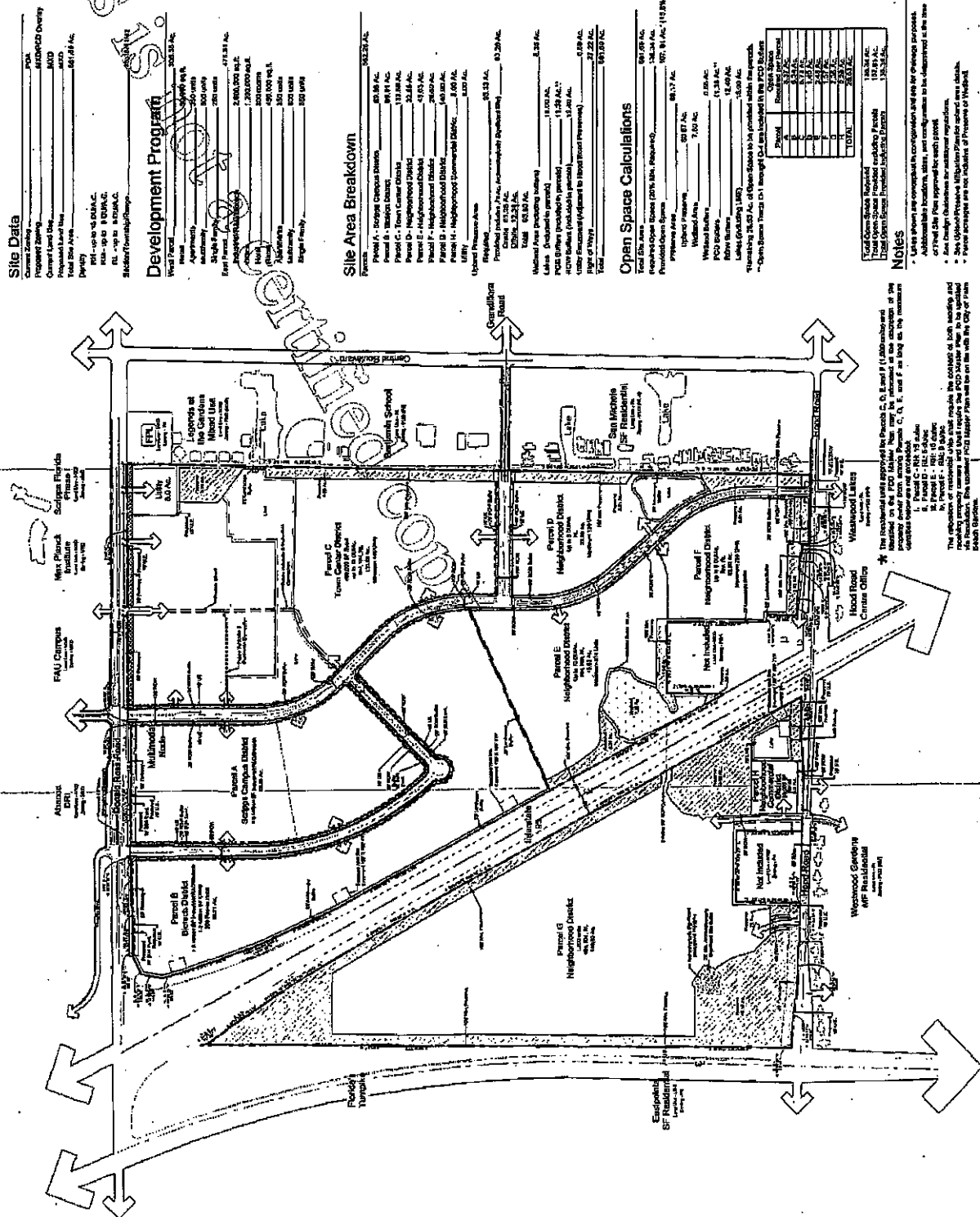


EXHIBIT "G"

SFWMD Conceptual Permit

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EXHIBIT G



SOUTH FLORIDA WATER MANAGEMENT DISTRICT
ENVIRONMENTAL RESOURCE
PERMIT MODIFICATION NO. 50-00610-S-24
DATE ISSUED: MAY 4, 2010

PERMITTEE: THE DAVID MINKIN FLORIDA REALTY TRUST
RICHARD AND ROBERT THALL
PETER LAND PAUL H BRIGER
THE LESTER FAMILY INVESTMENTS L P
PALM BEACH COUNTY
(SCRIPPS FLORIDA PHASE I I / BRIGER)

See attached
for address

ORIGINAL PERMIT ISSUED: JANUARY 19, 1978

ORIGINAL PROJECT DESCRIPTION: ORIGINAL PERMIT ISSUED AS CONCEPTUAL APPROVAL

APPROVED MODIFICATION: CONCEPTUAL AUTHORIZATION FOR A SWM SYSTEM TO SERVE 681.69 ACRES OF MIXED
USE DEVELOPMENT, 183.92 ACRES OF OFF-SITE WETLAND MITIGATION AT THE PALM
BEACH COUNTY PINE GLADES NATURAL AREA AND ADDITIONAL OFF-SITE MITIGATION AT
THE LOXAHATCHEE MITIGATION BANK, KNOWN AS SCRIPPS FLORIDA PHASE
I / BRIGER. (NO CONSTRUCTION IS AUTHORIZED BY THIS PERMIT.)

PROJECT LOCATION: PALM BEACH COUNTY, SECTION 5 TWP 41S RGE 41E
SECTION 26,35 TWP 41S RGE 42E

PERMIT DURATION: See Special Condition No. 1, See attached Rule 40E-4.321, Florida Administrative Code.

This is to notify you of the District's agency action concerning Permit Application No. 09D427-7, dated March 9, 2009. This action is taken pursuant to the provisions of Chapter 373, Part IV, Florida Statutes (F.S.), and the Operation Agreement Concerning Regulation Under Part IV, Chapter 373 F.S., between South Florida Water Management District and the Department of Environmental Protection.

Based on the information provided, District rules have been adhered to and an Environmental Resource Permit Modification is in effect for this project subject to:

1. Not receiving a filed request for an administrative hearing pursuant to Section 120.5 and Section 120.569, or request a judicial review pursuant Section 120.68, Florida Statutes.
2. The attached 19 General Conditions.
3. The attached 31 Special Conditions.
4. The attached 6 Exhibits.

Should you object to these conditions, please refer to the attached "Notice of Rights" which addresses the procedures to be followed if you desire a public hearing or other review of the proposed agency action. Should you wish to object to the proposed agency action or file a petition, please provide written objections, petitions and/or waivers to:

Elizabeth Veguilla, Deputy Clerk, MSC2440
South Florida Water Management District
Post Office Box 24680
West Palm Beach, FL 33416-4680

Please contact this office if you have any questions concerning this matter. If we do not hear from you in accordance with the "Notice of Rights", we will assume that you concur with the District's action.

CERTIFICATION OF SERVICE

I HEREBY CERTIFY that the Staff Report, Addendum, Conditions and Notice of Rights have been mailed to the Permittee (and the persons listed on the attached staff report distribution list) no later than 5:00 p.m. on this 6th day of May, 2010, in accordance with Section 120.60(3), Florida Statutes, and a copy has been filed and acknowledged with the Deputy District Clerk.

ORIGINAL SIGNED BY
By ELIZABETH VEGUILLA
DEPUTY CLERK
SOUTH FLORIDA WATER MANAGEMENT DISTRICT

Attachments

CERTIFIED MAIL# 70050390000598198343

PAGE 1 OF 8

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PERMIT NO: 50-00610-S-24
APPL NO: 090427-7

THE DAVID MINKIN FLORIDA REALTY TRUST
(SCRIPPS FLORIDA PHASE II / BRIGER)
C/O HOWARD LESTER, 44 COCOANUT ROW
PALM BEACH, FL 33480

RICHARD AND ROBERT THALL
(SCRIPPS FLORIDA PHASE II / BRIGER)
C/O HOWARD LESTER, 44 COCOANUT ROW
PALM BEACH, FL 33480

PETER L AND PAUL H BRIGER
(SCRIPPS FLORIDA PHASE II / BRIGER)
C/O HOWARD LESTER, 44 COCOANUT ROW
PALM BEACH, FL 33480

THE LESTER FAMILY INVESTMENTS LP
(SCRIPPS FLORIDA PHASE II / BRIGER)
C/O HOWARD LESTER, 44 COCOANUT ROW
PALM BEACH, FL 33480

PALM BEACH COUNTY
(SCRIPPS FLORIDA PHASE II / BRIGER)
C/O SHANNON LAROCQUE-BASS, 301 N OLIVE AVENUE, 11TH FLOOR
WEST PALM BEACH, FL 33401

SPECIAL CONDITIONS

1. The conceptual phase of this permit shall expire on May 4, 2012.
2. Northern Palm Beach County Improvement District (NPBCID) will operate and maintain the primary and secondary surface water management system, unless the Property Owners Association (POA) contracts with NPBCID for the POA to maintain the surface water management system and such other NPBCID facilities.

A master POA will be responsible for the 7.50 acre on-site wetland enhancement and 1.72 acres buffer areas (a total of 9.22 acres) in accordance with specific language in the draft POA Declaration of Covenants, Conditions, and Restrictions document included as Exhibit 3.4.

Palm Beach County is the responsible entity for the perpetual maintenance and management of the 193.92 acre off-site wetland mitigation area at the Pine Glades Natural Area as part of the County's overall Pine Glades Natural Area Management Plan.

3. Discharge Facilities:

Basin: A1

1-33' W X 2.15' H RECTANGULAR ORIFICE weir with crest at elev. 15.5' NGVD 29.
 1-1.58' W X 1.58' H TRIANGULAR ORIFICE with invert at elev. 13' NGVD 29.
 1-4.5' W X 3' L drop inlet with crest at elev. 17.65' NGVD 29.

Receiving body: Unit 2 Master System
 Control elev.: 13 feet NGVD 29.

Basin: B1-W

1-2.5' W X 2.2' H RECTANGULAR NOTCH weir with crest at elev. 15.5' NGVD 29.
 1-1.33' W X 1.33' H TRIANGULAR ORIFICE with invert at elev. 13.5' NGVD 29.
 1-4.5' W X 3' L drop inlet with crest at elev. 17.7' NGVD 29.

Receiving body: Wetland W1
 Control elev.: 13.5 feet NGVD 29.

Basin: B1-E

1-3.17' W X 1.75' H RECTANGULAR NOTCH weir with crest at elev. 15.5' NGVD 29.
 1-1.83' W X 1.83' H TRIANGULAR ORIFICE with invert at elev. 13' NGVD 29.
 1-4.5' W X 3' L drop inlet with crest at elev. 17.25' NGVD 29.

Receiving body: Unit 2 Master System
 Control elev.: 13 feet NGVD 29.

4. The permittee shall be responsible for the correction of any erosion, shoaling or water quality problems that result from the construction or operation of the surface water management system.
5. Measures shall be taken during construction to insure that sedimentation and/or turbidity violations do not occur in the receiving water.
6. The District reserves the right to require that additional water quality treatment methods be incorporated into the drainage system if such measures are shown to be necessary.
7. Lake side slopes shall be no steeper than 4:1 (horizontal:vertical) to a depth of two feet below the control elevation.

Side slopes shall be nurtured or planted from 2 feet below to 1 foot above control elevation to insure vegetative growth, unless shown on the plans.

8. Facilities other than those stated herein shall not be constructed without an approved modification of this permit.
9. A stable, permanent and accessible elevation reference shall be established on or within one hundred (100) feet of all permitted discharge structures no later than the submission of the certification report. The location of the elevation reference must be noted on or with the certification report.
10. The permittee shall provide routine maintenance of all of the components of the surface water management system in order to remove all trapped sediments/debris. All materials shall be properly disposed of as required by law. Failure to properly maintain the system may result in adverse flooding conditions.
11. This permit is issued based on the applicant's submitted information which reasonably demonstrates that adverse water resource related impacts will not be caused by the completed permit activity. Should any adverse impacts caused by the completed surface water management system occur, the District will require the permittee to provide appropriate mitigation to the District or other impacted party. The District will require the permittee to modify the surface water management system, if necessary, to eliminate the cause of the adverse impacts.
12. The permittee acknowledges that, pursuant to Rule 40E-4.101(2), F.A.C., a notice of Environmental Resource or Surface Water Management Permit may be recorded in the county public records. Pursuant to the specific language of the rule, this notice shall not be considered an encumbrance upon the property.
13. If prehistoric or historic artifacts, such as pottery or ceramics, stone tools or metal implements, dugout canoes, or any other physical remains that could be associated with Native American cultures, or early colonial or American settlement are encountered at any time within the project site area, the permitted project should cease all activities involving subsurface disturbance in the immediate vicinity of such discoveries. The permittee, or other designee, should contact the Florida Department of State, Division of Historical Resources, Review and Compliance Section at (850) 245-6333 or (800) 847-7278, as well as the appropriate permitting agency office. Project activities should not resume without verbal and/or written authorization from the Division of Historical Resources. In the event that unmarked human remains are encountered during permitted activities, all work shall stop immediately and the proper authorities notified in accordance with Section 872.05, Florida Statutes.
14. Minimum building floor elevation: BASIN: A1 - 18.50 feet NGVD 29.
BASIN: B1-W - 18.80 feet NGVD 29.
BASIN: B1-E - 18.40 feet NGVD 29.
15. Minimum road crown elevation: Basin: A1 - 16.40 feet NGVD 29.
Basin: B1-W - 16.70 feet NGVD 29.
Basin: B1-E - 16.20 feet NGVD 29.
16. Minimum parking lot elevation: Basin: A1 - 16.40 feet NGVD 29.
Basin: B1-W - 16.70 feet NGVD 29.
Basin: B1-E - 16.20 feet NGVD 29.
17. Commercial or industrial zoned projects shall provide at least one half inch of dry detention or retention pretreatment as part of the required retention/detention, unless reasonable assurances are provided that hazardous materials will not enter the project's surface water management system. Such assurances may include deed restrictions on property planned for resale, type of occupancy, recorded lease agreements, local government restrictive codes, ordinances, licenses, and engineered containment systems designed in accordance with the District's Basis of Review Section 5.2.2(a). Pre-treatment requirements shall be determined on a case by case basis for the commercial areas at the time of application for construction authorization based on their proposed uses.
18. If future applications for project construction and operation include modifications to the conceptual site plan authorized

under this conceptual authorization which may adversely impact Briger Site 8PB13953, the permittees will coordinate with the State of Florida Department of Historical Resources.

19. At the time of application for construction approval, the permittee shall submit a copy of the draft conservation easement which dedicates the 9.22 acre on-site wetland enhancement and upland buffer areas as conservation and common areas in accordance with Exhibit 3.3.

The recorded conservation easement shall be submitted to the District within a designated timeframe identified in a future permit for construction and operation authorization.
20. At the time of application for construction, the permittee shall provide information that adequately addresses the financial assurance requirements described in Section 4.3 of the Basis of Review for Environmental Resource Permit applications for the 9.22 acre on-site wetland enhancement and buffer areas and the 193.92 acre off-site mitigation at the Pine Glades Natural Area.
21. Any future proposed work located within the 9.22 acre on-site conservation easement area shall require a modification to this permit and will be subject to evaluation of wetland impacts and potential mitigation requirements in accordance with the environmental criteria in effect at the time of the application for any such proposed work.
22. Prior to any future construction, the permittee shall apply for and receive a permit modification. As part of the permit application, the applicant for that phase shall provide documentation verifying that the proposed construction is consistent with the design of the master surface water management system, including the land use and site grading assumptions.
23. All surface water management and environmental conditions and exhibits of permit number 50-00610-S included in the previous permit for adjacent developments are still in effect and hereby incorporated within this permit modification by reference unless specifically revised in this modification.
24. At the time of application for construction approval, the permittee shall stake and rope the on-site 7.50 acre wetlands and associated 1.72 acre upland buffer zones which are proposed to be enhanced and preserved under a conservation easement. The staking and roping shall be subject to the approval of the District Environmental Resource Compliance staff. The permittee shall modify the staking and roping if the District staff determines it does not accurately reflect the limits of the wetlands and/or upland buffers. Staking and roping shall remain in place until all adjacent construction activities are complete.
25. Upon submittal of an application for construction, the permittee shall submit a work schedule subject to District staff review and approval, specifying completion dates for each mitigation, monitoring and maintenance task for both the 9.22 acre on-site wetland mitigation area and the 193.92 acre off-site wetland mitigation area at the Pine Glades Natural Area.
26. The permittee shall perform the 193.92 acre off-site wetland mitigation at the Pine Glades Natural Area prior to or concurrently with any future application for project construction and operation authorization.
27. For future applications for project construction and operation, the permittees shall obtain Water Use Permits for any proposed irrigation withdrawals or construction dewatering activities, unless the work is exempt pursuant to Chapter 40E-2.051 F.A.C.
28. Prior to commencement of construction and in accordance with Exhibit 3.2, page 8, and the work schedule in Exhibit 5, the permittee shall submit documentation from the Florida Department of Environmental Protection that 13.70 freshwater herbaceous credits have been deducted from the ledger for the Loxahatchee Mitigation Bank.
29. The permittee shall adhere to the provisions in Exhibit 6, Standard Protection Measures for the Eastern Indigo Snake.
30. No later than September 1, 2010, the permittee shall install a continuous data logger within the area designated as W2

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on Exhibit 2 (page 2 of 4) to automatically record surface water and ground water levels within the wetland. The well for the data logger shall be installed to a depth adequate to ensure that the well does not go dry during the dry season. Data shall be collected and submitted at the time of application for the first construction phase of the development as well as in subsequent required monitoring reports.

31. At the time of application for construction, the permittee shall submit a Hazardous Waste Management Plan. In addition, the permittee shall obtain any necessary permits from the Florida Department of Environmental Protection for treating, storing, or disposing of hazardous waste.

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GENERAL CONDITIONS

1. All activities authorized by this permit shall be implemented as set forth in the plans, specifications and performance criteria as approved by this permit. Any deviation from the permitted activity and the conditions for undertaking that activity shall constitute a violation of this permit and Part IV, Chapter 373, F.S.
2. This permit or a copy thereof, complete with all conditions, attachments, exhibits, and modifications shall be kept at the work site of the permitted activity. The complete permit shall be available for review at the work site upon request by District staff. The permittee shall require the contractor to review the complete permit prior to commencement of the activity authorized by this permit.
3. Activities approved by this permit shall be conducted in a manner which does not cause violations of State water quality standards. The permittee shall implement best management practices for erosion and pollution control to prevent violation of State water quality standards. Temporary erosion control shall be implemented prior to and during construction, and permanent control measures shall be completed within 7 days of any construction activity. Turbidity barriers shall be installed and maintained at all locations where the possibility of transferring suspended solids into the receiving waterbody exists due to the permitted work. Turbidity barriers shall remain in place at all locations until construction is completed and soils are stabilized and vegetation has been established. All practices shall be in accordance with the guidelines and specifications described in Chapter 6 of the Florida Land Development Manual; A Guide to Sound Land and Water Management (Department of Environmental Regulation, 1988), incorporated by reference in Rule 40E-4.091, F.A.C. unless a project-specific erosion and sediment control plan is approved as part of the permit. Thereafter the permittee shall be responsible for the removal of the barriers. The permittee shall correct any erosion or shoaling that causes adverse impacts to the water resources.
4. The permittee shall notify the District of the anticipated construction start date within 30 days of the date that this permit is issued. At least 48 hours prior to commencement of activity authorized by this permit, the permittee shall submit to the District an Environmental Resource Permit Construction Commencement Notice Form Number 0960 indicating the actual start date and the expected construction completion date.
5. When the duration of construction will exceed one year, the permittee shall submit construction status reports to the District on an annual basis utilizing an annual status report form. Status report forms shall be submitted the following June of each year.
6. Within 30 days after completion of construction of the permitted activity, the permittee shall submit a written statement of completion and certification by a professional engineer or other individual authorized by law, utilizing the supplied Environmental Resource/Surface Water Management Permit Construction Completion/Certification Form Number 0881A, or Environmental Resource/Surface Water Management Permit Construction Completion Certification - For Projects Permitted prior to October 3, 1995 Form No. 0881B, incorporated by reference in Rule 40E-1.659, F.A.C. The statement of completion and certification shall be based on onsite observation of construction or review of as-built drawings for the purpose of determining if the work was completed in compliance with permitted plans and specifications. This submittal shall serve to notify the District that the system is ready for inspection. Additionally, if deviation from the approved drawings are discovered during the certification process, the certification must be accompanied by a copy of the approved permit drawings with deviations noted. Both the original and revised specifications must be clearly shown. The plans must be clearly labeled as "as-built" or "record" drawings. All surveyed dimensions and elevations shall be certified by a registered surveyor.
7. The operation phase of this permit shall not become effective until the permittee has complied with the requirements of condition (6) above, and submitted a request for conversion of Environmental Resource Permit from Construction Phase to Operation Phase, Form No. 0920; the District determines the system to be in compliance with the permitted plans and specifications; and the entity approved by the District in accordance with Sections 9.0 and 10.0 of the Basis of Review for Environmental Resource Permit Applications within the South Florida Water Management District, accepts responsibility for operation and maintenance of the system. The permit shall not be transferred to such approved operation and maintenance entity until the operation phase of the permit becomes effective. Following inspection and approval of the permitted system by the District, the permittee shall initiate transfer of the permit to the approved.

responsible operating entity if different from the permittee. Until the permit is transferred pursuant to Section 40E-1.6107 F.A.C., the permittee shall be liable for compliance with the terms of the permit.

8. Each phase or independent portion of the permitted system must be completed in accordance with the permitted plans and permit conditions prior to the initiation of the permitted use of site infrastructure located within the area served by that portion or phase of the system. Each phase or independent portion of the system must be completed in accordance with the permitted plans and permit conditions prior to transfer of responsibility for operation and maintenance of the phase or portion of the system to a local government or other responsible entity.
9. For those systems that will be operated or maintained by an entity that will require an easement or deed restriction in order to enable that entity to operate or maintain the system in conformance with this permit, such easement or deed restriction must be recorded in the public records and submitted to the District along with any other final operation and maintenance documents required by Sections 9.0 and 10.0 of the Basis of Review for Environmental Resource Permit applications within the South Florida Water Management District, prior to lot or units sales or prior to the completion of the system, whichever comes first. Other documents concerning the establishment and authority of the operating entity must be filed with the Secretary of State, county or municipal entities. Final operation and maintenance documents must be received by the District when maintenance and operation of the system is accepted by the local government entity. Failure to submit the appropriate final documents will result in the permittee remaining liable for carrying out maintenance and operation of the permitted system and any other permit conditions.
10. Should any other regulatory agency require changes to the permitted system, the permittee shall notify the District in writing of the changes prior to implementation so that a determination can be made whether a permit modification is required.
11. This permit does not eliminate the necessity to obtain any required federal, state, local and special district authorizations prior to the start of any activity approved by this permit. This permit does not convey to the permittee or create in the permittee any property right, or any interest in real property, nor does it authorize any entrance upon or activities on property which is not owned or controlled by the permittee, or convey any rights or privileges other than those specified in the permit and Chapter 40E-4 or Chapter 40E-40, F.A.C..
12. The permittee is hereby advised that Section 253.77, F.S. states that a person may not commence any excavation, construction, or other activity involving the use of sovereign or other lands of the State, the title to which is vested in the Board of Trustees of the Internal Improvement Trust Fund without obtaining the required lease, license, easement, or other form of consent authorizing the proposed use. Therefore, the permittee is responsible for obtaining any necessary authorizations from the Board of Trustees prior to commencing activity on sovereignty lands or other state-owned lands.
13. The permittee must obtain a Water Use permit prior to construction dewatering, unless the work qualifies for a general permit pursuant to Subsection 40E-20.302(3), F.A.C., also known as the "No Notice" Rule.
14. The permittee shall hold and save the District harmless from any and all damages, claims, or liabilities which may arise by reason of the construction, alteration, operation, maintenance, removal, abandonment or use of any system authorized by the permit.
15. Any delineation of the extent of a wetland or other surface water submitted as part of the permit application, including plans or other supporting documentation, shall not be considered binding, unless a specific condition of this permit or a formal determination under Section 373.421(2), F.S., provides otherwise.
16. The permittee shall notify the District in writing within 30 days of any sale, conveyance, or other transfer of ownership or control of a permitted system or the real property on which the permitted system is located. All transfers of ownership or transfers of a permit are subject to the requirements of Rules 40E-1.6105 and 40E-1.6107, F.A.C.. The permittee transferring the permit shall remain liable for corrective actions that may be required as a result of any violations prior to the sale, conveyance or other transfer of the system.
17. Upon reasonable notice to the permittee, District authorized staff with proper identification shall have permission to enter, inspect, sample and test the system to insure conformity with the plans and specifications approved by the permit.

18. If historical or archaeological artifacts are discovered at any time on the project site, the permittee shall immediately notify the appropriate District service center.
19. The permittee shall immediately notify the District in writing of any previously submitted information that is later discovered to be inaccurate.

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SOUTH FLORIDA WATER MANAGEMENT DISTRICT

Application No. 111213-8
Regulation Division

December 16, 2011

Mr. Frederick Roth, Jr., P.E., Senior Vice President
Michael B. Schorah & Associates, Inc.
1850 Forest Hill Boulevard, Suite 206
West Palm Beach, Florida 33406

RE: **Scripps Florida Phase II / Briger**
Environmental Resource Permit No. 50-00610-S-24
Palm Beach County

Dear Mr. Roth:

The District is in receipt of your notice to use the provisions of Section 79 of Chapter 2011-139 Laws of Florida (HB 7207) to extend the duration of the above Environmental Resource Permit under Part IV of Chapter 373, Florida Statute. Pursuant to those provisions, the expiration date of the permit is changed as follows:

Previous Extension Expiration Date (Application No. 090427-7): May 4, 2012

New Expiration Date (Application No. 111213-8): May 4, 2014

All dates contained in the terms and conditions of the permit pertaining to deadlines, such as for commencing or completing construction, completing any mitigation, and submitting reports for the activity authorized by the permit are modified in recognition of, and relative to, the new expiration date. You are advised that the legislation requires that, "The commencement and completion dates for any required mitigation associated with a phased construction project [is] extended such that the mitigation takes place in the same timeframe relative to the phase as originally permitted."

In accordance with the legislation, the permitted activity will continue to be governed by the rules in effect at the time the permit was issued. However, any future request to modify the permit, except where the modification lessens the environmental impact, will be governed by the rules in effect at the time of the modification.

This extension does not:

1. Otherwise change any other terms or conditions of the permit.
2. Affect the expiration date of any associated state-owned submerged lands lease or easement that was executed for the activities authorized in the permit. It also does not change any terms or conditions contained in the lease or easement, such as deadlines for submittal of any required lease fees.
3. Affect the water quality certification determination under Section 401, Public Law 92-500, 33 U.S.C. Section 1341 made as part of the permit.

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4. Affect the coastal zone consistency concurrence determination made under Florida's Coastal Zone Management Program in Section 307 of the Coastal Zone Management Act and 15 CFR 930, Subpart D originally contained in the permit.
5. Affect the expiration date of any state, federal, or local permit, license, or authorization related to this permit, specifically including any federal permit under Section 404 of the Clean Water Act or Section 10 of the Rivers and Harbors Act of 1899.

If you have any questions, please call Mark Daron at 407-858-6100 ext. 3805.

Sincerely,



Anita R. Bain, Chief
Environmental Resource Permitting Bureau
South Florida Water Management District

c: U.S. Army Corps of Engineers



SOUTH FLORIDA WATER MANAGEMENT DISTRICT

February 3, 2012

Application No. 120130-22
Regulation Division

Mr. Frederick Roth, Jr., P.E., Vice President
Michael B. Schorah & Associates, Inc.
1850 Forest Hill Boulevard, Suite 206
West Palm Beach, Florida 33406

**RE: Scripps Florida Phase II / Briger
Environmental Resource Permit No. 50-00610-S-24
Palm Beach County**

Dear Mr. Roth:

The District is in receipt of your notice to use the provisions of Section 252.363, Florida Statute (FS) (SB 2156) to extend the duration of the above Environmental Resource Permit (ERP) under Part IV of Chapter 373, FS. Pursuant to those provisions, the expiration date of the permit is changed as follows:

Previous Expiration Date: May 4, 2014 (ERP App. No. 111213-8)

New Expiration Date: March 26, 2015

All dates contained in the terms and conditions of the permit pertaining to deadlines, such as for commencing or completing construction, completing any mitigation, and submitting reports for the activity authorized by the permit are modified in recognition of, and relative to, the new expiration date. You are advised that the legislation requires that, "The commencement and completion dates for any required mitigation associated with a phased construction project [is] extended such that the mitigation takes place in the same timeframe relative to the phase as originally permitted."

In accordance with the legislation, the permitted activity will continue to be governed by the rules in effect at the time the permit was issued. However, any future request to modify the permit, except where the modification lessens the environmental impact, will be governed by the rules in effect at the time of the modification.

This extension does not:

1. Otherwise change any other terms or conditions of the permit.

2. Affect the expiration date of any associated state-owned submerged lands lease or easement that was executed for the activities authorized in the permit. It also does not change any terms or conditions contained in the lease or easement, such as deadlines for submittal of any required lease fees.
3. Affect the water quality certification determination under Section 401, Public Law 92-500, 33 U.S.C. Section 1341 made as part of the permit.
4. Affect the coastal zone consistency concurrence determination made under Florida's Coastal Zone Management Program in Section 307 of the Coastal Zone Management Act and 15 CFR 930, Subpart D originally contained in the permit.
5. Affect the expiration date of any state, federal, or local permit, license, or authorization related to this permit, specifically including any federal permit under Section 404 of the Clean Water Act or Section 10 of the Rivers and Harbors Act of 1899.

If you have any questions, please call Carlos de Rojas at (561) 682-6505.

Sincerely,



Anita R. Bain, Chief
Environmental Resource Permitting Bureau
South Florida Water Management District

c: U.S. Army Corps of Engineers

