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CLUB DECLARATION

FOR

WATERSOUND MEMBERSHIP IN

ST. JOE CLUB & RESORTSSM

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CLUB DECLARATION

FOR

WATERSOUND MEMBERSHIP IN ST. JOE CLUB & RESORTSSM

THIS CLUB DECLARATION FOR WATERSOUND MEMBERSHIP IN ST. JOE CLUB & RESORTSSM (this declaration, as same may be hereafter amended, supplemented, revised or restated, the “**Club Declaration**”) is made this 22nd day of May, 2014 by St. Joe Timberland Company of Delaware, LLC, a Delaware limited liability company (“**Declarant**”).

WITNESSETH:

WHEREAS, Declarant is the developer of that certain residential and resort development commonly known and referred to as Watersound OriginsSM (hereinafter referred to as the “**Community**”) located in WaterSound, Walton County, Florida;

WHEREAS, St. Joe Resort Operations, LLC has established a private, non-equity membership club known as the St. Joe Club & ResortsSM (the “**Club**”) to operate and manage certain parcels of property within, adjacent to and in the vicinity of the Community, which parcels contain recreational facilities and amenities, for the use and enjoyment of the members of the Club in accordance with the Club Documents (as defined herein);

WHEREAS, in an effort to increase the level of quality and the extent of the amenities available to Owners of Lots within the Community, Declarant and the Club have established a mandatory membership level in the Club known and referred to as the “**Watersound Membership**,” which membership permits the use of certain Club Facilities, including but not limited to recreational amenities located within the Village Commons, which amenities currently include an outdoor swimming pool and a fitness facility (as such capitalized terms are defined herein);

WHEREAS, Declarant desires to submit the property described on **Exhibit “A”** to the covenants, restrictions and easements set forth herein;

WHEREAS, it is the intent of Declarant to create a covenant that touches and concerns the land, that runs with title to the land, and that shall be binding on all future Owners of the Lots located within the real property described on **Exhibit “A”**; and

WHEREAS, Declarant is the Owner of the Lots located within the real property described on **Exhibit “A”** or the Owner of such Lots has consented to this Club Declaration;

NOW THEREFORE, as hereinafter set forth, Declarant (i) hereby subjects to this Club Declaration all of the property described in **Exhibit “A”** and hereby declares that this real property shall be encumbered hereby.

ARTICLE 1. DEFINITIONS

The terms in this Club Declaration shall generally be given their natural, commonly accepted definitions except as otherwise specified. Capitalized terms shall be defined as set forth below.

1.1 “**Amenity Fees**” mean and include without limitation, any and all dues, fees and other charges established or allocated by the Club presently or in the future for the Watersound Membership in accordance with the Club Documents.

1.2 “Club Documents” means the Club membership agreement, the Club Membership Plan, the Rules promulgated by the Club Owner and all of the instruments and documents referred to therein, as each may be supplemented and amended from time to time.

1.3 “Club Facilities” means that certain real property and any improvements and facilities thereon that are owned and/or operated, now or in the future, by the Club Owner pursuant to the Club Documents. The Club Facilities currently include, but are not limited to, the following facilities: (a) Shark’s Tooth Golf Club; (b) Camp Creek Golf Club; (c) WaterSound Beach Club; and (d) the Village Commons Club Facilities. The Club Facilities are subject to change at any time without any notice.

1.4 “Club Invitee” means a family member, domestic partner, tenant, guest or invitee of a Member of the Club.

1.5 “Club Membership Plan” means the membership plan for the Club, as may be amended, restated and modified from time to time, which may set forth various categories of membership available at the Club and the privileges associated with each such membership category.

1.6 “Club Owner” means St. Joe Resort Operations, LLC, and/or such other third party determined by Declarant, which owns and/or operates all or any portion of the Club or the Club Facilities. Any references to the “Club” in the exercise of rights, authority or discretion, as provided for herein, shall be deemed to refer to the Club Owner and/or any person or entity designated in writing by the Club Owner to exercise such rights, authority or discretion, including any operator or manager appointed and delegated authority in writing by the Club Owner, from time to time.

1.7 “Club Property” means and shall include without limitation all real and personal property, whether located within or beyond the boundaries of the Community, that are owned and/or operated by the Club Owner pursuant to the Club Documents. The Club Property shall include, without limitation, the Village Commons Club Facilities as well as easements and licenses that the Club Owner owns, leases, and/or holds possessory or use rights for the common use, benefit and enjoyment of some or all of the Members and Club Invitees.

1.8 “Lot” means a residential lot that is subjected to and encumbered by this Club Declaration. The term shall refer to the land, if any, which is part of the Lot as well as any improvements thereon and shall include within its meaning, by way of illustration, but not limitation, townhouse units, cluster homes, patio or zero lot line homes, and single-family detached houses on separately platted lots, as well as vacant land intended for development.

1.9 “Lot Owner” or “Owner” means the owner of a Lot.

1.10 “Member” means a person subject or entitled to membership in the Club as determined by the Club Membership Plan.

1.11 “Rules” means the rules and regulations promulgated by the Club, as may be amended, restated and modified from time to time, as part of the Club Documents and governing and restricting use of the Club Facilities.

1.12 “Village Commons Club Facilities” means those certain portions of the Club Facilities, including but not limited to, those recreational amenities located within the Village Commons. The Village Commons Club Facilities currently include the following amenities: (1) an outdoor swimming pool; (2) a fitness facility; (3) food and beverage facilities; (4) playground facilities; (5) events lawn; and (6) open space. The Village Commons Club Facilities are subject to change at any time without any notice.

1.13 “Village Commons Club Property” means and shall include without limitation that portion of the Club Property, whether located within or beyond the boundaries of the Community, designated as Village Commons Club Property by this Club Declaration, an amendment or supplement to this Club Declaration, or the Club Documents. The Village Commons Club Property shall include, without limitation, the Village Commons Club Facilities.

ARTICLE 2. PROPERTY SUBJECTED TO THE CLUB DECLARATION

2.1 Property.

This Club Declaration governs the property described in Exhibit “A,” and any other property submitted to this Club Declaration in the future pursuant to Section 2.2. This Club Declaration shall run with title to such property and shall bind everyone having any right, title, or interest in any portion of such property. Declarant, Club Owner, and their respective legal representatives, heirs, successors, and assigns, may enforce this Club Declaration. It is the intent of Declarant to create, by this Club Declaration, a covenant that touches and concerns the Lots, that runs with title to the land and that shall be binding on all future owners of all Lots subject to this Club Declaration.

2.2 Annexation.

Declarant may annex any real property to the provisions of this Club Declaration with the consent of the owner of such property. Such annexation shall be accomplished by filing an amendment or a supplemental declaration describing the property being annexed in the Official Records of Walton County, Florida. Any such amendment or supplemental declaration shall be signed by Declarant and by the owner of the annexed property. Any such annexation shall be effective upon filing unless otherwise provided therein.

The Community contains certain residential lots (the “**Excluded Lots**”), which lots are not owned by Declarant and are more particularly described on Exhibit “B” attached hereto and by this reference made a part hereof. The Excluded Lots are not subject to this Club Declaration; however, with the written consent of Declarant, the owner of an Excluded Lot may subject such owner’s lot to this Club Declaration and encumber same hereby by duly executing and recording in the Official Records of Walton County, Florida, a consent and joinder hereto in a form approved by Declarant. Upon recording of the consent and joinder, the Excluded Lot shall be deemed a Lot for all purposes under this Club Declaration, shall be subject to this Club Declaration, and shall be encumbered hereby. The right of an owner of an Excluded Lot to subject such owner’s Excluded Lot to the Club Declaration may be subject to such processes, procedures and conditions (including, but not limited to, limitations on time for an owner to subject an Excluded Lot to the Club Declaration and imposition of fees) established by Club Owner from time to time.

ARTICLE 3. CLUB MEMBERSHIP

3.1 The Club.

The Club will be owned and/or operated by the Club Owner or its agent pursuant to the Club Documents. The Club will be operated and maintained for the benefit, use and enjoyment of the Lot Owners and such other persons as may be determined by Declarant and/or the Club Owner in accordance with the Club Documents.

3.2 Mandatory Club Membership.

Upon conveyance of title to a Lot by Declarant and for so long as a Lot Owner owns a Lot, each Lot Owner shall be required to maintain, at a minimum, a Watersound Membership (as defined by the

Club Documents) in the Club. Should the Club amend the Club Documents to rename the Watersound Membership, then the renamed category of membership in the Club Documents shall be deemed to be the Watersound Membership for purposes of this Club Declaration without the need to amend this Club Declaration to identify the renamed category.

3.3 Membership.

All Members shall be subject to the terms and conditions of the Club Documents. Pursuant to the terms hereof and in accordance with the Club Documents, the Club shall issue one (1) Watersound Membership for each Lot. If a Lot is owned by more than one (1) person, the Club may issue additional memberships as provided in the Club Documents; provided however, only one (1) Watersound Membership will be transferred upon the sale or conveyance of a Lot. Upon the closing of the purchase of a Lot and in accordance with the Club Documents, the Watersound Membership shall entitle each Lot Owner and their Club Invitees to membership privileges in the Club in accordance with the Club Documents. The rights of a Member that is not a natural person may be exercised by any officer, director, member, manager, partner or trustee of such Member, or by any individual designated from time to time by the Member in a written instrument provided to the Club and in accordance with the Club Documents.

An Owner shall continue to be a Member at least until he or she ceases to be an Owner of a Lot. Membership entitles the Owner to use the Village Commons Club Facilities, the Club's dock facilities at Lake Powell, and certain other Club Facilities as may be permitted from time to time by the Club Owner as set forth in the Club Documents. Additional terms of the Member's privileges in the Club and privileges for Club Invitees of the Member, including but not limited to any dining discounts, will be as set forth in the Club Documents.

All Lot Owners and their Club Invitees shall be subject to the usage requirements and limitations established by the Club in the Club's sole and absolute discretion. The Watersound Membership does not include any privileges to use other Club Facilities (except the Village Commons Club Facilities and the Club's dock facilities at Lake Powell) unless otherwise set forth in the Club Documents or as permitted by the Club Owner. Lot Owners shall have no right of reimbursement or refund for any initiation fees or deposits related to the Watersound Membership, and the Watersound Membership is non-transferable except in connection with the sale of the Lot relating to such Watersound Membership.

3.4 Club Membership Agreement.

The Club Owner may require Lot Owners to sign a membership agreement prior to using the Club Facilities, including the Village Commons Club Facilities. An Owner's failure to sign a membership agreement shall not excuse the Lot Owner from any obligations set forth in this Club Declaration, including, but not limited to, the Lot Owner's obligation to pay the Amenity Fees and such other fees or charges established by the Club and assessed against the Lot Owner's Lot. Use of the Club Facilities, including the Village Commons Club Facilities, shall at all times be subject to the Club Documents.

3.5 Mandatory Club Membership Dues.

Every Lot Owner shall be responsible for Amenity Fees. The obligation to pay the Amenity Fees shall be enforceable pursuant to the terms of the Club Documents and this Club Declaration. The Club shall be entitled to directly charge and collect Amenity Fees from each Lot Owner in accordance with the Club Documents. Amenity Fees shall be payable by each Lot Owner to the Club without offset, diminution or abatement for any reason. By accepting a deed or entering into a contract of sale for a Lot, each Lot Owner is deemed to have notice of liability for the Amenity Fees and to covenant and agree to pay the Amenity Fees as established by the Club.

Unless paid in full when due, Amenity Fees shall be subject to interest, at a rate to be set by the Club (computed from the due date of the Amenity Fees and subject to the maximum interest rate limitations of Florida law), and a monthly service charge of one and one-half percent (1½%), computed from the date of the statement. All such Amenity Fees, together with any interest, applicable service charges, costs of collection and reasonable attorneys' fees shall be the personal obligation of the Lot Owner at the time the Amenity Fees arose. Upon transfer of title to a Lot, the grantee shall be jointly and severally liable for any annual dues for the Watersound Membership applicable to the Lot and any associated collection costs or legal fees due to the Club at the time of conveyance. No Lot Owner shall be exempt from liability for Amenity Fees by non-use of the Club Facilities, including the Village Commons Club Facilities, suspension of the Lot Owners use privileges at the Club, abandonment of the Lot Owner's Lot or any other means, except as may be provided in the Club Documents. The obligation to pay Amenity Fees is a separate and independent covenant on the part of each Lot Owner, which covenant touches and concerns each Lot and runs with title to each Lot.

Notwithstanding anything to the contrary contained herein, at the Club's election the Watersound Community Association, Inc. (the "**Association**"), or such other entity as designed by the Club, shall be responsible for collecting all Amenity Fees levied against the Lots. The Association shall pay the full amount of such Amenity Fees to the Club on or before the date that such Amenity Fees are due. The Association may not claim set-off based upon the Association's inability or failure to collect such Amenity Fees from the Lot Owners. Also, the collection of Amenity Fees through the Association shall not diminish or reduce the liability for Amenity Fees of each Lot Owner.

3.6 Lien for Club Membership Dues.

The Club shall have a lien against each Lot to secure payment of delinquent Amenity Fees, as well as interest at a rate to be set by the Club (subject to the maximum interest rate limitations of Florida law), service charges, costs of collection and reasonable attorneys' fees. Such lien shall be superior to all other liens, except (i) the liens of all taxes, bonds, assessments and other levies which by law would be superior; (ii) the lien or charge of any first mortgage of record (meaning any recorded mortgage with first priority over other mortgages) made in good faith and for value; and (iii) the lien(s) of the Association pursuant to the Community Charter for Watersound, as such instrument may be amended, supplemented or restated, regardless of the date of recording of such lien(s). The Club's lien may be enforced by suit, judgment and judicial or non-judicial foreclosure as permitted under Florida law.

The sale or transfer of any Lot shall not affect the Club's assessment lien or relieve such Lot from the lien for any subsequent Club assessments. No first mortgagee who obtains title to a Lot by exercising the remedies provided in its mortgage shall be liable for unpaid Amenity Fees or other charges which accrued prior to such acquisition of title. Such mortgagee shall have no right to exercise the Club membership rights appurtenant to the Lot.

3.7 Upgrade Memberships.

Access and use of certain Club Facilities requires a separate membership. The Club may offer Lot Owners a variety of membership opportunities in addition to the mandatory Watersound Membership, subject to availability and the Club Documents ("**Upgrade Memberships**"). A Lot Owner acquiring any Upgrade Memberships shall not be excused from paying Amenity Fees, shall be required to pay any dues and fees related to the applicable Upgrade Membership in accordance with the Club Documents and shall not be entitled to a credit toward either Amenity Fees or the Upgrade Membership dues and fees. If a Lot Owner terminates an Upgrade Membership, the Watersound Membership and the obligation to pay Amenity Fees shall continue and shall not be terminated.

3.8 Club Property.

Every Member shall have privileges to access and use of designated Club Facilities within the Club Property in accordance in the Club Documents, and a right and nonexclusive easement of use, access and enjoyment in and to the Village Commons Club Facilities, which membership is appurtenant to and shall pass with the title to each Lot, subject to the following:

- (a) The terms, conditions and restrictions of the Club Documents;
- (b) Any restrictions or limitations contained in any deed conveying the Club Property and/or the Club Facilities to the Club Owner;
- (c) The right of the Club Owner to adopt, amend and repeal the Club Documents, including, without limitation, the Rules regulating the use and enjoyment of the Club Facilities from time to time, including, without limitation, promulgating rules and imposing additional fees regarding the use of the Club Facilities by Club Invitees, and rules limiting the number of Club Invitees who may use the Club Facilities;
- (d) The right of the Club Owner to rent, lease, and/or reserve any portion of the Club Property or Club Facilities to any Member for the exclusive use of such Member and such Member's Club Invitees upon such conditions as may be established by the Club Owner;
- (e) The right of the Club Owner to permit use and to rent, lease, or reserve any portions of the Club Property or Club Facilities by persons other than Members, their Club Invitees, upon such conditions, if any, as may be established by the Club Owner;
- (f) The right of the Club Owner to permit other Members of the Club, prospective Lot purchasers and other invitees of the Club or Declarant to use the Club Property or Club Facilities on such terms and conditions, as may be determined from time to time by the Club Owner;
- (g) The right of the Club Owner to suspend the right of a Member to use any of the Club Facilities. (Additional rules and procedures governing a Member's right to use the Club Facilities will be set forth in the Rules which may be promulgated by the Club Owner from time to time);
- (h) The right of the Club Owner to impose reasonable requirements and charge reasonable admission or other use fees for the use of any of the Club Facilities;
- (i) The right of the Club Owner to enter into a short term or long term management agreement or franchise agreement with a third party to permit such third party to operate all or any portion of the Club Facilities and to impose additional fees related to use of the Club Facilities by Members and their Club Invitees;
- (j) The right of the Club Owner to dedicate or transfer all or any portion of the Club Property including, without limitation, the Club Facilities;
- (k) The right of Declarant or the Club Owner to conduct activities and establish facilities within the Club Property or Club Facilities as provided herein;
- (l) The right of Declarant, from time to time, to restrict use of all or a portion of the Club Property or Club Facilities for maintenance or special events; and
- (m) Such other rights as may be reasonably reserved to Declarant or the Club Owner in accordance with the Club Documents.

3.9 Ownership of Club Facilities.

Declarant makes no representation or warranty as to future ownership of the Club Facilities, including the Village Commons Club Facilities; provided, however, any conveyance of Club Facilities, or a portion thereof, will be subject to any rights of Club members and the Club Documents, including without limitation, any membership agreements entered into by Declarant or Club Owner prior to, or subsequent to, conveyance of such Club Facilities, or portion thereof.

3.10 Use by Club Invitees.

Any Lot Owner may extend such Lot Owner's right of use and enjoyment to Club Invitees, subject to the terms and conditions of the Club Documents. An Owner who leases such Owner's Lot shall be deemed to have assigned all such rights to the tenant of such Lot during the period that the Lot is rented, such that the Lot Owner cannot use the Club Facilities unless specifically provided otherwise in the Club Documents; provided, however, the Lot Owner shall remain responsible for payment of all Amenity Fees.

If a Lot Owner has leased such Owner's Lot to a tenant, such tenant will be entitled to use the Club Facilities pursuant to the Club Documents and may be subject to the payment of fees and/or charges pursuant to the terms of the Club Documents, which fees and/or charges may distinguish the Member's obligations for their tenants based on the origin of the tenant's rental of the Lot. Such fees or charges may be collected in order to compensate the Club for the administrative expenses associated with issuing membership privileges to tenants of the Lot, and other expenses and may be based on the terms of the tenant's rental agreement. The Owner shall cooperate with the Club Owner in verifying the amount of any tenant use fees at the Club. Tenants may be subject to additional requirements as imposed by the Club Documents.

3.11 Use by Persons other than Lot Owners and Tenants.

The Club Owner has the right at any and all times, and from time to time, to make the Club available to Persons other than Lot Owners and Members, as it deems appropriate. Opportunities for mandatory and/or optional membership in the Club may be extended to persons other than Lot Owners within the Community, including without limitation, the owners of property in other communities and such other Persons as set forth in the Club Documents. Club Owner shall establish, as part of the Club Documents, the fees, if any, to be paid by such persons. The granting of such rights shall not invalidate this Club Declaration, reduce or abate any Owner's obligations to pay any initiation fee, membership fee or deposit or Amenity Fees pursuant to the Club Documents, or give any Owner the right to avoid any of the provisions of the Club Declaration or the Club Documents.

ARTICLE 4. USE OF CLUB FACILITIES

4.1 General. Use of the Club Facilities, including the Village Commons Club Facilities, shall be subject to the restrictions and conditions set forth in the Club Documents.

4.2 Rules and Regulations. The Club Owner may, from time to time, without consent of the Members, promulgate, modify, and/or delete the Rules. The Rules shall be distributed to all Members, and by all Members to their Club Invitees, prior to their use of the Club Facilities, including the Village Commons Club Facilities, and shall be binding upon Members and their Club Invitees.

4.3 Basis For Suspension. The membership rights of a Member may be suspended by Club Owner if, in the sole judgment of Club Owner:

- i. a Member violates one or more of the Rules or other provisions of the Club Documents;
- ii. a Club Invitee or other person for whom a Member is responsible violates one or more of the Rules or other Club Documents;
- iii. a Member fails to pay Amenity Fees in a proper and timely manner;
- iv. a Member, and/or a Club Invitee has injured, harmed or threatened to injure or harm any person within the Club Facilities, including the Village Commons Club Facilities, or harmed, destroyed or stolen any personal property within the Club Facilities, including the Village Commons Club Facilities, whether belonging to a third party or to the Club Owner;
- v. such additional grounds as set forth in the Club Documents; or,
- vi. there are other extenuating circumstances which warrant suspension.

The grounds for suspension are set forth more fully in the Club Documents, and each Owner is directed to request a copy thereof and become familiar therewith.

4.4 Types of Suspension. The Club Owner may restrict or suspend, for cause or causes described in the preceding Section, any Member's or Club Invitee's privileges to use any or all of the Club Facilities, including the Village Commons Club Facilities. In addition, Club Owner may suspend some membership rights while allowing a Member to continue to exercise other membership rights. No Member whose membership privileges have been fully or partially suspended shall, on account of any such restriction or suspension, be entitled to any refund or abatement of Amenity Fees or any other fees, including, without limitation, any initiation fee, membership fee or deposit. During the restriction or suspension, Amenity Fees shall continue to accrue and shall be payable as required by the Club. Under no circumstance will a Member's privileges be restored until all Amenity Fees and other amounts due to the Club are paid in full.

4.5 Cars and Personal Property. The Club is not responsible for any loss or damage to any private property used, placed or stored on the Club Property or Club Facilities, including the Village Commons Club Property and the Village Commons Club Facilities. Without limiting the foregoing, any person parking a car on the Club Property or within the Club Facilities assumes all risk of loss with respect to such person's car in such parking areas. Further, any Person entering the Club Property or Club Facilities, including the Village Commons Club Facilities, assumes all risk of loss with respect to such person's clothing, wallets, belts, equipment, jewelry or other possessions stored in the fitness center lockers, on bicycles, within cars or left in the pool areas.

4.6 Activities. Any Member, Club Invitee, or other person who, in any manner, makes use of, or accepts the use of, any apparatus, appliance, facility, privilege or service whatsoever owned, leased or operated by the Club Owner, or who engages in any contest, game, function, exercise, competition or other activity operated, organized, arranged or sponsored by the Club Owner, either on or off the Club Facilities, shall do so at their own risk. Every Member shall be liable for any property damage and/or personal injury at the Club Property or on the Club Facilities, including the Village Commons Club Facilities, or at any activity or function operated, organized, arranged or sponsored by the Club Owner, caused by any Member or its Club Invitees. No Member may use the Club Facilities, including the Village Commons Club Facilities, for any club meeting, society event, party, or for any of the following

types of functions: religious, political, charitable, fraternal, civic, or fundraising or any other function, without the prior written consent of Club Owner, which may be withheld at the Club Owner's sole and absolute discretion, in each instance.

4.7 Property Belonging to the Club Owner. Property or furniture belonging to the Club Owner shall not be removed from the area or room in which it is placed or from the Club Facilities, including the Village Commons Club Facilities.

4.8 Indemnification of Club Owner. Each Member, for itself and its Club Invitees, agrees to indemnify and hold harmless Declarant, Club Owner, The St. Joe Company, and their officers, partners, agents, employees, affiliates, directors and attorneys (collectively, "**Indemnified Parties**") from and against all actions, injury, claims, loss, liability, damages, costs and expenses of any kind or nature whatsoever ("**Losses**") incurred by or asserted against any of the Indemnified Parties from and after the date hereof, whether direct, indirect, or consequential, as a result of or in any way related to such Member's membership, including, without limitation, use of the Club Facilities, including the Village Commons Club Facilities, by Members and their Club Invitees, or the interpretation of this Club Declaration, and/or any of the Club Documents and/or from any act or omission of the Club Owner of any of the Indemnified Parties. Losses shall include the deductible payable under any of the Club Owner's insurance policies.

4.9 Risk of Loss. Neither the Club Owner nor any of the Indemnified Parties shall be liable for, and the Members assume all risks that may occur by reason of, any condition or occurrence, including, but not limited to, damage to the Club Property or Club Facilities, including the Village Commons Club Facilities, on account of casualty, water or the bursting or leaking of any pipes or waste water about the Club Property or Club Facilities, including the Village Commons Club Facilities, or from any act of negligence of any other person, or fire, or hurricane, or other act of God, or from any cause whatsoever, occurring after the date of the recording of this Club Declaration. No Member shall be entitled to any abatement in Amenity Fees on account of any such occurrence.

4.10 No Waiver. The failure of the Club Owner in one or more instances to insist upon strict performance or observance of one or more of the covenants or conditions hereof or to exercise any remedy, privilege or option herein conferred upon or reserved to the Club Owner, shall not operate or be construed as a relinquishment or waiver of such covenant or condition or of the right to enforce the same or to exercise such privilege, option or remedy, but the same shall continue in full force and effect. The receipt by Club Owner of any payment required to be made by any Member, or any part thereof, shall not be a waiver of any other payment then due, nor shall such receipt, though with knowledge of the breach of any covenant or condition hereof, operate as, or be deemed to be a waiver of such breach. No waiver by Club Owner shall be effective unless made by Club Owner in writing.

ARTICLE 5. MISCELLANEOUS

5.1 Covenant Running with the Land. Every Lot made subject to this Club Declaration shall be burdened with the terms of this Club Declaration. This Club Declaration, including, without limitation, the obligation to maintain a membership at the Club and to pay the associated membership fees, including the Amenity Fees, shall run with title to the Lot. Every Owner, by acceptance of a deed to a Lot, shall automatically assume and agree to pay all membership fees and Amenity Fees associated with such Owner's membership, which shall become due and payable in accordance with the terms of the Club Documents.

5.2 Benefit. Each Lot Owner, by acceptance of the deed to the Lot, agrees to be bound by the terms of this Club Declaration, and agrees that all successors in title shall be bound to the provisions

hereof. Each Lot Owner expressly acknowledges that the Club Facilities, including the Village Commons Club Facilities, are integrated into the scheme of development for the Community, are complementary to use of such Owner's Lot, and, that membership in the Club is desirable and beneficial to the Owner's interest in its Lot.

5.3 Disclosure. Each Owner acknowledges that full disclosure of the nature of the Club, current drafts of the Club Documents, and obligations associated therewith was made and provided to the Owner prior to the Owner's execution of a contract to purchase a Lot, and the Owner was afforded the opportunity to consult with an attorney.

5.4 Implied Rights; Club Owner Authority. The Club Owner may exercise any right and/or privilege given to it expressly by this Club Declaration or reasonably implied from or reasonably necessary to effectuate any such right or privilege.

5.5 Dedication of or Grant of Easements on Club Property. The Club Owner may dedicate or grant easements or cross-easements across portions of property owned by the Club Owner to any local, state, or federal governmental or quasi-governmental entity, or to any public or private utility company.

5.6 Duration. This Club Declaration is intended to have perpetual duration, but shall be effective for a minimum of thirty (30) years from the date it is recorded, subject to the right of Declarant and the Club Owner to amend it as provided in Section 5.7. After the initial 30-year period, it shall automatically be extended for successive 10-year periods in perpetuity unless, within the 12-month period preceding any extension, an instrument signed by the then Owners of at least 75% of the Lots and the Club Owner agreeing to terminate this Club Declaration is recorded. If any provision of this Club Declaration would be invalid under the Florida Uniform Statutory Rule Against Perpetuities, that provision shall expire ninety (90) years after this Club Declaration is recorded.

5.7 Amendment. Declarant or the Club Owner shall have the right to amend or terminate this Club Declaration as it deems appropriate, without the joinder or consent of any person or entity whatsoever. Declarant's and the Club Owner's right to amend or terminate under this provision is to be construed as broadly as possible. By way of example, Declarant or the Club Owner may terminate this Club Declaration (and all rights and obligations hereunder) in the event of partial or full destruction of the Club, or upon sale of the Club if the successor Club Owner desires to modify or terminate operation of the Club, or upon the Club Owner's decision to cease operation of the Club. Declarant or the Club Owner may elect, in their respective sole and absolute discretion, to remove portions of Community from the benefit and encumbrance of this Club Declaration by amendment recorded in the Official Records of Walton County, Florida.

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

5.9 Conflicts. In the event of any conflict between this Club Declaration and the Club Documents, as either may now exist or hereafter be amended, the Club Documents shall control.

[Signatures follow on next page]

IN WITNESS WHEREOF, Declarant has caused these presents to be duly executed this 22nd
day of May, 2014.

DECLARANT: St. Joe Timberland Company of Delaware,
L.L.C., a Delaware limited liability company

Witnesses:

Christine McClure
Print Name: CHRISTINE MCCLURE

George Campbell
Print Name: George Campbell

By: Marek Bakun
Marek Bakun
Manager

STATE OF FLORIDA

COUNTY OF WALTON

The foregoing instrument was acknowledged before me this 22nd day of May, 2014, by Marek Bakun, as Manager of St. Joe Timberland Company of Delaware, LLC, a Delaware limited liability company, on behalf of said company, who is personally known to me.

Christine McClure
Notary Public
Print Name: _____
My Commission Expires: _____



ASSOCIATION CONSENT

NOW, THEREFORE, Watersound Community Association, Inc., a Florida non-profit corporation (the “**Association**”), does hereby consent to and join in the Club Declaration and acknowledges its obligations herein.

ASSOCIATION: **WATERSOUND COMMUNITY
ASSOCIATION INC., a Florida
non-profit corporation**

Witnesses:

Christine McClure
Print Name: Christine McClure
Georgi Campbell
Print Name: Georgi Campbell

By: *John Groter*
Name: JOHN GROTER
Its: PRESIDENT
Date of Execution: 5/22/14

STATE OF FLORIDA

COUNTY OF WALTON

The foregoing instrument was acknowledged before me this 22nd day of May, 2014, by John Groter, as President of Watersound Community Association, Inc., a Florida non-profit corporation, on behalf of said company, who is personally known to me.



Christine McClure
Notary Public
Print Name: _____
My Commission Expires: _____

BUILDER CONSENT

NOW, THEREFORE, Huff Homes of Florida, LLC, a Florida limited liability company (the "Builder") does hereby consent to and join in the Club Declaration and acknowledges and agrees (i) that Builder is an owner of certain lots within Watersound OriginsSM, which lots are within the real property described on Exhibit "A" to the Club Declaration ("Builder Lots"); (ii) from and after the date this Builder Consent is recorded, the Builder Lots shall be owned, held, transferred, sold, conveyed, used, occupied, mortgaged or otherwise encumbered subject to the terms of the Club Declaration, including, without limitation, any lien rights provided to the Club therein, and (iii) that this consent and joinder shall run with title to the Builder Lots and shall be binding upon all people and entities having any right, title or interest to or in the Builder Lots, and their respective heirs, legal representatives, successors in interest and assigns.

BUILDER: HUFF HOMES OF FLORIDA, LLC, a Florida limited liability company

Witnesses:

Analisa Sellers
Print Name: Analisa Sellers
Glenda S. Watson
Print Name: Glenda S. Watson

By: [Signature]
Name: Chandler Huff
Its Manager
Date of Execution: 5/30/14

STATE OF FLORIDA
COUNTY OF WALTON

The foregoing instrument was acknowledged before me this 30th day of May, 2014, by Chandler Huff, as Manager of Huff Homes of Florida, LLC, a Florida limited liability company, on behalf of said company, who is personally known to me.



[Signature]
Notary Public
Print Name: Sherry L. Johnson
My Commission Expires: 5/29/2016

EXHIBIT “A”

PROPERTY

Lots 1 through 95 of Winter Garden at WaterSound, according to the Plat thereof, as recorded in Plat Book 17, Page 68, Public Records of Walton County, Florida

Together with:

Lots 197 through 211 of Winter Garden 2 at WaterSound Phase 1, according to the Plat thereof, as recorded in Plat Book 18, Page 11A, Public Records of Walton County, Florida

Less and Except:

Lots 2, 5, 6, 7, 16, 17, 18, 21, 24, 25, 35, 40, 45, 48, 49, 52, 54, 56, 58, 61, 63, 64, 74, 75, 77, 85, 86, 87, 94 of Winter Garden at WaterSound, according to the Plat thereof, as recorded in Plat Book 17, Page 68, Public Records of Walton County, Florida

And Less and Except:

Lots 207, 209 and 210 of Winter Garden 2 at WaterSound Phase 1, according to the Plat thereof, as recorded in Plat Book 18, Page 11A, Public Records of Walton County, Florida.

EXHIBIT “B”

PROPERTY

Lots 2, 5, 6, 7, 16, 17, 18, 21, 24, 25, 35, 40, 45, 48, 49, 52, 54, 56, 58, 61, 63, 64, 74, 75, 77, 85, 86, 87, 94 of Winter Garden at WaterSound, according to the Plat thereof, as recorded in Plat Book 17, Page 68, Public Records of Walton County, Florida

Together with:

Lots 207, 209 and 210 of Winter Garden 2 at WaterSound Phase 1, according to the Plat thereof, as recorded in Plat Book 18, Page 11A, Public Records of Walton County, Florida.