THIS INSTRUMENT PREPARED BY
AND RETURN TO:

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DECLARATION FOR VERANO

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DECLARATION FOR

VERANO

THIS DECLARATION FOR VERANO (this "**Declaration**") is made by Verano Development LLC, a Delaware limited liability company ("**Developer**") and joined in by Verano Property Owners Association, Inc., a Florida not-for-profit corporation ("**Association**").

R E C I T A L S

A. Developer is the owner of the real property in St. Lucie County, Florida, more particularly described in **Exhibit 1** attached hereto and made a part hereof ("**Verano**").

B. Verano is within the Verano DRI (as hereinafter defined), a development of regional impact.

C. Developer desires to subject Verano to the covenants, conditions and restrictions contained in this Declaration.

D. This Declaration is a covenant running with all of the land comprising Verano, and each present and future owner of interests therein and their heirs, devisees, personal representatives, successors or assigns are hereby subject to this Declaration.

NOW THEREFORE, in consideration of the promises and mutual covenants contained in this Declaration, Developer hereby declares that every portion of Verano (except as set forth elsewhere herein) is to be held, transferred, sold, conveyed, used and occupied subject to the covenants, conditions, restrictions, easements, reservations, regulations, charges and liens hereinafter set forth.

1. Recitals. The foregoing Recitals are true and correct and are incorporated into and form a part of this Declaration.

2. Definitions. In addition to the terms defined elsewhere in this Declaration, all initially capitalized terms herein shall have the following meanings:

"**ACC**" shall mean the Architectural Control Committee established pursuant to Section 28 hereof.

"**Access Control System**" shall mean any system intended to control access and/or enhance the welfare of Verano.

"**Accessory Dwelling**" shall mean one ancillary building that may contain an independent dwelling unit, limited in size, sharing ownership and utility connections with a principal building on the same Lot, typically located in the rear of the lot.

"**ACOE**" shall mean the Army Corps of Engineers.

"**Apartment Building**" shall mean any multifamily structure with individual residential apartments which are leased (and not sold) on an individual basis. An Apartment Building does not include a building submitted to condominium ownership, and shall not be considered to be one or more Commercial Units.

"**Apartment Unit**" shall mean a residential unit within an Apartment Building.

"**Articles**" shall mean the Articles of Incorporation of Association filed with the Florida Secretary of State in the form attached hereto as **Exhibit 2** and made a part hereof, as amended from time to time.

"**Assessments**" shall mean any assessments made in accordance with this Declaration and as further defined in Section 25 hereof.

"**Association**" shall mean Verano Property Owners Association, Inc., its successors and assigns.

"**Association Documents**" shall mean this Declaration, the Articles, the By-Laws, the Rules and Regulations, and the Community Standards, as amended from time to time.

"**Board**" shall mean the Board of Directors of Association.

"**Bonds**" shall mean generally Verano Center Bonds, Verano #1 Bonds, Verano #2 Bonds, Verano #3 Bonds, Verano #4 Bonds and/or Verano #5 Bonds.

"**Builder**" shall mean any person or entity that purchases a Parcel or Lot from Developer for the purpose of constructing one (1) or more Homes or Commercial Units.

"**By-Laws**" shall mean the By-Laws of Association in the form attached hereto as **Exhibit 3** and made a part hereof, as amended from time to time.

"**Cable Services**" shall mean "basic service tier" as described in Section 623(b)(7)(A) of the Cable Television Consumer Protection Act of 1992, video programming services offered on a per-channel or per-program basis, video programming services offered in addition to basic service tier, any method of delivering video programming to Homes and Commercial Units including, without limitation, interactive video programming, and any channel recognized in the industry as premium including, without limitation, HBO, Showtime, Disney, Cinemax and the Movie Channel. By way of example, and not of limitation, the term Cable Services may include cable television, satellite master antenna television, multipoint distribution systems, video dialtone, open video system or any combination thereof.

"**Canal Bridges**" shall mean those certain bridges over the SFWMD C-24 Canal as provided in the Verano DRI.

"**City**" shall mean the City of Port St. Lucie, Florida, including all of its agencies, divisions, departments, attorneys or agents employed to act on its behalf.

"**Club**" shall mean Club Verano, including the land and club facilities provided for the Owners pursuant to the provisions of the Club Plan.

"**Club Dues**" shall mean the charges related to the Club to be paid by the Owners pursuant to the provisions of the Club Plan including, without limitation, the Club Membership Fee.

"**Club Expenses**" shall have the meaning set forth in the Club Plan.

"**Club Manager**" shall mean the entity operating and managing the Club at any given time.

"**Club Membership Fee**" shall mean the fee to be paid to the Club Owner by each Owner pursuant to the provisions of this Declaration and the Club Plan.

"**Club Owner**" shall mean the owner of the Club, its successors and assigns.

"**Club Plan**" shall mean Club Verano Membership Plan together with all amendments and modifications thereof. A copy of the Club Plan is attached hereto as **Exhibit 4** and made a part hereof. This Declaration is subordinate in all respects to the Club Plan.

"**Commercial Unit**" shall mean a portion of Verano intended for any type of independent ownership for use and occupancy as a commercial, office, hotel, public use or business establishment as may be developed and used, as herein provided or as provided in any amendment hereof covering all or a part of Verano; provided, further, the term shall include all portions of the Parcel owned together with any structure or improvement constructed thereon from time to time.

"**Common Areas**" shall mean all real property interests and personalty within Verano designated as Common Areas from time to time by Plat or recorded amendment to this Declaration and provided for, owned, leased by, or dedicated to, the common use and enjoyment of the Owners within Verano. The Common Areas may include, without limitation, open space areas, internal buffers, entrance features (unless owned by a Village Association), fountains, perimeter buffers, perimeter walls and fences, landscaping, improvements, easement areas owned by others, public rights of way, trail system, conservation area(s), tot lot, expansion of Common Areas, irrigation pumps, irrigation lines, parks, sidewalks, private streets/roads, street lights, service roads, walls, commonly used utility facilities, project signage, parking areas, other lighting, entranceways, electronic gates, and gatehouses. The Common Areas do not include any portion of a Home, Commercial Unit or the Club. NOTWITHSTANDING ANYTHING HEREIN CONTAINED TO THE CONTRARY, THE DEFINITION OF "**COMMON AREAS**" AS SET FORTH IN THIS DECLARATION IS FOR DESCRIPTIVE PURPOSES ONLY AND SHALL IN NO WAY BIND, OBLIGATE OR LIMIT DEVELOPER TO CONSTRUCT OR SUPPLY ANY SUCH ITEM AS SET FORTH IN SUCH DESCRIPTION, THE CONSTRUCTION OR SUPPLYING OF ANY SUCH ITEM BEING IN DEVELOPER'S SOLE DISCRETION. FURTHER, NO PARTY SHALL BE ENTITLED TO RELY UPON SUCH DESCRIPTION AS A REPRESENTATION OR WARRANTY AS TO THE EXTENT OF THE COMMON AREAS TO BE OWNED, LEASED BY OR DEDICATED TO ASSOCIATION, EXCEPT AFTER CONSTRUCTION AND DEDICATION OR CONVEYANCE OF ANY SUCH ITEM. Further, and without limiting the foregoing, it is possible that certain areas that would otherwise be Common Areas shall be conveyed to a District and comprise part of the Facilities.

"**Community Completion Date**" shall mean the date upon which all Homes within Verano, as ultimately planned and as fully developed, have been conveyed by Developer and/or Builder to Owners.

"**Community Standards**" shall mean such standards of conduct, maintenance or other activity, if any, established by the ACC pursuant to Section 28.6 hereof.

"**Community Pathway**" shall mean those pathways designated within Verano for the use of Community Vehicles.

"**Community Pathway Agreement**" shall mean that certain pathway agreement attached hereto as **Exhibit 6**.

"**Community Vehicle**" shall mean any vehicle pursuant to a Community Pathway Agreement.

"**Conservation and Preserve Areas**" shall have the meaning set forth in Section 16.7 hereof.

"**Conservation Area Management Plan**" shall mean and refer to the conservation area management plan for Verano as approved by County, a copy of which is attached hereto as **Exhibit 7**, and as may be amended from time to time.

"**Conservation Easement**" shall mean that certain Deed of Conservation Easement between Reserve Homes Ltd., L.P. its successors and/or assigns and the South Florida Water Management District recorded or to be recorded in the Public Records of County.

"**Contractors**" shall have the meaning set forth in Section 28.15.2 hereof.

"**County**" shall mean St. Lucie County, Florida, including all of its agencies, divisions, departments, attorneys or agents employed to act on its behalf.

"**Data Transmission Services**" shall mean (i) internet access services, (ii) wireless services, and (iii) enhanced services as defined in Section 64.702 of Title 47 of the Code of Federal Regulations, as amended from time to time, and without regard to whether the transmission facilities are used in interstate commerce.

"**Declaration**" shall mean this Declaration, together with all amendments and modifications thereof.

"**Development Lender**" shall mean either (i) SunTrust Bank, its successors, assigns, or participants, or (ii) such other institutional lenders which have acquired a first mortgage upon any portion of Verano, which are providing or have provided acquisition, development or construction loan financing to Declarant or financing for the acquisition, development or construction of any portion of Verano.

"**Developer**" shall mean Verano Development LLC, and any of its designees (including its affiliated or related entities which conduct land development, homebuilding and sales activities), successors and assigns who receive a written assignment of all or some of the rights of Developer hereunder. Such assignment need not be recorded in the Public Records in order to be effective. In the event of such a partial assignment, the assignee shall not be deemed Developer, but may exercise such rights of Developer specifically assigned to it. Any such assignment may be made on a non-exclusive basis. Without limiting the foregoing, Kolter Homes Verano LLC is hereby assigned, on a non-exclusive basis, all the rights of Developer hereunder.

"**District**" shall mean generally Verano Center District, Verano #1 District, Verano #2 District, Verano #3 District, Verano #4 District and/or Verano #5 District.

"**District Debt Service Assessments**" shall mean generally Verano Center District Debt Service Assessments, Verano #1 District Debt Service Assessments, Verano #2 District Debt Service Assessments, Verano #3 District Debt Service Assessments, Verano #4 District Debt Service Assessments, and/or Verano #5 District Debt Service Assessments.

"**District Maintenance Special Assessments**" shall mean generally Verano Center District Maintenance Special Assessments, Verano #1 District Maintenance Special Assessments, Verano #2 District Maintenance Special Assessments, Verano #3 District Maintenance Special Assessments, Verano #4 District Maintenance Special Assessments, and/or Verano #5 District Maintenance Special Assessments.

"**District Revenue Bonds**" shall mean generally Verano Center District Revenue Bonds, Verano #1 District Revenue Bonds, Verano #2 District Revenue Bonds, Verano #3 District Revenue Bonds, Verano #4 District Revenue Bonds, and/or Verano #5 District Revenue Bonds.

"**Emergency Shelter Space**" shall mean that space designated by Developer as emergency shelter space for residents within the Verano DRI.

"**Exclusive Common Area**" shall mean any portion of the Common Areas, which by Plat, Village Declaration or a recorded instrument of conveyance is for the sole benefit and use of Owners within a Village or Villages designated by Plat, Village Declaration or instrument of conveyance.

"**Facilities**" shall mean generally Verano Center Facilities, Verano #1 Facilities, Verano #2 Facilities, Verano #3 Facilities, Verano #4 Facilities and/or Verano #5 Facilities.

"**Golf Course**" shall mean any of the golf courses and related facilities within Verano and which form part of the Club pursuant to the Club Plan.

"**Golf Course Pathway Agreement**" shall have the meaning set forth in the Club Plan.

"**Golf Course Vehicle**" shall have the meaning set forth in the Club Plan.

"**Golf Course Pathway**" shall mean those pathways designated within Verano for the use of Golf Course Vehicles.

"**Granny Flat**" shall mean an additional residential dwelling unit within a Lot.

"**Home**" shall mean each residential home and appurtenances thereto constructed on a Parcel within Verano. A Home shall include, without limitation, a condominium unit, Apartment Unit, coach home, villa, Granny Flat(s), Paired Residences, Live/work Building, Accessory Dwelling, patio home, estate home, Townhome(s), Single Family Home(s) and zero lot line home. The term Home may not reflect the same division of property as reflected on a Plat. A Home shall be deemed created and have perpetual existence upon the issuance of a final or temporary certificate of occupancy for such residence; provided, however, the subsequent loss of such certificate of occupancy (e.g., by casualty or remodeling) shall not affect the status of a Home, or the obligation of Owner to pay Assessments with respect to such Home. The term "**Home**" includes any interest in land, improvements, or other property appurtenant to the Home.

"**Impact Fee School Board Agreement**" shall mean that certain Educational Facilities Impact Fee Credit Agreement between Reserve Homes Ltd., L.P. and the School Board of St. Lucie County, Florida recorded in Official Records Book 2307 at Page 1498 in the Public Records of County.

"**Improvement**" shall have the meaning set forth in Section 29.1 hereof.

"**Individual Assessments**" shall have the meaning set forth in Section 25.2.6 hereof.

"**Initial Contribution**" shall have the meaning set forth in Section 25.11 hereof.

"**Installment Assessments**" shall have the meaning set forth in Section 25.2.1 hereof.

"**Institutional Unit**" shall mean a Commercial Unit which is used exclusively for institutional purposes (which may include religious purposes) and is designated as such by an amendment to this Declaration.

"**Lake Easement Areas**" shall have the meaning set forth in Section 16.5.

"**Lake Slope Maintenance Standards**" shall have the meaning set forth in Section 17.1.13.

"**Land Point**" shall mean one (1) point for each ten thousand (10,000) square feet of usable land within the boundaries of a Parcel upon which one (1) or more Commercial Units are constructed rounded to the nearest whole number. Usable land shall mean the gross acreage of the Parcel excluding jurisdictional wetlands, retention ponds and/or wetland mitigation areas required by governmental authority.

"**Landscape Maintenance Standards**" shall have the meaning set forth in Section 17.1.

"**Lender**" shall mean (i) the institutional and licensed holder of a first mortgage encumbering a Parcel, Lot, Commercial Unit or Home or (ii) Developer and its affiliates, to the extent Developer or its affiliates finance the purchase of a Home or Lot initially or by assignment of an existing mortgage.

"**Lessee**" shall mean the lessee named in any written lease respecting a Home or Commercial Unit who is legally entitled to possession of any rental Home or Commercial Unit within Verano including, without limitation, lessees of units within an Apartment Building.

"**Live/Work Building**" shall mean an attached building that can accommodate residential use, business use, or a combination of the two within individually occupied units.

"**Lot**" shall mean any platted lot shown on a Plat. Any two (2) or more platted lots which are under common ownership and on which a single Home has been constructed shall, unless otherwise provided in the original deed of conveyance by Developer or Village Declaration affecting such platted lots, be considered to be two (2) or more separate Lots for the purposes of voting, assessment and all other matters hereunder.

"**Master Plan**" shall mean collectively any full or partial concept plan for the development of Verano, as it exists as of the date of recording this Declaration, regardless of whether such plan is currently on file with one or more governmental agencies. The Master Plan is subject to change as set forth herein. The Master Plan is not a representation by Developer as to the development of Verano or its amenities, as Developer reserves the right to amend all or part of the Master Plan from time to time, including but not limited to, change in the number of Homes.

"**Member**" shall have the meaning set forth in Section 7.3 hereof.

"**NFIP**" shall have the meaning set forth in Section 22.1 hereof.

"**Non-Conforming Pavers**" shall have the meaning set forth in Section 8.14 hereof.

"**North Joint Use and Maintenance Agreement**" shall have the meaning set forth in Section 33.9.22 hereof

"**Operating Costs**" shall mean all costs and expenses of Association and the Common Areas. Operating Costs may include, without limitation, all costs of ownership; operation; administration; all amounts payable by Association; all amounts required to remove canvas canopies located within the Common Areas as required herein, all amounts required to maintain the Surface Water Management System; all community lighting including up-lighting and Village entrance lighting (if not the obligation of a Village Association or a District); all amounts payable in connection with any private street lighting agreement between Association and a local utility provider; amounts payable to a Telecommunications Provider for Telecommunications Services furnished to all Owners; utilities; taxes; insurance; bonds; salaries; management fees; professional fees; service costs; supplies; maintenance; repairs; replacements; refurbishments; common area landscape maintenance; irrigation (including effluent-based irrigation system) and any and all costs relating to the discharge of the obligations hereunder and/or under the Club Plan, or as determined to be part of the Operating Costs by Association. By way of example, and not of limitation, Operating Costs shall include all of Association's legal expenses and costs relating to or arising from the enforcement and/or interpretation of this Declaration and/or the Club Plan. If any of the foregoing items identified as possible Operating Costs are included as District Maintenance Special Assessments, the same shall not be included in Operating Costs.

"**Owner**" shall mean the record owner (whether one or more persons or entities) of fee simple title to any Home or Commercial Unit. The term "**Owner**" shall not include Developer, Club Owner, or a Lender. A purchaser of a Parcel who thereafter builds one or more Homes upon such Parcel shall be deemed an Owner with respect to each Home.

"**Paired Residence**" or "**Townhome**" shall mean each Home that is part of a Townhome Building or Paired Residence Building.

"**Paired Residence Building**" or "**Townhome Building**" shall mean a single structure containing multiple Homes in which the Homes are separated by Party Walls.

"**Parcel**" shall mean a platted or unplatted lot, tract, unit or other subdivision of real property upon which a Home or Commercial Unit has been, or will be, constructed. Once improved, the term Parcel shall include all improvements thereon and appurtenances thereto. The term Parcel, as used herein, may include more than one Home or Commercial Unit. A Parcel shall be deemed to contain the number of Homes or Commercial Units which can be built on such Parcel. Developer shall determine, in its sole discretion, the number of Homes or Commercial Units that may be built on a Parcel for the purposes of calculating Assessments.

"**Party Roof**" shall mean any roof built as part of the construction of two or more Homes, which Homes are connected by one or more Party Walls.

"**Party Wall**" shall mean any fence or wall built as part of the original construction of two or more Homes which is placed on the dividing line or platted lot line between such Homes.

"**Pathways**" shall mean either a Community Pathway or a Golf Course Pathway.

"**Permit**" shall mean any permit issued by SFWMD and/or ACOE including, but not limited to, SFWMD Permit No. 56-00674-S, a copy of which is attached hereto as **Exhibit 5**.

"**Piazza**" shall mean the town center designated within Verano.

"**Plat**" shall mean any plat of any portion of Verano filed in the Public Records, as the same may be amended by Developer, from time to time.

"**Public Infrastructure**" shall mean generally Verano Center Public Infrastructure, Verano #1 Public Infrastructure, Verano #2 Public Infrastructure, Verano #3 Public Infrastructure and/or Verano #4 Public Infrastructure and/or Verano #5 Public Infrastructure.

"**Public Park**" shall mean any public park within Verano.

"**Public Records**" shall mean the Public Records of St. Lucie County, Florida.

"**Public School**" shall mean any public school located within Verano.

"**Reserves**" shall have the meaning set forth in Section 25.2.5 hereof.

"**Rules and Regulations**" shall mean the Rules and Regulations governing Verano as adopted by the Board from time to time.

"**SFWMD**" shall mean the South Florida Water Management District.

"**Single Family Home**" shall mean each free standing single family home within Verano.

"**Special Assessments**" shall mean those Assessments more particularly described as Special Assessments in Section 25.2.3 hereof.

"**Surface Water Management System**" shall mean the collection of devices, improvements, or natural systems whereby surface waters are controlled, impounded or obstructed. This term includes exfiltration trenches, Wetland Conservation Areas, mitigation areas, lakes, retention areas, catch basins, water management areas, ditches, culverts, structures, dams, impoundments, reservoirs, drainage maintenance easements, those works defined in Section 373.403(1)-(5) of the Florida Statutes and those works authorized by the SFWMD and/or ACOE pursuant to the Permit.

"**Telecommunications Provider**" shall mean any party contracting with Association to provide Owners with one or more Telecommunications Services. Developer may be a Telecommunications Provider. With respect to any particular Telecommunications Services, there may be one or more Telecommunications Providers. By way of example, with respect to Data Transmission Services, one Telecommunications Provider may provide Association such service while another may own, maintain and service the Telecommunications Systems which allow delivery of such Data Transmission Services.

"**Telecommunications Services**" shall mean delivered entertainment services; all services that are typically and in the future identified as telecommunication services; Telephony Services; Cable Services; alarm monitoring (including but not limited to Access Control Systems), and Data Transmission Services. Without limiting the foregoing, such Telecommunications Services include the development, promotion, marketing, advertisement, provision, distribution, maintenance, transmission, and servicing of any of the foregoing services. The term Telecommunications Services is to be construed as broadly as possible.

"**Telecommunications Systems**" shall mean all facilities, items and methods required and/or used in order to provide Telecommunications Services to Verano. Without limiting the foregoing, Telecommunications Systems may include wires (fiber optic or other material), conduits, passive and active electronic equipment, pipes, pedestals, wireless cell sites, computers, modems, satellite antenna sites, transmission facilities, amplifiers, junction boxes, trunk distribution, feeder cables, lock boxes, taps, drop cables, related apparatus, converters, connections, head-end antennas, earth stations, appurtenant devices, network facilities necessary and appropriate to support provision of local exchange services, any technology (including, without limitation, technology not currently available or in use) and/or any other item appropriate or necessary to support provision of Telecommunications Services. Ownership and/or control of all or a portion of any part of the Telecommunications Services may be bifurcated among network distribution architecture, system head-end equipment, and appurtenant devices (e.g., individual adjustable digital units).

"**Telephony Services**" shall mean local exchange services provided by a certified local exchange carrier or alternative local exchange company, intraLATA and interLATA voice telephony and data transmission.

"**Title Documents**" shall have the meaning set forth in Section 33.9 hereof.

"**Toll Calls**" shall have meaning given to such term by the Florida Public Service Commission and\or the Federal Communications Commission.

"**Townhome**" shall mean each Home within Verano that is part of a Townhome Building.

"**Townhome Building**" shall mean a single structure containing multiple Homes in which the Homes are separated by Party Walls.

"**Turnover Date**" shall mean the date on which transition of control of Association from Developer to Owners occurs. Without limiting the foregoing, Developer shall never be obligated to turn over Association prior to the date required by law.

"**Use Fees**" shall have the meaning set forth in Section 25.2.4 hereof.

"**Verano**" shall have the meaning set forth in the Recitals hereof subject to additions and deletions thereto as permitted pursuant to the terms of this Declaration. Developer may, when amending or modifying the description of real property which is subject to the operation of this Declaration, also amend or modify the definition of Verano.

"**Verano #1 Bonds**" shall have the meaning set forth in Section 11.2 hereof.

"**Verano #1 District**" shall have the meaning set forth in Section 11.1 hereof.

"**Verano #1 District Debt Service Assessments**" shall have the meaning set forth in Section 11.2 hereof.

"**Verano #1 District Maintenance Special Assessments**" shall have the meaning set forth in Section 11.2 hereof.

"**Verano #1 District Revenue Bonds**" shall have the meaning set forth in Section 11.2 hereof.

"**Verano #1 Facilities**" shall have the meaning set forth in Section 11.2 hereof.

"**Verano #1 Public Infrastructure**" shall have the meaning set forth in Section 11.2 hereof.

"**Verano #2 Bonds**" shall have the meaning set forth in Section 12.2 hereof.

"**Verano #2 District**" shall have the meaning set forth in Section 12.1 hereof.

"**Verano #2 District Debt Service Assessments**" shall have the meaning set forth in Section 12.2 hereof.

"**Verano #2 District Maintenance Special Assessments**" shall have the meaning set forth in Section 12.2 hereof.

"**Verano #2 District Revenue Bonds**" shall have the meaning set forth in Section 12.2 hereof.

"**Verano #2 Facilities**" shall have the meaning set forth in Section 12.1 hereof.

"**Verano #2 Public Infrastructure**" shall have the meaning set forth in Section 12.2 hereof.

"**Verano #3 Bonds**" shall have the meaning set forth in Section 13.2 hereof.

"**Verano #3 District**" shall have the meaning set forth in Section 13.1 hereof.

"**Verano #3 District Debt Service Assessments**" shall have the meaning set forth in Section 13.2 hereof.

"**Verano #3 District Maintenance Special Assessments**" shall have the meaning set forth in Section 13.2 hereof.

"**Verano #3 District Revenue Bonds**" shall have the meaning set forth in Section 13.2 hereof.

"**Verano #3 Facilities**" shall have the meaning set forth in Section 13.1 hereof.

"**Verano #3 Public Infrastructure**" shall have the meaning set forth in Section 13.2 hereof.

"**Verano #4 Bonds**" shall have the meaning set forth in Section 14.2 hereof.

"**Verano #4 District**" shall have the meaning set forth in Section 14.1 hereof.

"**Verano #4 District Debt Service Assessments**" shall have the meaning set forth in Section 14.2 hereof.

"**Verano #4 District Maintenance Special Assessments**" shall have the meaning set forth in Section 14.2 hereof.

"**Verano #4 District Revenue Bonds**" shall have the meaning set forth in Section 14.2 hereof.

"**Verano #4 Facilities**" shall have the meaning set forth in Section 14.1 hereof.

"**Verano #4 Public Infrastructure**" shall have the meaning set forth in Section 14.2 hereof.

"**Verano #5 Bonds**" shall have the meaning set forth in Section 15.2 hereof.

"**Verano #5 District**" shall have the meaning set forth in Section 15.1 hereof.

"**Verano #5 District Debt Service Assessments**" shall have the meaning set forth in Section 15.2 hereof.

"**Verano #5 District Maintenance Special Assessments**" shall have the meaning set forth in Section 15.2 hereof.

"**Verano #5 District Revenue Bonds**" shall have the meaning set forth in Section 15.2 hereof.

"**Verano #5 Facilities**" shall have the meaning set forth in Section 15.1 hereof.

"**Verano #5 Public Infrastructure**" shall have the meaning set forth in Section 15.2 hereof.

"**Verano Center Bonds**" shall have the meaning set forth in Section 10.2 hereof.

"**Verano Center District**" shall have the meaning set forth in Section 10.1 hereof.

"**Verano Center District Debt Service Assessments**" shall have the meaning set forth in Section 10.2 hereof.

"**Verano Center District Maintenance Special Assessments**" shall have the meaning set forth in Section 10.2 hereof.

"**Verano Center District Revenue Bonds**" shall have the meaning set forth in Section 10.2 hereof.

"**Verano Center Facilities**" shall have the meaning set forth in Section 10.1 hereof.

"**Verano Center Public Infrastructure**" shall have the meaning set forth in Section 10.2 hereof.

"**Verano DRI**" shall mean the Verano Development of Regional Impact created pursuant to the PGA Village DRI Development Order by Resolution 03-R68 as amended by Resolution 03-R96 and as may be amended from time to time.

"**Village**" shall mean any subdivision of Verano which is subject to the jurisdiction of a Village Association. Each Home shall be part of a Village.

"**Village ACC**" shall mean the architectural control committee established by a Village Association pursuant to a Village Declaration.

"**Village Assessment**" shall mean and refer to Assessments levied against Lots in a particular Village for Village Expenses. Village Assessments shall be levied against all Homes in the Village(s) benefiting from the services supported thereby upon the same basis as Assessments, provided the Board may, in its sole discretion, reduce Village Assessments for Lots or Parcels which a Home has not been completed.

"**Village Association**" shall mean any homeowners or condominium association which governs a portion of Verano, if any.

"**Village Common Areas**" shall mean all property owned and/or maintained by a Village Association, if any.

"**Village Declaration**" shall mean any declaration recorded in the Public Records governing a Village including, without limitation, any condominium declaration. No Village Declaration shall be effective unless and until approved by Developer, which approval shall be evidenced by Developer's execution of, or joinder in, such Village Declaration, if any.

"**Village Expenses**" shall mean and refer to the actual and estimated expenses to be incurred by the Association for the benefit of a Village, but only to the extent the same are authorized by this Declaration, Village Declaration, or a vote of the members within such Village, which may include a reasonable reserve for capital repairs and replacements, all as may be specifically authorized herein or in a Village Declaration. Village Expenses may be shared by one (1) or more benefited Villages.

"**Wetland Conservation Areas**" shall have the meaning set forth in Section 16.9.3 herein. The Wetland Conservation Areas will either be part of the Common Areas and will be maintained by Association or part of the Facilities and subject to the jurisdiction of a District Plan of Development. The planning process for Verano is an ever-evolving one and must remain flexible in order to be responsive to and accommodate the needs of Developer's buyers. Subject to the Title Documents, Developer may wish and has the right to develop Verano and adjacent property owned by Developer into residences, comprised of homes, villas, coach homes, Single Family Homes, Granny Flats, Paired Residences, Townhomes, estate homes, zero lot line homes, patio homes, multi-family homes, condominiums, Live/work Building, Accessory Dwelling, Apartment Units, and other forms of residential dwellings, as well as commercial development, which may include shopping centers, stores, office buildings, hotel, showrooms, industrial facilities, technological facilities, and professional offices. The existence at any point in time of walls, landscape screens, or berms is not a guaranty or promise that such items will remain or form part of Verano as finally developed. There is no guarantee that Verano will contain any specific number of Homes.

3. Plan of Development. The planning process for Verano is an ever-evolving one and must remain flexible in order to be responsible to and accommodate the needs of Developer's buyers. Subject to the Title Documents, Developer may wish and has the right to develop Verano and adjacent property owned by Developer into residences, comprised of homes, villas, coach homes, granny flats, paired residences, townhomes, estate homes, zero lot line

homes, patio homes, multi-family homes, condominiums, live/work building, accessory dwelling units, rental apartments, and other forms of residential dwellings, as well as commercial development, which may include shopping centers, stores, office buildings, showrooms, industrial facilities, technological facilities, and professional offices. The existence at any point in time of walls, landscape screens, or berms is not a guaranty or promise that such items will remain or form part of Verano as finally developed. There is no guarantee that Verano will contain any specific number of Homes.

4. Amendment.

4.1 General Restrictions on Amendments. Notwithstanding any other provision herein to the contrary, no amendment to this Declaration shall affect the rights of Developer or Club Owner unless such amendment receives the prior written consent of Developer or Club Owner, as applicable, which consent may be withheld for any reason whatsoever. No amendment shall alter the provisions of this Declaration benefiting Lenders or Development Lenders without the prior approval of the Lender(s) or Development Lender(s) enjoying the benefit of such provisions. If the prior written approval of any governmental entity or agency having jurisdiction is required by applicable law or governmental regulation for any amendment to this Declaration, then the prior written consent of such entity or agency must also be obtained. All amendments must comply with Section 16.9.2 which benefits the SFWMD and/or ACOE. No amendment shall be effective until it is recorded in the Public Records. Notwithstanding the foregoing, at all times after the Turnover Date, Developer shall have the right to amend Association Documents unilaterally to correct scrivener's errors.

4.2 No Vested Rights. Each Owner by acceptance of a deed to a Home or Commercial Unit irrevocably waives any claim that such Owner has any vested rights pursuant to case law or statute with respect to this Declaration or any of the other Association Documents. It is expressly intended that Developer and Association have the unfettered right to amend this Declaration and the other Association Documents except as expressly set forth herein.

4.3 Amendments Prior to and Including the Turnover Date. Prior to and including the Turnover Date, Developer shall have the right to amend this Declaration as it deems appropriate, without the joinder or consent of any person or entity whatsoever. Such amendments may include, without limitation, the creation of easements for Telecommunications Systems, utility, drainage, ingress and egress and roof overhangs over any portion of Verano; additions or deletions from the properties comprising the Common Areas; changes in the Rules and Regulations, and modifications of restrictions on the Homes or Commercial Units, and maintenance standards for landscaping. Developer's right to amend under this provision is to be construed as broadly as possible. By way of example, and not as a limitation, Developer may create easements over Homes or Commercial Units conveyed to Owners provided that such easements do not prohibit the use of such Homes as residential homes. In the event that Association shall desire to amend this Declaration prior to and including the Turnover Date, Association must first obtain Developer's prior written consent to any proposed amendment. Thereafter, an amendment identical to that approved by Developer may be adopted by Association pursuant to the requirements for amendments from and after the Turnover Date. Thereafter, Developer shall join in such identical amendment so that its consent to the same will be reflected in the Public Records. Notwithstanding the foregoing, at all times from and after the Turnover Date Developer shall have the right to amend the Association Documents unilaterally to correct scrivener's errors.

4.4 Amendments After the Turnover Date. After the Turnover Date, but subject to the general restrictions on amendments set forth above, this Declaration may be amended with the approval of (i) sixty six and two-thirds percent (66⅔%) of the Board; and (ii) seventy-five percent (75%) of all of the votes present (in person or by proxy) at a duly noticed meeting of the members of Association in which there is a quorum.

5. Annexation and Withdrawal.

5.1 Annexation by Developer. Prior to and including the Turnover Date, additional lands may be made part of Verano by Developer, at Developer's sole discretion. Such additional lands to be annexed may or may not be adjacent to Verano. Except for applicable governmental approvals (if any), no consent to such annexation shall be required from any other party (including, but not limited to, Association, Owners or any Lenders of any Parcel, Commercial Unit or Home). Such annexed lands shall be brought within the provisions and applicability of this Declaration by the recording of an amendment to this Declaration in the Public Records. The amendment shall subject the annexed lands to the covenants, conditions, and restrictions contained in this Declaration as fully as though the annexed lands were described herein as a portion of Verano. Such amendment may contain additions to, modifications of, or omissions from, the covenants, conditions, and restrictions contained in this Declaration as deemed appropriate by Developer and as may be necessary to reflect the different character, if any, of the annexed lands. Prior to and including the Turnover Date, only Developer may add additional lands to Verano.

5.2 Annexation by Association. After the Turnover Date, and subject to applicable governmental approvals (if any), additional lands may be annexed with the approval of (i) sixty-six and two-thirds percent (66⅔%) of the Board; and (ii) seventy-five percent (75 %) of all of the votes present (in person or by proxy) at a duly noticed meeting of the members of Association at which there is a quorum.

5.3 Withdrawal. Prior to and including the Turnover Date, any portions of Verano (or any additions thereto) may be withdrawn by Developer from the provisions and applicability of this Declaration by the recording of an amendment to this Declaration in the Public Records. The right of Developer to withdraw portions of Verano shall not apply to any Home or Commercial Unit which has been conveyed to an Owner unless that right is specifically reserved in the instrument of conveyance or the prior written consent of the Owner is obtained. The withdrawal of any portion of Verano shall not require the consent or joinder of any other party (including, but not limited to, Association, Owners, or any Lenders of any Parcel, Commercial Unit or Home). Association shall have no right to withdraw land from Verano.

6. Dissolution.

6.1 Generally. In the event of the dissolution of Association without reinstatement within thirty (30) days, other than incident to a merger or consolidation, any Owner may petition the circuit court of the appropriate judicial circuit of the State of Florida 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 Association, and to make such provisions as may be necessary for the continued management of the affairs of the dissolved Association. In the event Association is dissolved, and any portion of the Surface Water Management System is part of the Common Areas, the Surface Water Management System shall be conveyed to a District or an appropriate agency of local government, and if not accepted, then the Surface Water Management System shall be dedicated to a similar non-profit corporation.

6.2 Applicability of Declaration after Dissolution. In the event of dissolution of Association, Verano and each Home and Commercial Unit therein shall continue to be subject to the provisions of this Declaration, including, without limitation, the provisions respecting Assessments and the Club specified in this Declaration and/or the Club Plan. Each Owner shall continue to be personally obligated to the successors or assigns of Association and/or Club Owner, as the case may be, for Assessments and Club Dues to the extent that Assessments and Club Dues are required to enable the successors or assigns of Association and/or Club Owner to properly maintain, operate and preserve the Common Areas and/or Club. Without limiting the foregoing, the obligation of each Owner to pay the Club Membership Fee shall survive the dissolution of Association. The provisions of this Section shall only apply with regard to the maintenance, operation, and preservation of those portions of Verano which had been Common Areas and/or comprised part of the Club and continue to be so used for the common use and enjoyment of the Owners.

7. Binding Effect and Membership.

7.1 Term. This Declaration and all covenants, conditions and restrictions contained in this Declaration are equitable servitudes, perpetual and run with the land. Each Owner, by acceptance of a deed to a Home, Commercial Unit, Parcel, or Lot and any person claiming by, through or under such Owner (i) agrees to be subject to the provisions of this Declaration and (ii) irrevocably waives any right to deny, and any claim, that this Declaration and all covenants, conditions and restrictions contained in this Declaration are not enforceable under the Marketable Record Titles to Real Property Act, Chapter 712 of the Florida Statutes. It is expressly intended that the Marketable Record Titles to Real Property Act will not operate to extinguish any encumbrance placed on Verano by this Declaration. It is further expressly intended that no re-filing or notice of preservation is necessary to continue the applicability of this Declaration and the applicability of all covenants, conditions, and restrictions contained in this Declaration. This provision is not subject to amendment, except by Developer.

7.2 Transfer. The transfer of the fee simple title to a Home or Commercial Unit, whether voluntary or by operation of law, terminating the Owner's title to that Home or Commercial Unit shall terminate the Owner's rights to the use of and enjoyment of the Common Areas as it pertains to that Home or Commercial Unit and shall terminate such Owner's membership in Association. An Owner's rights and privileges under this Declaration are not assignable separately from a Home or Commercial Unit. The Owner of each Home or Commercial Unit is entitled to the benefits of, and is burdened with the duties and responsibilities set forth in, the provisions of this Declaration. All parties acquiring any right, title and interest in and to any Home or Commercial Unit shall be fully bound by the provisions of this Declaration. In no event shall any Owner acquire any rights that are greater than the rights granted to, and limitations placed upon its predecessor in title pursuant to the provisions of this Declaration. In the event that any Owner desires to sell or otherwise transfer title of his or her Home or Commercial Unit, such Owner shall give the Board at least fourteen (14) days prior written notice of the name and address of the purchaser or transferee, the date on which such transfer of title is to take place, and such other information as the Board may reasonably require. The transferor shall remain jointly and severally liable with the transferee for all obligations of the Owner and the Home or Commercial Unit pursuant to this Declaration including, without limitation, payment of all Assessments accruing prior to the date of transfer. Until written notice is received as provided in this Section, the transferor and transferee shall be jointly and severally liable for Assessments accruing subsequent to the date of transfer. In the event that upon the conveyance of a Home or Commercial Unit an Owner fails in the deed of conveyance to reference the imposition of this Declaration on the Home or Commercial Unit, the transferring Owner shall remain liable for Assessments accruing on the Home or Commercial Unit from and after the date of conveyance.

7.3 Membership. Upon acceptance of title to a Home or Commercial Unit, and as more fully provided in the Articles and By-Laws, each Owner (or his or her Lessee, if applicable) shall be a member of Association (a "**Member**"). In the event there are multiple Owners of a Home, all such Owners shall designate who are to be the occupants of the Home and register such persons with Association. Membership rights are governed by the provisions of this Declaration, the deed to a Home or Commercial Unit, the Articles and By-Laws. Membership shall be an appurtenance to and may not be separated from, the ownership of a Home or Commercial Unit. Developer rights with respect to Association are set forth in this Declaration, the Articles and By-Laws. Club Owner shall be a Member of Association.

7.4 Ownership by Entity. In the event that an Owner of the Home is other than a natural person, that Owner shall, prior to occupancy of the Home, designate one or more persons who are to be the occupants of the Home and register such persons with Association. All provisions of this Declaration and the other Association Documents shall apply to both such Owner of the Home and the designated occupants.

7.5 Voting Interests. Voting interests in Association are governed by the provisions of the Articles and By-Laws.

7.6 Document Recordation by Owners Prohibited. Neither Association nor any Owner, nor group of Owners, may record any documents which, in any way, affect or restrict the rights of Developer or Club Owner, or conflict with the provisions of this Declaration or the other Association Documents.

7.7 Composition of Board. Developer reserves the right to change, from time to time prior to and including Turnover Date, the composition of the Board. Without limiting the foregoing, Developer may changes the number of Board members, the effect of a vote by a Board member, or how a Board member is elected or appointed prior to and including Turnover Date.

7.8 Conflicts. In the event of any conflict among this Declaration, a Village Declaration, the Articles, the By-Laws or any of the other Association Documents, this Declaration shall control. In the event that a Village Declaration is more restrictive than this Declaration, the Village Declaration shall control. Paramount Right of Developer. Notwithstanding anything to the contrary herein, prior to the Community Completion Date Developer shall have the paramount right to dedicate, transfer, and/or convey (by absolute conveyance, easement, or otherwise) portions of Verano for various public purposes or for the provision of Telecommunications Systems, or to make any portions of Verano part of the Common Areas, or to create and implement a special taxing district which may include all or any portion of Verano. In addition, the Common Areas of Verano may include decorative improvements, berms, and waterbodies. Notwithstanding anything to the contrary herein, the waterbodies may be dry during certain weather conditions or during certain times of the year. Developer may remove, modify, eliminate or replace these items from time to time in its sole discretion. SALES BROCHURES, SITE PLANS, AND MARKETING MATERIALS ARE CURRENT CONCEPTUAL REPRESENTATIONS AS TO WHAT FACILITIES, IF ANY, WILL BE INCLUDED WITHIN THE COMMON AREAS. DEVELOPER SPECIFICALLY RESERVES THE RIGHT TO CHANGE THE LAYOUT, COMPOSITION, AND DESIGN OF ANY AND ALL COMMON AREAS AT ANY TIME WITHOUT NOTICE AT ITS DISCRETION.

8. Operation of Common Areas.

8.1 Prior to Conveyance. Prior to the conveyance, identification and/or dedication of the Common Areas to Association as set forth in Section 8.4 herein, any portion of the Common Areas owned by Developer shall be operated, maintained, and administered at the sole cost of Association for all purposes and uses reasonably intended, as Developer in its sole discretion deems appropriate. During such period, Developer shall own, operate, and administer the Common Areas without interference from any Owner or Lender of a Parcel or Home or Commercial Unit or any other person or entity whatsoever. Owners shall have no right in or to any Common Areas referred to in this Declaration unless and until same are actually constructed, completed, and conveyed to, leased by, dedicated to, and/or maintained by Association. The current conceptual plans and/or representations, if any, regarding the composition of the Common Areas are not a guarantee of the final composition of the Common Areas. No party should rely upon any statement contained herein as a representation or warranty as to the extent of the Common Areas to be owned, leased by, or dedicated to Association. Developer, so long as it controls Association, further specifically retains the right to add to, delete from, or modify any of the Common Areas referred to herein in its sole discretion and without notice.

8.2 Construction of Common Areas Facilities. Developer has constructed or will construct certain facilities and improvements as part of the Common Areas, together with equipment and personalty contained therein, and such other improvements and personalty as Developer determines in its sole discretion. Developer shall be the sole judge of the composition of such facilities and improvements. Prior to the Community Completion Date Developer reserves the absolute right to construct additional Common Areas facilities and improvements within Verano, from time to time, in its sole discretion, and to remove, add to, modify and change the boundaries, facilities and improvements now or then part of the Common Areas. Developer is not obligated to, nor has it represented that it will, modify or add to the facilities, improvements, or Common Areas as they are contemplated as of the date hereof. Developer is the sole judge of the foregoing, including the plans, specifications, design, location, completion schedule, materials, size, and contents of the facilities, improvements, appurtenances, personalty (e.g., furniture), color, textures, finishes, or Common Areas, or changes or modifications to any of them.

8.3 Use of Common Areas by Developer. Until the Community Completion Date, Developer shall have the right to use any portion of the Common Areas, without charge, for any purpose deemed appropriate by Developer.

8.4 Conveyance.

8.4.1 Generally. Within sixty (60) days after the Turnover Date, or earlier as determined by Developer in its sole discretion or as may be required by applicable law, all or portions of the Common Areas shall be dedicated by Plats, created in the form of easements, or conveyed by written instrument recorded in the Public Records, or by Quitclaim Deed from Developer to Association. Association shall pay all of the costs of the conveyance. The dedication, creation by easement, or conveyance shall be subject to easements, restrictions, reservations, conditions, limitations, and declarations of record, real estate taxes for the year of conveyance, zoning, land use regulations and survey matters. Association shall be deemed to have assumed and agreed to pay all continuing obligations and service and similar contracts relating to the ownership operation, maintenance, and administration of the conveyed portions of Common Areas and other obligations relating to the Common Areas imposed herein. Association shall, and does hereby, indemnify and hold Developer harmless on account thereof. Association, by its joinder in this Declaration, hereby accepts such dedication(s) or conveyance(s) without setoff, condition, or qualification of any nature. The Common Areas, personal property and equipment thereon and appurtenances thereto shall be dedicated or conveyed in "as is, where is" condition WITHOUT ANY REPRESENTATION OR WARRANTY, EXPRESSED OR IMPLIED, IN FACT OR BY LAW, AS TO THE CONDITION, FITNESS OR MERCHANTABILITY OF THE COMMON AREAS BEING CONVEYED.

8.4.2 Form of Deed. Each deed of the Common Areas shall be subject to the following provisions:

8.4.2.1 a perpetual nonexclusive easement in favor of governmental agencies for the maintenance and repair of existing road, speed and directional signs, if any;

8.4.2.2 matters reflected in the Plat(s);

8.4.2.3 perpetual non-exclusive easements in favor of Developer, its successors, and assigns in, to, upon and over all of the Common Areas for the purpose of vehicular and pedestrian ingress and egress, installation of utilities, landscaping and/or drainage, without charge, including, without limitation, the right to use such roadways for construction vehicles and equipment. The easements reserved in the deed shall run in favor of Developer, and its employees, representatives, agents, licensees, guests, invitees, successors and/or assigns;

8.4.2.4 all restrictions, easements, covenants and other matters of record;

8.4.2.5 in the event that Association believes that Developer shall have failed in any respect to meet Developer's obligations under this Declaration or has failed to comply with any of Developer's obligations under law or the Common Areas conveyed herein are defective in any respect, Association shall give written notice to Developer detailing the alleged failure or defect. Once Association has given written notice to Developer pursuant to this Section, Association shall be obligated to permit Developer and its agents to perform inspections of the Common Areas and to perform all tests and make all repairs/replacements deemed necessary by Developer to respond to such notice at all reasonable times. Association agrees that any inspection, test and/or repair/replacement scheduled on a business day between 9 a.m. and 5 p.m. shall be deemed scheduled at a reasonable time. The rights reserved in this Section include the right of Developer to repair or address, in Developer's sole option and expense, any aspect of the Common Areas deemed defective by Developer during its inspections of the Common Areas. Association's failure to give the notice and/or otherwise comply with the provisions of this Section will damage Developer. At this time, it is impossible to determine the actual damages Developer might suffer. Accordingly, if Association fails to comply with its obligations under this Section in any respect, Association shall pay to Developer liquidated damages in the amount of $500,000.00 which Association and Developer agree is a fair and reasonable remedy; and

8.4.2.6 a reservation of right in favor of Developer (so long as Developer owns any portion of Verano) to require that Association reconvey all or a portion of the Common Areas conveyed by quitclaim deed in favor of Developer in the event that such property is required to be owned by Developer for any purpose, including, without limitation, the reconfiguration of any adjacent property by replatting or otherwise.

8.5 Operation After Conveyance. After the conveyance or dedication of any portion of the Common Areas to Association, the portion of the Common Areas so dedicated shall be owned, operated and administered by Association for the use and benefit of the owners of all property interests in Verano including, but not limited to, Association, Developer, Club Owner, Owners and any Lenders. Subject to Association's right to grant easements, and other interests as provided herein, Association may not convey, abandon, alienate, encumber, or transfer all or a portion of the Common Areas to a third party without (i) if prior to and including the Turnover Date, the approval of (a) a majority of the Board; and (b) the consent of Developer and Club Owner, or (ii) after the Turnover Date, approval of (a) sixty-six and two-thirds percent (66 2/3%) of the Board; (b) seventy-five percent (75%) of all of the votes in Association; and (c) consent of the Club Owner being first had and obtained.

8.6 Paved Areas. Certain paved areas may be part of the Facilities under the jurisdiction of a District. The Common Areas may also contain certain paved areas. Without limiting any other provision of this Declaration, Association is responsible for the maintenance and/or resurfacing of all paved surfaces, including but not limited to, roads, pathways, bicycle paths, and sidewalks forming a part of the Common Areas, if any. Although pavement appears to be a durable material, it requires maintenance. Association shall have the right, but not the obligation, to arrange for an annual inspection of all paved surfaces forming a part of the Common Areas by a licensed paving contractor and/or engineer. The cost of such inspection shall be a part of the Operating Costs of Association. Association shall determine annually the parameters of the inspection to be performed, if any. By way of example, and not of limitation, the inspector may be required to inspect the roads and sidewalks forming part of the Common

Areas annually for deterioration and to advise Association of the overall pavement conditions including any upcoming maintenance needs. Any patching, grading, or other maintenance work should be performed by a company licensed to perform the work. From and after the Community Completion Date, Association should monitor the roads and sidewalks forming the Common Areas monthly to ensure that vegetation does not grow into the asphalt and that there are no eroded or damaged areas that need immediate maintenance.

8.7 Delegation. Once conveyed or dedicated to Association, the Common Areas and facilities and improvements located thereon shall, subject to the provisions of this Declaration and the document of conveyance or dedication, at all times be under the complete supervision, operation, control, and management of Association. Notwithstanding the foregoing, Association may delegate all or a portion of its obligations hereunder to a licensed manager or professional management company. Association specifically shall have the right to pay for management services on any basis approved by the Board (including bonuses or special fee arrangements for meeting financial or other goals). Developer, its affiliates and/or subsidiaries shall have the right to manage Association. Owners and Association acknowledge that it is fair and reasonable to have Developer, its affiliates and/or subsidiaries manage Association. Further, in the event that a Common Area is created by easement, Association's obligations and rights with respect to such Common Area may be limited by the terms of the document creating such easement.

8.7.1 Common Management. In the event a Management Company is employed by Association, each Village Association shall be managed by the same Management Company.

8.8 Use.

8.8.1 Nonexclusive Use. The Common Areas shall be used and enjoyed by the Owners on a non-exclusive basis in common with other persons, entities and corporations (who may, but are not required to be, members of Association) entitled to use those portions of the Common Areas. Prior to the Community Completion Date, Developer, and thereafter, Association, has the right, at any and all times, and from time to time, to further provide and make the Common Areas available to other individuals, persons, firms, or corporations, as it deems appropriate. The granting of such rights shall not invalidate this Declaration, reduce or abate any Owner's obligations pursuant to this Declaration, or give any Owner the right to avoid any of the covenants, agreements or obligations to be performed hereunder. Without limiting the foregoing, Club Owner and all persons having a right to use the Club (whether or not they are Owners or members of the general public) shall have the right to use the Common Areas for pedestrian and vehicular ingress and egress to the Club for all purposes, and for maintenance, repair, and replacement of the Club beyond completion and turnover of the Association from Developer to the Owners.

8.8.2 Right to Allow Use. Developer and/or Association may enter into easement agreements or other use or possession agreements whereby the Owners, Telecommunications Providers, the City, Association and/or others may obtain the use, possession of, or other rights regarding certain property, on an exclusive or non-exclusive basis, for certain specified purposes. Association may agree to maintain and pay the taxes, insurance, administration, upkeep, repair, and replacement of such property, the expenses of which shall be Operating Costs. Any such agreement by Association prior to the Community Completion Date shall require the consent of Developer and Club Owner. Thereafter, any such agreement shall require the approval of the majority of the Board, and the consent of Club Owner, which consent shall not be unreasonably withheld or delayed.

8.8.3 Waterbodies. BY ACCEPTANCE OF A DEED TO A HOME OR LOT, EACH OWNER ACKNOWLEDGES THAT THE WATER LEVELS OF ALL WATERBODIES MAY VARY. THERE IS NO GUARANTEE BY DEVELOPER, THE DISTRICTS OR ASSOCIATION THAT WATER LEVELS WILL BE CONSTANT OR AESTHETICALLY PLEASING AT ANY PARTICULAR TIME; AT TIMES, WATER LEVELS MAY BE NONEXISTENT. Developer, the Districts and Association shall not be obligated to erect fences, gates, or walls around or adjacent to any waterbody or waterfall within Verano. No fence or other structure may be placed within any lake maintenance easement. Swimming, fishing and boating will only be permitted in designated waterbodies, as further provided in the Rules and Regulations. No private docks may be erected or boats moored within any waterbody with the exception of docks constructed by or boats owned by the Club or the Club Owner. All or a portion of the waterbodies within Verano may be owned by a District.

8.8.4 Obstruction of Common Areas. No portion of the Common Areas may be obstructed, encumbered, or used by Owners for any purpose other than as permitted by Association.

8.8.5 Assumption of Risk. Without limiting any other provision herein, each person within any portion of the Common Areas and/or Facilities accepts and assumes all risk and responsibility for noise, liability, injury, or damage connected with use or occupancy of any portion of such Common Areas, and/or the Facilities, including, without limitation, (a) noise from maintenance equipment, (b) use of pesticides, herbicides and fertilizers, (c) view restrictions caused by maturation or placement of trees and shrubbery, (d) reduction in privacy caused by the removal or pruning of shrubbery or trees within Verano, (e) design of any portion of Verano, (f) injury, damage, destruction and/or loss of life arising from the presence of water bodies within Verano, (g) the use of effluent in the irrigation or fertilization of Verano, (h) errant golf balls, Golf Course Vehicles, golf clubs, (i) power lines and/or natural gas lines running through Verano and (j) propane tanks, whether underground or above ground, located within Verano. Each Owner understands that Association is required to use effluent water when the same becomes available and such water may be more expensive than potable water. Each such person also expressly indemnifies and agrees to hold harmless Developer, Builders, the Districts, Association, Village Associations, Club Owner, Club Manager, and all their employees, directors, representatives, officers, shareholders, agents, partners, members, affiliates and attorneys (in-house and outsourced) (collectively, "**Indemnified Parties**"), from any and all damages, whether direct or consequential, arising from or related to the person's use of the Common Areas, and/or the Facilities, including attorneys' fees, paraprofessional fees and costs at trial and upon appeal. Without limiting the foregoing, all persons using the Common Areas and/or the Facilities, including without limitation, all waterbodies, lakes, pools, parks, or areas adjacent to a lake, do so at their own risk. Without limiting the foregoing, there may be walking trails along all or a portion of the SFWMD C-24 Canal and care should be taken when using such trails as there will not be a lifeguard on hand. Children and pets need to be carefully supervised when using walking trails. BY ACCEPTANCE OF A DEED, EACH OWNER ACKNOWLEDGES THAT THE COMMON AREAS MAY CONTAIN WILDLIFE SUCH AS ALLIGATORS, DOGS, RACCOONS, SNAKES, DUCKS, DEER, SWINE, TURKEYS, AND FOXES. DEVELOPER, THE DISTRICTS, BUILDERS, ASSOCIATION, VILLAGE ASSOCIATIONS, CLUB OWNER, AND CLUB MANAGER SHALL HAVE NO RESPONSIBILITY FOR MONITORING SUCH WILDLIFE OR NOTIFYING OWNERS OR OTHER PERSONS OF THE PRESENCE OF SUCH WILDLIFE. EACH OWNER AND HIS OR HER GUESTS AND INVITEES ARE RESPONSIBLE FOR THEIR OWN SAFETY.

8.8.6 Owner's Obligation to Indemnify. Each Owner agrees to indemnify and hold harmless the Indemnified Parties 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 the Common Areas and/or the Facilities including, without limitation, use of the lakes and other waterbodies within Verano by Owners, and their guests, family members, invitees, or agents, or the interpretation of this Declaration and/or exhibits attached hereto and/or from any act or omission of Developer, the Districts, Association, Club Owner, or Club Manager or of any of the Indemnified Parties. Should any Owner bring suit against Developer, a District, Association, Club Owner or Club Manager or any of the Indemnified Parties for any claim or matter and fail to obtain judgment therein against such Indemnified Parties, such Owner shall be liable to such parties for all Losses, costs and expenses incurred by the Indemnified Parties in the defense of such suit, including attorneys' fees, paraprofessional fees and costs, pre-trial and at all levels of proceedings, including appeals.

8.8.7 North Joint Use and Maintenance Agreement. The North Joint Use and Maintenance Agreement contains important obligations and provisions including how certain shared infrastructures are used, maintained and replaced. The North Joint Use and Maintenance Agreement provides for the exclusive and non-exclusive use of certain irrigation and drainage facilities located within Verano. Furthermore, the North Joint Use and Maintenance Agreement provides that all necessary costs and expenses of maintenance, upkeep, repair and replacement of the "D/I Facilities" (as defined therein) shall be shared amongst the parties thereto. Association shall be responsible for complying with all the terms and conditions of the North Joint Use and Maintenance Agreement and all maintenance costs relating thereto shall form part of Operating Costs.

8.9 Rules and Regulations.

8.9.1 Generally. Prior to the Turnover Date, Developer, and thereafter Association, shall have the right to adopt Rules and Regulations governing the use of the Common Areas and Verano. The Rules and Regulations need not be recorded in the Public Records. The Common Areas shall be used in accordance with this Declaration and Rules and Regulations promulgated hereunder.

8.9.2 Developer Not Subject to Rules and Regulations. The Rules and Regulations shall not apply to Developer or to any property owned by Developer, and shall not be applied in a manner which would prohibit or restrict the development or operation of the Club or adversely affect the interests of Developer. Without limiting the foregoing, Developer its successors and/or assigns, shall have the right to: (i) develop and construct commercial, club uses and industrial uses, Homes, Commercial Units, Common Areas and the Club and related improvements within Verano, and make any additions, alterations, improvements, or changes thereto; (ii) maintain sales offices (for the sale and re-sale of (a) Homes or Commercial Units and (b) residences and properties located outside of Verano), general office and construction operations within Verano; (iii) place, erect or construct portable, temporary or accessory buildings or structures within Verano for sales, construction, storage or other purposes; (iv) temporarily deposit, dump or accumulate materials, trash, refuse and rubbish in connection with the development or construction of any portion of Verano; (v) post, display, inscribe or affix to the exterior of any portion of the Common Areas or portions of Verano owned by Developer, signs and other materials used in developing, constructing, selling or promoting the sale of any portion Verano including, without limitation, Parcels, Commercial Units and Homes; (vi) excavate fill from any lakes or waterways within and/or contiguous to Verano by dredge or dragline, store fill within Verano and remove and/or sell excess fill; (vii) grow or store plants and trees within, or contiguous to, Verano and use and/or sell excess plants and trees; and (viii) undertake all activities which, in the sole opinion of Developer, are necessary for the development and sale of any lands and improvements comprising Verano.

8.10 Public Facilities. Verano may include one or more facilities which may be open and available for the use of the general public. By way of example, it is anticipated that there may be one or more of the following within Verano: a Public Park, fire station, Public School, police station, and public SFWMD C-24 canal. County may own one or more lift stations that are located within the boundaries of Verano. Developer hereby grants, bargains and sells a perpetual, non-exclusive easement over Verano in favor of the County for the purpose of maintaining any lift station within Verano. Notwithstanding the foregoing, any electricity costs charged to Association to operate the lift station and all related costs and expenses shall be part of Operating Costs.

8.11 Emergency Shelter Space. Developer shall provide a plan for the provision of Emergency Shelter Space which meets the minimum requirements of the American Red Cross Standard 4496 and in accordance with the provisions set forth in the Verano DRI.

8.12 Default by Another Owner. No default by any Owner in the performance of the covenants and promises contained in this Declaration or by any person using the Common Areas or any other act of omission by any of them shall be construed or considered (a) a breach by Developer or Association or a non-defaulting Owner or other person or entity of any of their promises or covenants in this Declaration; or (b) an actual, implied or constructive dispossession of another Owner from the Common Areas; or (c) an excuse, justification, waiver or indulgence of the covenants and promises contained in this Declaration.

8.13 Taxing Districts. For as long as Developer controls Association, Developer shall have the right, but not the obligation, to dedicate or transfer or cause the dedication or transfer of all or portions of the Common Areas of Association to a District, a special taxing district, any other governmental district or a public agency or authority under such terms as Developer deems appropriate in order to create or contract with taxing districts and community development districts (or others) for lighting, perimeter walls, entrance features, roads, landscaping, irrigation areas, lakes, waterways, ponds, surface water management systems, wetlands mitigation areas, uplands, parks, recreational or other services, security or communications, or other similar purposes deemed appropriate by Developer including, without limitation, the maintenance and/or operation of any of the foregoing. As hereinafter provided, Developer may sign any taxing district petition as attorney-in-fact for each Owner, Association and Village Association. Each Owner's obligation to pay taxes associated with such district shall be in addition to such Owner's obligation to pay Assessments. Any taxing district shall be created pursuant to all applicable ordinances of St. Lucie County and all other applicable governing entities having jurisdiction with respect to the same.

8.14 Water Transmission and Distribution Facilities Easement and Repair. Developer hereby grants and conveys to City or County, their successors and assigns, the non-exclusive right, privilege and easement to construct, re-construct, lay, install, operate, maintain, relocate, repair, replace, improve and inspect water transmission and distribution facilities and sewer collection facilities and all appurtenances thereto, and all appurtenant equipment, with the full right of ingress thereto and egress therefrom, within Verano (excluding such facilities located inside a Home or Commercial Unit) in accordance with plans approved by Developer or Association. Certain water transmission and distribution facilities and sewer collection facilities may be covered with decorative brick pavers that do not conform to City or County regulations ("**Non-Conforming Pavers**") in the course of construction of Homes, Commercial Units and Common Areas, as and to the extent permitted under the terms of this Declaration. In the event City or County or any of their subdivisions, agencies and/or divisions shall damage any Non-Conforming Pavers as a result of construction, repair or maintenance operations of the water and/or sewer facilities or the City's or County's use of its easement rights granted in this Section 8.14, then Association shall replace or repair such damage at the expense of the Owner of the affected Home or Commercial Unit and such cost shall be billed to such Owner as an Individual Assessment, unless, and only to the extent that, such cost is not paid by City or County or such other subdivisions, agencies and/or divisions. Association shall indemnify and hold harmless City or County and their officers, employees, agents and instrumentalities from any and all liability, losses or damages, including attorney's fees and costs of defense, which City or County or their officers, employees, agents or instrumentalities may incur as a result of claims, demands, suits, causes of actions or proceedings of any kind or nature arising out of, relating to or resulting from the performance by Association of Association's obligations under this Section 8.14.

8.15 Association's Obligation to Indemnify. Association and Owners each covenant and agree jointly and severally to indemnify, defend and hold harmless Developer and the Districts, their officers, directors, shareholders, representatives, agents, partners, affiliates and any related persons or corporations and their employees from and against any and all claims, suits, actions, causes of action or damages arising from any personal injury, loss of life, or damage to property, sustained on or about the Common Areas and/or the Facilities, or other property serving Association, and improvements thereon, or resulting from or arising out of activities or operations of Association or Owners, and from and against all costs, expenses, court costs, attorneys' fees and paraprofessional fees (including, but not limited to, attorneys' fees and paraprofessional fees, pre-trial and at all levels of proceedings, including appeals), expenses and liabilities incurred or arising from any such claim, the investigation thereof, or the defense of any action or proceedings brought thereon, and from and against any orders, judgments or decrees which may be entered relating thereto. The costs and expense of fulfilling this covenant of indemnification shall be Operating Costs to the extent such matters are not covered by insurance maintained by Association.

8.16 Site Plans and Plats. Verano may be subject to one or more plats (each individually, a "**Plat**"). The Plat may identify some of the Common Areas within Verano. The description of the Common Areas on a Plat is subject to change and the notes on a Plat are not a guarantee of what facilities will be constructed on such Common Areas. Site plans used by Developer in its marketing efforts illustrate the types of facilities which may be constructed on the Common Areas, but such site plans are not a guarantee of what facilities will actually be constructed. Each Owner should not rely on a Plat or any site plans used for illustration purposes as the Declaration governs the rights and obligations of Developer and Owners with respect to the Common Areas.

8.17 Conservation Easement. Association shall be responsible for all of the obligations and duties of grantor as set forth in the Conservation Easement.

9. Exclusive Common Areas. All terms and conditions of this Declaration applicable to the Common Areas shall be applicable to the Limited Common Areas, except as otherwise provided in a Village Declaration.

10. Verano Center Community Development District.

10.1 Generally. Developer has created the Verano Center Community Development District ("**Verano Center District**") within Verano. Portions of Verano may be owned by the Verano Center District, including, but not limited to, the roads, drainage system, landscaping and/or utilities. In the event that any portions of Verano are owned by the Verano Center District, such facilities shall not be part of the Common Areas, but will be part of the infrastructure facilities owned by the Verano Center District ("**Verano Center Facilities**"). AT THIS TIME IT IS NOT KNOWN WHAT PORTIONS OF VERANO WILL BE DESIGNATED COMMON AREAS OR VERANO

CENTER FACILITIES OF THE VERANO CENTER DISTRICT. FINAL DETERMINATION OF WHICH PROPERTIES WILL BE COMMON AREAS MAY NOT OCCUR UNTIL THE COMPLETION OF ALL DEVELOPMENT.

10.2 Creation of the Verano Center District. The Verano Center District may issue special assessment bonds (the "**Verano Center Bonds**") to finance a portion of the cost of the Verano Center Facilities. The Verano Center District is an independent, multi-purpose, special district created pursuant to Chapter 190 of the Florida Statutes. The creation of the Verano Center District puts residential units and Commercial Units of Verano under the jurisdiction of the Verano Center District. The Verano Center District may be authorized to acquire, finance, fund, install, equip, extend, construct or reconstruct, without limitation, the following: water and sewer facilities, environmental mitigation, roadways, Surface Water Management System, utility plants and lines, and land acquisition, miscellaneous utilities for the community and other infrastructure projects and services necessitated by the development of, and serving lands, within Verano ("**Verano Center Public Infrastructure**"). The estimated design, development, construction and acquisition costs for these facilities may be funded by the Verano Center District in one or more series of governmental bond financings utilizing Bonds or other revenue backed bonds. The Verano Center District may issue both long term debt and short term debt to finance the Verano Center Public Infrastructure. The principal and interest on the special assessments bonds may be repaid through non ad valorem special assessments ("**Verano Center District Debt Service Assessments**") levied on all benefiting properties in the Verano Center District, which properties have been found to be specially benefited by the Verano Center Public Infrastructure. The principal and interest on the other revenue backed bonds ("**Verano Center District Revenue Bonds**") may be repaid through user fees, franchise fees or other use related revenues. In addition to the Bonds issued to fund the Verano Center Public Infrastructure costs, the Verano Center District may also impose an annual non ad valorem special assessment to fund the operations of the Verano Center District and the maintenance and repair of its Verano Center Public Infrastructure and its services ("**Verano Center District Maintenance Special Assessments**").

10.3 Verano Center District Assessments. The Verano Center District Debt Service Assessments and Verano Center District Maintenance Special Assessments will not be taxes but, under Florida law, constitute a lien co-equal with the lien of state, county, municipal, and school board taxes and may be collected on the ad valorem tax bill sent each year by the Tax Collector of County and disbursed to the Verano Center District, or may be billed directly by the Verano Center District. The homestead exemption is not applicable to the Verano Center District Assessments. Because a tax bill cannot be paid in part, failure to pay the Verano Center District Debt Service Assessments, Verano Center District Maintenance Special Assessments or any other portion of the tax bill will result in the sale of tax certificates and could ultimately result in the loss of title to the property of the delinquent taxpayer through the issuance of a tax deed. The Verano Center District Revenue Bonds are not taxes or liens on property. If the fees and user charges underlying the Verano Center District Revenue Bonds are not paid, then such fees and user charges could become liens on the property which could ultimately result in the loss of title to the property through the issuance of a tax deed. It is anticipated, but not guaranteed, that the initial amount of the Verano Center District Debt Service Assessments will be no greater than $2,500.00 per year per Home and the initial amount of Verano Center District Maintenance Special Assessments will be approximately $400.00 per year per Home. For information about Verano Center District Debt Service and Maintenance Special Assessments on Commercial Units, please contact the Verano Center District. Such amounts vary from year to year and from time to time. The actual amount of Verano Center District Debt Service Assessments will be set forth in the Verano Center District Assessment Methodology Report. Verano Center District Maintenance Special Assessments relating to Verano Center Facilities will be determined by the Verano Center District. Any future Verano Center District Assessments and/or other charges due with respect to the Verano Center Facilities are direct obligations of each Owner and are secured by a lien against the Home as set forth in this Section. The Verano Center District may construct, in part or in whole, by the issuance of Bonds (as explained in Section 10.2 above), certain facilities including, but not limited to, roads, utilities, landscaping and/or drainage system, as the Verano Center District determines in its sole discretion.

10.4 Common Areas and Facilities Part of Center District. Portions of the Common Areas may be conveyed by Developer to the Verano Center District. Such Verano Center Facilities will be part of the Verano Center District and the Verano Center District shall govern the use and maintenance of the Verano Center Facilities. In the event that Developer conveys certain Verano Center Facilities to the Verano Center District, some of the provisions of this Declaration will not apply to such Verano Center Facilities, as the Verano Center Facilities will no longer be Common Areas. By way of example and not of limitation, the procedures set forth in Section 8.4 herein respecting Developer's obligation to convey the Common Areas will not apply to the Verano Center Facilities. ANY CONVEYANCE OF COMMON AREAS TO THE VERANO CENTER DISTRICT SHALL IN NO WAY INVALIDATE THIS DECLARATION. Developer may decide, in its sole and absolute discretion, to convey additional portions of the Common Areas to either the Verano Center District or Association, thereby making such Common Areas part of the Verano Center District's Verano Center Facilities. The Verano Center District or Association may promulgate membership rules, regulations and/or covenants which may outline use restrictions for the Verano Center Facilities, or Association's responsibility to maintain the Verano Center Facilities, if any. The establishment of the Verano Center District and the inclusion of Verano Center Facilities in the Verano Center District will obligate each Owner to become responsible for the payment of Verano Center District Capital and Operation Assessments for the acquisition, construction, reconstruction, and equipping of the Verano Center Facilities as set forth in this Section.

10.5 Facilities Owned by Verano Center District. The Verano Center Facilities may be owned and operated by the Verano Center District or owned by the Verano Center District and maintained by Association. The Verano Center Facilities may be owned by a governmental entity other than the Verano Center District. The Verano Center Facilities shall be used and enjoyed by the Owners, on a non-exclusive basis, in common with such other persons, entities, and corporations that may be entitled to use the Verano Center Facilities.

11. Verano #1 Community Development District.

11.1 Generally. Developer has created the Verano #1 Community Development District ("**Verano #1 District**") within Verano. Portions of Verano may be owned by the Verano #1 District, including, but not limited to, the roads, drainage system, landscaping and/or utilities. In the event that any portions of Verano are owned by the Verano #1 District, such facilities shall not be part of the Common Areas, but will be part of the infrastructure facilities owned by the Verano #1 District ("**Verano #1 Facilities**"). AT THIS TIME IT IS NOT KNOWN WHAT PORTIONS OF VERANO WILL BE DESIGNATED COMMON AREAS OR VERANO #1 FACILITIES OF THE VERANO #1 DISTRICT. FINAL DETERMINATION OF WHICH PROPERTIES WILL BE COMMON AREAS MAY NOT OCCUR UNTIL THE COMPLETION OF ALL DEVELOPMENT.

11.2 Creation of the Verano #1 District. The Verano #1 District may issue special assessment bonds (the "**Verano #1 Bonds**") to finance a portion of the cost of the Verano #1 Facilities. The Verano #1 District is an independent, multi-purpose, special district created pursuant to Chapter 190 of the Florida Statutes. The creation of the Verano #1 District puts residential units and non-residential development of Verano under the jurisdiction of the Verano #1 District. The Verano #1 District may be authorized to acquire, finance, fund, install, equip, extend, construct or reconstruct, without limitation, the following: water and sewer facilities, environmental mitigation, roadways, Surface Water Management System, utility plants and lines, and land acquisition, miscellaneous utilities for the community and other infrastructure projects and services necessitated by the development of, and serving lands, within Verano ("**Verano #1 Public Infrastructure**"). The estimated design, development, construction and acquisition costs for these facilities may be funded by the Verano #1 District in one or more series of governmental bond financings utilizing Bonds or other revenue backed bonds. The Verano #1 District may issue both long term debt and short term debt to finance the Verano #1 Public Infrastructure. The principal and interest on the special assessments bonds may be repaid through non ad valorem special assessments ("**Verano #1 District Debt Service Assessments**") levied on all benefiting properties in the Verano #1 District, which properties have been found to be specially benefited by the Verano #1 Public Infrastructure. The principal and interest on the other revenue backed bonds ("**Verano #1 District Revenue Bonds**") may be repaid through user fees, franchise fees or other use related revenues. In addition to the Bonds issued to fund the Verano #1 Public Infrastructure costs, the Verano #1 District may also impose an annual non ad valorem special assessment to fund the operations of the Verano #1 District and the maintenance and repair of its Verano #1 Public Infrastructure and its services ("**Verano #1 District Maintenance Special Assessments**").

11.3 Verano #1 District Assessments. The Verano #1 District Debt Service Assessments and Verano #1 District Maintenance Special Assessments will not be taxes but, under Florida law, constitute a lien co-equal with the lien of state, county, municipal, and school board taxes and may be collected on the ad valorem tax bill sent each year by the Tax Collector of County and disbursed to the Verano #1 District, or may be billed directly by the Verano #1 District. The homestead exemption is not applicable to the Verano #1 District Assessments. Because a tax bill cannot be paid in part, failure to pay the Verano #1 District Debt Service Assessments, Verano #1 District Maintenance Special Assessments or any other portion of the tax bill will result in the sale of tax certificates and could ultimately result in the loss of title to the property of the delinquent taxpayer through the issuance of a tax deed. The Verano #1 District Revenue Bonds are not taxes or liens on property. If the fees and user charges underlying the Verano #1 District Revenue Bonds are not paid, then such fees and user charges could become liens on the property which could ultimately result in the loss of title to the property through the issuance of a tax deed. It is anticipated, but not guaranteed, that the initial amount of the Verano #1 District Debt Service Assessments will be no greater than $2,500.00 per year per Home and the initial amount of Verano #1 District Maintenance Special Assessments will be approximately $400.00 per year per Home. For information about Verano #1 District Debt Service and Maintenance Special Assessments on Commercial Units, please contact the Verano #1 District. Such amounts vary from year to year and from time to time. The actual amount of Verano #1 District Debt Service Assessments will be set forth in the Verano #1 District Assessment Methodology Report. Verano #1 District Maintenance Special Assessments relating to Verano #1 Facilities will be determined by the Verano #1 District. Any future Verano #1 District Assessments and/or other charges due with respect to the Verano #1 Facilities are direct obligations of each Owner and are secured by a lien against the Home as set forth in this Section. The Verano #1 District may construct, in part or in whole, by the issuance of Bonds (as explained in Section 11.2 above), certain facilities including, but not limited to, roads, utilities, landscaping and/or drainage system, as the Verano #1 District determines in its sole discretion.

11.4 Common Areas and Facilities Part of Verano #1 District. Portions of the Common Areas may be conveyed by Developer to the Verano #1 District. Such Verano #1 Facilities will be part of the Verano #1 District and the Verano #1 District shall govern the use and maintenance of the Verano #1 Facilities. In the event that Developer conveys certain Verano #1 Facilities to the Verano #1 District, some of the provisions of this Declaration will not apply to such Verano #1 Facilities, as the Verano #1 Facilities will no longer be Common Areas. By way of example and not of limitation, the procedures set forth in Section 8.4 herein respecting Developer's obligation to convey the Common Areas will not apply to the Verano #1 Facilities. ANY CONVEYANCE OF COMMON AREAS TO THE VERANO #1 DISTRICT SHALL IN NO WAY INVALIDATE THIS DECLARATION. Developer may decide, in its sole and absolute discretion, to convey additional portions of the Common Areas to either the Verano #1 District or Association, thereby making such Common Areas part of the Verano #1 District's Verano #1 Facilities. The Verano #1 District or Association may promulgate membership rules, regulations and/or covenants which may outline use restrictions for the Verano #1 Facilities, or Association's responsibility to maintain the Verano #1 Facilities, if any. The establishment of the Verano #1 District and the inclusion of Verano #1 Facilities in the Verano #1 District will obligate each Owner to become responsible for the payment of Verano #1 District Capital and Operation Assessments for the acquisition, construction, reconstruction, and equipping of the Verano #1 Facilities as set forth in this Section.

11.5 Facilities Owned by Verano #1 District. The Verano #1 Facilities may be owned and operated by the Verano #1 District or owned by the Verano #1 District and maintained by Association. The Verano #1 Facilities may be owned by a governmental entity other than the Verano #1 District. The Verano #1 Facilities shall be used and enjoyed by the Owners, on a non-exclusive basis, in common with such other persons, entities, and corporations that may be entitled to use the Verano #1 Facilities.

12. Verano #2 Community Development District.

12.1 Generally. Developer has created the Verano #2 Community Development District ("**Verano #2 District**") within Verano. Portions of Verano may be owned by the Verano #2 District, including, but not limited to, the roads, drainage system, landscaping and/or utilities. In the event that any portions of Verano are owned by the Verano #2 District, such facilities shall not be part of the Common Areas, but will be part of the infrastructure facilities owned by the Verano #2 District ("**Verano #2 Facilities**"). AT THIS TIME IT IS NOT KNOWN WHAT PORTIONS OF VERANO WILL BE DESIGNATED COMMON AREAS OR VERANO #2 FACILITIES OF THE VERANO #2 DISTRICT. FINAL DETERMINATION OF WHICH PROPERTIES WILL BE COMMON AREAS MAY NOT OCCUR UNTIL THE COMPLETION OF ALL DEVELOPMENT.

12.2 Creation of the Verano #2 District. The Verano #2 District may issue special assessment bonds (the "**Verano #2 Bonds**") to finance a portion of the cost of the Verano #2 Facilities. The Verano #2 District is an independent, multi-purpose, special district created pursuant to Chapter 190 of the Florida Statutes. The creation of the Verano #2 District puts residential units and non-residential development of Verano under the jurisdiction of the Verano #2 District. The Verano #2 District may be authorized to acquire, finance, fund, install, equip, extend, construct or reconstruct, without limitation, the following: water and sewer facilities, environmental mitigation, roadways, Surface Water Management System, utility plants and lines, and land acquisition, miscellaneous utilities for the community and other infrastructure projects and services necessitated by the development of, and serving lands, within Verano ("**Verano #2 Public Infrastructure**"). The estimated design, development, construction and acquisition costs for these facilities may be funded by the Verano #2 District in one or more series of governmental bond financings utilizing Bonds or other revenue backed bonds. The Verano #2 District may issue both long term debt and short term debt to finance the Verano #2 Public Infrastructure. The principal and interest on the special assessments bonds may be repaid through non ad valorem special assessments ("**Verano #2 District Debt Service Assessments**") levied on all benefiting properties in the Verano #2 District, which properties have been found to be specially benefited by the Verano #2 Public Infrastructure. The principal and interest on the other revenue backed bonds ("**Verano #2 District Revenue Bonds**") may be repaid through user fees, franchise fees or other use related revenues. In addition to the Bonds issued to fund the Verano #2 Public Infrastructure costs, the Verano #2 District may also impose an annual non ad valorem special assessment to fund the operations of the Verano #2 District and the maintenance and repair of its Verano #2 Public Infrastructure and its services ("**Verano #2 District Maintenance Special Assessments**").

12.3 Verano #2 District Assessments. The Verano #2 District Debt Service Assessments and Verano #2 District Maintenance Special Assessments will not be taxes but, under Florida law, constitute a lien co-equal with the lien of state, county, municipal, and school board taxes and may be collected on the ad valorem tax bill sent each year by the Tax Collector of County and disbursed to the Verano #2 District, or may be billed directly by the Verano #2 District. The homestead exemption is not applicable to the Verano #2 District Assessments. Because a tax bill cannot be paid in part, failure to pay the Verano #2 District Debt Service Assessments, Verano #2 District Maintenance Special Assessments or any other portion of the tax bill will result in the sale of tax certificates and could ultimately result in the loss of title to the property of the delinquent taxpayer through the issuance of a tax deed. The Verano #2 District Revenue Bonds are not taxes or liens on property. If the fees and user charges underlying the Verano #2 District Revenue Bonds are not paid, then such fees and user charges could become liens on the property which could ultimately result in the loss of title to the property through the issuance of a tax deed. It is anticipated, but not guaranteed, that the initial amount of the Verano #2 District Debt Service Assessments will be no greater than $2,500.00 per year per Home and the initial amount of Verano #2 District Maintenance Special Assessments will be approximately $400.00 per year per Home. For information about Verano #2 District Debt Service and Maintenance Special Assessments on Commercial Units, please contact the Verano #2 District. Such amounts vary from year to year and from time to time. The actual amount of Verano #2 District Debt Service Assessments will be set forth in the Verano #2 District Assessment Methodology Report. Verano #2 District Maintenance Special Assessments relating to Verano #2 Facilities will be determined by the Verano #2 District. Any future Verano #2 District Assessments and/or other charges due with respect to the Verano #2 Facilities are direct obligations of each Owner and are secured by a lien against the Home as set forth in this Section. The Verano #2 District may construct, in part or in whole, by the issuance of Bonds (as explained in Section 12.2 above), certain facilities including, but not limited to, roads, utilities, landscaping and/or drainage system, as the Verano #2 District determines in its sole discretion.

12.4 Common Areas and Facilities Part of Verano #2 District. Portions of the Common Areas may be conveyed by Developer to the Verano #2 District. Such Verano #2 Facilities will be part of the Verano #2 District and the Verano #2 District shall govern the use and maintenance of the Verano #2 Facilities. In the event that Developer conveys certain Verano #2 Facilities to the Verano #2 District, some of the provisions of this Declaration will not apply to such Verano #2 Facilities, as the Verano #2 Facilities will no longer be Common Areas. By way of example and not of limitation, the procedures set forth in Section 8.4 herein respecting Developer's obligation to convey the Common Areas will not apply to the Verano #2 Facilities. ANY CONVEYANCE OF COMMON AREAS TO THE VERANO #2 DISTRICT SHALL IN NO WAY INVALIDATE THIS DECLARATION. Developer may decide, in its sole and absolute discretion, to convey additional portions of the Common Areas to either the Verano #2 District or Association, thereby making such Common Areas part of the Verano #2 District's Verano #2 Facilities. The Verano #2 District or Association may promulgate membership rules, regulations and/or covenants which may outline use restrictions for the Verano #2 Facilities, or Association's responsibility to maintain the Verano #2 Facilities, if any. The establishment of the Verano #2 District and the inclusion of Verano #2 Facilities in the Verano #2 District will obligate each Owner to become responsible for the payment of Verano #2

District Capital and Operation Assessments for the acquisition, construction, reconstruction, and equipping of the Verano #2 Facilities as set forth in this Section.

12.5 Facilities Owned by Verano #2 District. The Verano #2 Facilities may be owned and operated by the Verano #2 District or owned by the Verano #2 District and maintained by Association. The Verano #2 Facilities may be owned by a governmental entity other than the Verano #2 District. The Verano #2 Facilities shall be used and enjoyed by the Owners, on a non-exclusive basis, in common with such other persons, entities, and corporations that may be entitled to use the Verano #2 Facilities.

13. Verano #3 Community Development District.

13.1 Generally. Developer has created the Verano #3 Community Development District ("**Verano #3 District**") within Verano. Portions of Verano may be owned by the Verano #3 District, including, but not limited to, the roads, drainage system, landscaping and/or utilities. In the event that any portions of Verano are owned by the Verano #3 District, such facilities shall not be part of the Common Areas, but will be part of the infrastructure facilities owned by the Verano #3 District ("**Verano #3 Facilities**"). AT THIS TIME IT IS NOT KNOWN WHAT PORTIONS OF VERANO WILL BE DESIGNATED COMMON AREAS OR VERANO #3 FACILITIES OF THE VERANO #3 DISTRICT. FINAL DETERMINATION OF WHICH PROPERTIES WILL BE COMMON AREAS MAY NOT OCCUR UNTIL THE COMPLETION OF ALL DEVELOPMENT.

13.2 Creation of the Verano #3 District. The Verano #3 District may issue special assessment bonds (the "**Verano #3 Bonds**") to finance a portion of the cost of the Verano #3 Facilities. The Verano #3 District is an independent, multi-purpose, special district created pursuant to Chapter 190 of the Florida Statutes. The creation of the Verano #3 District puts residential units and non-residential development of Verano under the jurisdiction of the Verano #3 District. The Verano #3 District may be authorized to acquire, finance, fund, install, equip, extend, construct or reconstruct, without limitation, the following: water and sewer facilities, environmental mitigation, roadways, Surface Water Management System, utility plants and lines, and land acquisition, miscellaneous utilities for the community and other infrastructure projects and services necessitated by the development of, and serving lands, within Verano ("**Verano #3 Public Infrastructure**"). The estimated design, development, construction and acquisition costs for these facilities may be funded by the Verano #3 District in one or more series of governmental bond financings utilizing Bonds or other revenue backed bonds. The Verano #3 District may issue both long term debt and short term debt to finance the Verano #3 Public Infrastructure. The principal and interest on the special assessments bonds may be repaid through non ad valorem special assessments ("**Verano #3 District Debt Service Assessments**") levied on all benefiting properties in the Verano #3 District, which properties have been found to be specially benefited by the Verano #3 Public Infrastructure. The principal and interest on the other revenue backed bonds ("**Verano #3 District Revenue Bonds**") may be repaid through user fees, franchise fees or other use related revenues. In addition to the Bonds issued to fund the Verano #3 Public Infrastructure costs, the Verano #3 District may also impose an annual non ad valorem special assessment to fund the operations of the Verano #3 District and the maintenance and repair of its Verano #3 Public Infrastructure and its services ("**Verano #3 District Maintenance Special Assessments**").

13.3 Verano #3 District Assessments. The Verano #3 District Debt Service Assessments and Verano #3 District Maintenance Special Assessments will not be taxes but, under Florida law, constitute a lien co-equal with the lien of state, county, municipal, and school board taxes and may be collected on the ad valorem tax bill sent each year by the Tax Collector of County and disbursed to the Verano #3 District, or may be billed directly by the Verano #3 District. The homestead exemption is not applicable to the Verano #3 District Assessments. Because a tax bill cannot be paid in part, failure to pay the Verano #3 District Debt Service Assessments, Verano #3 District Maintenance Special Assessments or any other portion of the tax bill will result in the sale of tax certificates and could ultimately result in the loss of title to the property of the delinquent taxpayer through the issuance of a tax deed. The Verano #3 District Revenue Bonds are not taxes or liens on property. If the fees and user charges underlying the Verano #3 District Revenue Bonds are not paid, then such fees and user charges could become liens on the property which could ultimately result in the loss of title to the property through the issuance of a tax deed. It is anticipated, but not guaranteed, that the initial amount of the Verano #3 District Debt Service Assessments will be no greater than $2,500.00 per year per Home and the initial amount of Verano #3 District Maintenance Special Assessments will be approximately $400.00 per year per Home. For information about Verano #3 District Debt Service and Maintenance Special Assessments on Commercial Units, please contact the Verano #3 District. Such amounts vary from year to year and from time to time. The actual amount of Verano #3 District Debt Service Assessments will be set forth in the Verano #3 District Assessment Methodology Report. Verano #3 District Maintenance Special Assessments relating to Verano #3 Facilities will be determined by the Verano #3 District. Any future Verano #3 District Assessments and/or other charges due with respect to the Verano #3 Facilities are direct obligations of each Owner and are secured by a lien against the Home as set forth in this Section. The Verano #3 District may construct, in part or in whole, by the issuance of Bonds (as explained in Section 13.2 above), certain facilities including, but not limited to, roads, utilities, landscaping and/or drainage system, as the Verano #3 District determines in its sole discretion.

13.4 Common Areas and Facilities Part of Verano #3 District. Portions of the Common Areas may be conveyed by Developer to the Verano #3 District. Such Verano #3 Facilities will be part of the Verano #3 District and the Verano #3 District shall govern the use and maintenance of the Verano #3 Facilities. In the event that Developer conveys certain Verano #3 Facilities to the Verano #3 District, some of the provisions of this Declaration will not apply to such Verano #3 Facilities, as the Verano #3 Facilities will no longer be Common Areas. By way of example and not of limitation, the procedures set forth in Section 8.4 herein respecting Developer's obligation to convey the Common Areas will not apply to the Verano #3 Facilities. ANY CONVEYANCE OF COMMON AREAS TO THE VERANO #3 DISTRICT SHALL IN NO WAY INVALIDATE THIS DECLARATION. Developer may decide, in its sole and absolute discretion, to convey additional portions of the Common Areas to either the Verano #3 District or Association, thereby making such Common Areas part of the Verano #3 District's Verano #3 Facilities. The Verano #3 District or Association may promulgate membership rules, regulations and/or covenants which may outline use restrictions for the Verano #3 Facilities, or Association's responsibility to maintain the Verano #3 Facilities, if any. The establishment of the Verano #3 District and the inclusion of Verano #3 Facilities in the Verano #3 District will obligate each Owner to become responsible for the payment of Verano #3 District Capital and Operation Assessments for the acquisition, construction, reconstruction, and equipping of the Verano #3 Facilities as set forth in this Section.

13.5 Facilities Owned by Verano #3 District. The Verano #3 Facilities may be owned and operated by the Verano #3 District or owned by the Verano #3 District and maintained by Association. The Verano #3 Facilities may be owned by a governmental entity other than the Verano #3 District. The Verano #3 Facilities shall be used and enjoyed by the Owners, on a non-exclusive basis, in common with such other persons, entities, and corporations that may be entitled to use the Verano #3 Facilities.

14. Verano #4 Community Development District.

14.1 Generally. Developer has created the Verano #4 Community Development District ("**Verano #4 District**") within Verano. Portions of Verano may be owned by the Verano #4 District, including, but not limited to, the roads, drainage system, landscaping and/or utilities. In the event that any portions of Verano are owned by the Verano #4 District, such facilities shall not be part of the Common Areas, but will be part of the infrastructure facilities owned by the Verano #4 District ("**Verano #4 Facilities**"). AT THIS TIME IT IS NOT KNOWN WHAT PORTIONS OF VERANO WILL BE DESIGNATED COMMON AREAS OR VERANO #4 FACILITIES OF THE VERANO #4 DISTRICT. FINAL DETERMINATION OF WHICH PROPERTIES WILL BE COMMON AREAS MAY NOT OCCUR UNTIL THE COMPLETION OF ALL DEVELOPMENT.

14.2 Creation of the Verano #4 District. The Verano #4 District may issue special assessment bonds (the "**Verano #4 Bonds**") to finance a portion of the cost of the Verano #4 Facilities. The Verano #4 District is an independent, multi-purpose, special district created pursuant to Chapter 190 of the Florida Statutes. The creation of the Verano #4 District puts residential units and non-residential development of Verano under the jurisdiction of the Verano #4 District. The Verano #4 District may be authorized to acquire, finance, fund, install, equip, extend, construct or reconstruct, without limitation, the following: water and sewer facilities, environmental mitigation, roadways, Surface Water Management System, utility plants and lines, and land acquisition, miscellaneous utilities for the community and other infrastructure projects and services necessitated by the development of, and serving lands, within Verano ("**Verano #4 Public Infrastructure**"). The estimated design, development, construction and acquisition costs for these facilities may be funded by the Verano #4 District in one or more series of governmental bond financings utilizing Bonds or other revenue backed bonds. The Verano #4 District may issue both long term debt and short term debt to finance the Verano #4 Public Infrastructure. The principal and interest on the special assessments bonds may be repaid through non ad valorem special assessments ("**Verano #4 District Debt Service**

Assessments") levied on all benefiting properties in the Verano #4 District, which properties have been found to be specially benefited by the Verano #4 Public Infrastructure. The principal and interest on the other revenue backed bonds ("**Verano #4 District Revenue Bonds**") may be repaid through user fees, franchise fees or other use related revenues. In addition to the Bonds issued to fund the Verano #4 Public Infrastructure costs, the Verano #4 District may also impose an annual non ad valorem special assessment to fund the operations of the Verano #4 District and the maintenance and repair of its Verano #4 Public Infrastructure and its services ("**Verano #4 District Maintenance Special Assessments**").

14.3 Verano #4 District Assessments. The Verano #4 District Debt Service Assessments and Verano #4 District Maintenance Special Assessments will not be taxes but, under Florida law, constitute a lien co-equal with the lien of state, county, municipal, and school board taxes and may be collected on the ad valorem tax bill sent each year by the Tax Collector of County and disbursed to the Verano #4 District, or may be billed directly by the Verano #4 District. The homestead exemption is not applicable to the Verano #4 District Assessments. Because a tax bill cannot be paid in part, failure to pay the Verano #4 District Debt Service Assessments, Verano #4 District Maintenance Special Assessments or any other portion of the tax bill will result in the sale of tax certificates and could ultimately result in the loss of title to the property of the delinquent taxpayer through the issuance of a tax deed. The Verano #4 District Revenue Bonds are not taxes or liens on property. If the fees and user charges underlying the Verano #4 District Revenue Bonds are not paid, then such fees and user charges could become liens on the property which could ultimately result in the loss of title to the property through the issuance of a tax deed. It is anticipated, but not guaranteed, that the initial amount of the Verano #4 District Debt Service Assessments will be no greater than $2,500.00 per year per Home and the initial amount of Verano #4 District Maintenance Special Assessments will be approximately $400.00 per year per Home. For information about Verano #3 District Debt Service and Maintenance Special Assessments on Commercial Units, please contact the Verano #4 District. Such amounts vary from year to year and from time to time. The actual amount of Verano #4 District Debt Service Assessments will be set forth in the Verano #4 District Assessment Methodology Report. Verano #4 District Maintenance Special Assessments relating to Verano #4 Facilities will be determined by the Verano #4 District. Any future Verano #4 District Assessments and/or other charges due with respect to the Verano #4 Facilities are direct obligations of each Owner and are secured by a lien against the Home as set forth in this Section. The Verano #4 District may construct, in part or in whole, by the issuance of Bonds (as explained in Section 14.2 above), certain facilities including, but not limited to, roads, utilities, landscaping and/or drainage system, as the Verano #4 District determines in its sole discretion.

14.4 Common Areas and Facilities Part of Verano #4 District. Portions of the Common Areas may be conveyed by Developer to the Verano #4 District. Such Verano #4 Facilities will be part of the Verano #4 District and the Verano #4 District shall govern the use and maintenance of the Verano #4 Facilities. In the event that Developer conveys certain Verano #4 Facilities to the Verano #4 District, some of the provisions of this Declaration will not apply to such Verano #4 Facilities, as the Verano #4 Facilities will no longer be Common Areas. By way of example and not of limitation, the procedures set forth in Section 8.4 herein respecting Developer's obligation to convey the Common Areas will not apply to the Verano #4 Facilities. ANY CONVEYANCE OF COMMON AREAS TO THE VERANO #4 DISTRICT SHALL IN NO WAY INVALIDATE THIS DECLARATION. Developer may decide, in its sole and absolute discretion, to convey additional portions of the Common Areas to either the Verano #4 District or Association, thereby making such Common Areas part of the Verano #4 District's Verano #4 Facilities. The Verano #4 District or Association may promulgate membership rules, regulations and/or covenants which may outline use restrictions for the Verano #4 Facilities, or Association's responsibility to maintain the Verano #4 Facilities, if any. The establishment of the Verano #4 District and the inclusion of Verano #4 Facilities in the Verano #4 District will obligate each Owner to become responsible for the payment of Verano #4 District Capital and Operation Assessments for the acquisition, construction, reconstruction, and equipping of the Verano #4 Facilities as set forth in this Section.

14.5 Facilities Owned by Verano #4 District. The Verano #4 Facilities may be owned and operated by the Verano #4 District or owned by the Verano #4 District and maintained by Association. The Verano #4 Facilities may be owned by a governmental entity other than the Verano #4 District. The Verano #4 Facilities shall be used and enjoyed by the Owners, on a non-exclusive basis, in common with such other persons, entities, and corporations that may be entitled to use the Verano #4 Facilities.

15. Verano #5 Community Development District.

15.1 Generally. Developer has created the Verano #5 Community Development District ("**Verano #5 District**") within Verano. Portions of Verano may be owned by the Verano #5 District, including, but not limited to, the roads, drainage system, landscaping and/or utilities. In the event that any portions of Verano are owned by the Verano #5 District, such facilities shall not be part of the Common Areas, but will be part of the infrastructure facilities owned by the Verano #5 District ("**Verano #5 Facilities**"). AT THIS TIME IT IS NOT KNOWN WHAT PORTIONS OF VERANO WILL BE DESIGNATED COMMON AREAS OR VERANO #5 FACILITIES OF THE VERANO #5 DISTRICT. FINAL DETERMINATION OF WHICH PROPERTIES WILL BE COMMON AREAS MAY NOT OCCUR UNTIL THE COMPLETION OF ALL DEVELOPMENT.

15.2 Creation of the Verano #5 District. The Verano #5 District may issue special assessment bonds (the "**Verano #5 Bonds**") to finance a portion of the cost of the Verano #5 Facilities. The Verano #5 District is an independent, multi-purpose, special district created pursuant to Chapter 190 of the Florida Statutes. The creation of the Verano #5 District puts residential units and non-residential development of Verano under the jurisdiction of the Verano #5 District. The Verano #5 District may be authorized to acquire, finance, fund, install, equip, extend, construct or reconstruct, without limitation, the following: water and sewer facilities, environmental mitigation, roadways, Surface Water Management System, utility plants and lines, and land acquisition, miscellaneous utilities for the community and other infrastructure projects and services necessitated by the development of, and serving lands, within Verano ("**Verano #5 Public Infrastructure**"). The estimated design, development, construction and acquisition costs for these facilities may be funded by the Verano #5 District in one or more series of governmental bond financings utilizing Bonds or other revenue backed bonds. The Verano #5 District may issue both long term debt and short term debt to finance the Verano #5 Public Infrastructure. The principal and interest on the special assessments bonds may be repaid through non ad valorem special assessments ("**Verano #5 District Debt Service Assessments**") levied on all benefiting properties in the Verano #5 District, which properties have been found to be specially benefited by the Verano #5 Public Infrastructure. The principal and interest on the other revenue backed bonds ("**Verano #5 District Revenue Bonds**") may be repaid through user fees, franchise fees or other use related revenues. In addition to the Bonds issued to fund the Verano #5 Public Infrastructure costs, the Verano #5 District may also impose an annual non ad valorem special assessment to fund the operations of the Verano #5 District and the maintenance and repair of its Verano #5 Public Infrastructure and its services ("**Verano #5 District Maintenance Special Assessments**").

15.3 Verano #5 District Assessments. The Verano #5 District Debt Service Assessments and Verano #5 District Maintenance Special Assessments will not be taxes but, under Florida law, constitute a lien co-equal with the lien of state, county, municipal, and school board taxes and may be collected on the ad valorem tax bill sent each year by the Tax Collector of County and disbursed to the Verano #5 District, or may be billed directly by the Verano #5 District. The homestead exemption is not applicable to the Verano #5 District Assessments. Because a tax bill cannot be paid in part, failure to pay the Verano #5 District Debt Service Assessments, Verano #5 District Maintenance Special Assessments or any other portion of the tax bill will result in the sale of tax certificates and could ultimately result in the loss of title to the property of the delinquent taxpayer through the issuance of a tax deed. The Verano #5 District Revenue Bonds are not taxes or liens on property. If the fees and user charges underlying the Verano #5 District Revenue Bonds are not paid, then such fees and user charges could become liens on the property which could ultimately result in the loss of title to the property through the issuance of a tax deed. It is anticipated, but not guaranteed, that the initial amount of the Verano #5 District Debt Service Assessments will be no greater than $2,500.00 per year per Home and the initial amount of Verano #5 District Maintenance Special Assessments will be approximately $400.00 per year per Home. For information about Verano #5 District Debt Service and Maintenance Special Assessments on Commercial Units, please contact the Verano #5 District. Such amounts vary from year to year and from time to time. The actual amount of Verano #5 District Debt Service Assessments will be set forth in the Verano #5 District Assessment Methodology Report. Verano #5 District Maintenance Special Assessments relating to Verano #5 Facilities will be determined by the Verano #5 District. Any future Verano #5 District Assessments and/or other charges due with respect to the Verano #5 Facilities are direct obligations of each Owner and are secured by a lien against the Home as set forth in this Section. The Verano #5 District may construct, in part or in whole, by the issuance of Bonds (as explained in Section 15.2 above), certain facilities including, but not limited to, roads, utilities, landscaping and/or drainage system, as the Verano #5 District determines in its sole discretion.

15.4 Common Areas and Facilities Part of Verano #5 District. Portions of the Common Areas may be conveyed by Developer to the Verano #5 District. Such Verano #5 Facilities will be part of the Verano #5 District and the Verano #5 District shall govern the use and maintenance of the Verano #5 Facilities. In the event that Developer conveys certain Verano #5 Facilities to the Verano #5 District, some of the provisions of this Declaration will not apply to such Verano #5 Facilities, as the Verano #5 Facilities will no longer be Common Areas. By way of example and not of limitation, the procedures set forth in Section 8.4 herein respecting Developer's obligation to convey the Common Areas will not apply to the Verano #5 Facilities. ANY CONVEYANCE OF COMMON AREAS TO THE VERANO #5 DISTRICT SHALL IN NO WAY INVALIDATE THIS DECLARATION. Developer may decide, in its sole and absolute discretion, to convey additional portions of the Common Areas to either the Verano #5 District or Association, thereby making such Common Areas part of the Verano #5 District's Verano #5 Facilities. The Verano #5 District or Association may promulgate membership rules, regulations and/or covenants which may outline use restrictions for the Verano #5 Facilities, or Association's responsibility to maintain the Verano #5 Facilities, if any. The establishment of the Verano #5 District and the inclusion of Verano #5 Facilities in the Verano #5 District will obligate each Owner to become responsible for the payment of Verano #5 District Capital and Operation Assessments for the acquisition, construction, reconstruction, and equipping of the Verano #5 Facilities as set forth in this Section.

15.5 Facilities Owned by Verano #5 District. The Verano #5 Facilities may be owned and operated by the Verano #5 District or owned by the Verano #5 District and maintained by Association. The Verano #5 Facilities may be owned by a governmental entity other than the Verano #5 District. The Verano #5 Facilities shall be used and enjoyed by the Owners, on a non-exclusive basis, in common with such other persons, entities, and corporations that may be entitled to use the Verano #5 Facilities.

16. Maintenance by Association.

16.1 Common Areas. Except as otherwise specifically provided in this Declaration to the contrary, Association shall at all times maintain, repair, replace and insure the Common Areas, including all improvements placed thereon.

16.2 District Facilities. A District may contract with Association for maintenance, repair and replacement of the Facilities in the District's sole and absolute discretion.

16.3 Canvas Canopies. Association shall be responsible for the removal of all canvas canopies including, but not limited to, mailbox and entrance canopies, if any, located within the Common Areas of the Community in the event winds are forecasted to exceed fifty (50) miles per hour. The expense of such removal shall be part of the Operating Costs of Association. Additionally, under the same wind conditions, each Owner shall be responsible, at its sole cost and expense, for the removal of all canvas canopies located within its respective Home and yard.

16.4 Landscape Maintenance. Each Village Association shall maintain the entire yard of Homes within a respective Village, unless otherwise provided in the applicable Village Declaration. Owners of Apartment Buildings may provide their own landscape maintenance when permitted by Association. Landscape maintenance may include cutting grass, edging, fertilization, exterior pest control, irrigation system maintenance, and maintenance of trees and hedges. Association shall be responsible for the maintenance of the sprinkler system serving the private roads located outside of the Villages within Verano and the entrances for each Village.

16.5 Lakes, Lake Slopes and Canals. Certain lakes, lake slopes, and canals located within Verano shall be maintained by Association, the cost of which shall be included in Operating Costs. Verano will contain the SFWMD C-24 canal. Association shall maintain such portions of the canal located within or adjacent to Verano, the cost of which shall be included in Operating Costs. A twenty-foot (20') lake maintenance easement ("**Lake Easement Areas**") around the lakes in Verano shall exist in favor of the Districts, Association and each Village Association. Association shall maintain certain Lake Easement Areas and Village Associations shall maintain other portions. A blanket easement shall exist in favor of the Districts between and around Homes, as necessary, for pipes, conduit and other similar drainage facilities for drainage into lakes within Verano.

16.6 Canal Bridges. Verano contains the Canal Bridges. The Association shall maintain the Canal Bridges in accordance with the Verano DRI, the costs of which shall be included in Operating Costs.

16.7 Conservation and Preserve Areas. Verano contains conservation and preserve areas ("**Conservation and Preserve Areas**"). Prohibited activities in the Conservation and Preserve Areas include, but are not limited to, construction or placing of building materials on or above the ground, dumping or placing soil or other substances such as garbage, trash and cuttings, removal or excavation, dredging or removal of sole materials, diking or fencing, recreational vehicle use and any other activities detrimental to drainage, flood control, water conservation, erosion control or fish and wildlife habitat conservation or preservation. A Conservation Area Management Plan acceptable to St. Lucie County was submitted prior to final development plan approval to address the concerns regarding the Conservation and Preserve Areas. The Conservation Area Management Plan and is attached hereto as **Exhibit 7** and recorded in the Public Records. The Conservation and Preserve Areas will be maintained and operated by Association or a District in accordance with the Conservation Area Management Plan.

16.8 Public Roads. It is possible that either a District or Association may maintain the medians and swales of all public roads pursuant to agreement with the appropriate governmental entities. The costs of such maintenance by Association shall be Operating Costs. The costs of such maintenance by a District shall be part of District Maintenance Special Assessments. Pursuant to the Annexation and Development Agreement as further described in Section 33.9.10, Association may be required to maintain landscaping, signage, and/or hardscape within any road right of way or dedicated area. Such maintenance shall be performed at a level of finish and frequency which meets or exceeds the City's standards.

16.9 Surface Water Management System.

16.9.1 Duty to Maintain. The Surface Water Management System within Verano will be owned, maintained and operated by Association or a District as permitted by the SFWMD and/or ACOE. If owned by Association as Common Areas, the costs of the operation and maintenance of the Surface Water Management System shall be part of the Operating Costs of Association. If owned by a District as part of the Facilities, the costs of the operation and maintenance of the Surface Water Management System may be part of the District Maintenance Special Assessments. Notwithstanding the foregoing, the SFWMD and/or ACOE has the right to take enforcement action, including a civil action for an injunction and penalties against Association to compel it to correct any outstanding problems with the Surface Water Management System facilities or in mitigation or conservation areas under the responsibility or control of Association. Association shall accept any and all transfer of permits from Developer. Association shall cooperate with Developer with any applications, certifications, documents or consents required to effectuate any such transfer of permits to Association.

16.9.2 Amendments Affecting Surface Water Management System. Any proposed amendment to the Association Documents which will affect the Surface Water Management System, including any environmental conservation area and the water management portions of the Common Areas, must have the prior written approval of the SFWMD and/or ACOE. Association's registered agent shall maintain copies of all Surface Water Management System permits and correspondence respecting such permits, and any future SFWMD and/or ACOE permit actions shall be maintained by Association's registered agent for Association's benefit.

16.9.3 Wetland Conservation Areas. Home and/or Parcels may contain or be adjacent to wetlands, wetland mitigation or preservation areas, upland conservation areas and drainage easements, which may be dedicated by Plat and/or protected by the Conservation Easement ("**Wetland Conservation Areas**"). Owners of Homes abutting Wetland Conservation Areas shall not remove native vegetation (including cattails) that become established within the Wetland Conservation Areas abutting a Home or Commercial Unit. Removal includes dredging, the application of herbicide, cutting, and the introduction of grass carp. Owners shall address any questions regarding authorized activities within the Wetland Conservation Areas to the SFWMD and/or ACOE, St. Lucie Service Office, Surface Water Regulation Manager.

16.9.4 Use Restrictions for Wetland Conservation Areas. The Wetland Conservation Areas may in no way be altered from their natural or permitted state. These use restrictions may be defined on the Permit and the Plats associated with Verano. Activities prohibited within the conservation areas include, but are not limited to, the following:

16.9.4.1 Construction or placing of buildings, roads, signs, billboards or other advertising, utilities, or other structures on or above the ground;

16.9.4.2 Dumping or placing of soil or other substance or material as landfill, or dumping or placing of trash, waste, or unsightly or offensive materials;

16.9.4.3 Removal or destruction of tress, shrubs or other vegetation; except for the removal of exotic or nuisance vegetation in accordance with a SFWMD approved maintenance plan;

16.9.4.4 Excavation, dredging, or removal of loam, peat, gravel, soil, rock or other material substance in such manner as to affect the surface;

16.9.4.5 Surface use except for purposes that permit the land or water area to remain in its natural condition;

16.9.4.6 Activities detrimental to drainage, flood control, water conservation, erosion control, soil conservation, or fish and wildlife habitat preservation including, but not limited to, ditching, diking and fencing;

16.9.4.7 Acts or uses detrimental to such aforementioned retention of land or water areas;

16.9.4.8 Acts or uses detrimental to the preservation of any features or aspects of the property having historical or archeological significance;

16.9.4.9 No Builder or Owner within Verano may construct or maintain any building, residence, or structure, or undertake or perform any activity in the Wetland Conservation Areas described in the Permit and recorded Plat(s) of Verano, unless prior approval is received from the SFWMD and/or ACOE Environmental Resource Regulation Department; and

16.9.4.10 Each Builder and Owner within Verano at the time of construction of a building, residence, or structure shall comply with the construction plans for the Surface Water Management System approved and on file with the SFWMD and/or ACOE.

16.9.5 Easement. The SFWMD is granted an easement over, under and across Verano to enter upon Verano at reasonable times with any necessary equipment or vehicles to enforce the rights of the SFWMD under the Conservation Easement in a manner that will not unreasonably interfere with the use and quiet enjoyment of Association and/or Owners within Verano at the time of such entry.

16.10 Adjoining Areas. Except as otherwise provided herein, Association shall also maintain those drainage areas, swales, lake maintenance easements, driveways, lake slopes and banks, and landscape areas that are within the Common Areas and immediately adjacent to a Home, provided that such areas are readily accessible to Association. Association shall not be responsible for maintaining such areas located within a Lot. Association shall have no responsibility for the Facilities except and to the extent provided in any agreement between Association and a District. Under no circumstances shall Association be responsible for maintaining any inaccessible areas within fences or walls that form a part of a Home or Commercial Unit.

16.11 Negligence. The expense of any maintenance, repair or construction of any portion of the Common Areas necessitated by the negligent or willful acts of an Owner, Village Associations, or persons utilizing the Common Areas, through or under an Owner or Village Association, shall be borne solely by such Owner or Village Associations and the Home, Commercial Unit and/or Parcel owned by that Owner shall be subject to an Individual Assessment for that expense. By way of example, and not of limitation, an Owner shall be responsible for the removal of all landscaping and structures placed within easements or Common Areas without the prior written approval of Association.

16.12 Right of Entry. Developer, Club Owner, Association, and City are granted a perpetual and irrevocable easement over, under and across Verano for the purposes herein expressed, including, without limitation, for inspections to ascertain compliance with the provisions of this Declaration, and for the performance of any maintenance, alteration or repair which it is entitled to perform. Without limiting the foregoing, Developer specifically reserves easements for all purposes necessary to comply with any governmental requirement or to satisfy any condition that is a prerequisite for a governmental approval. By way of example, and not of limitation, Developer may construct, maintain, repair, alter, replace and/or remove improvements; install landscaping; install utilities; and/or remove structures on any portion of Verano if Developer is required to do so in order to obtain the release of any bond posted with any governmental agency.

16.13 Maintenance of Property Owned by Others. Association shall, if designated by Developer (or by Association after the Community Completion Date) by amendment to this Declaration or any document of record including, without limitation declaration(s) of condominium, maintain vegetation, landscaping, sprinkler system, community identification/features and/or other areas or elements designated by Developer (or by Association after the Community Completion Date) upon areas which are within or outside of Verano. Such areas may abut, or be proximate to, Verano, and may be owned by, or dedicated to, others including, but not limited to, a utility, governmental or quasi-governmental entity. These areas may include (by way of example and not limitation) swale areas, landscape buffer areas, berm areas or median areas within the right-of-way of public streets, roads, drainage areas, community identification or entrance features, community signage or other identification and/or areas within canal rights-of-ways or other abutting waterways. To the extent there is any agreement between Developer and Association for the maintenance of any lakes or ponds outside Verano, Association shall maintain the same as part of the Common Areas.

16.14 Village Association's Responsibility. Any Village Association having responsibility for maintenance of all or a portion of property with a particular Village pursuant to a Village Declaration shall perform such maintenance responsibility in a manner consistent with the Community Standards. In the event that Village Association fails to adequately maintain the property for which it is responsible, the Association shall have the right, but not the obligation, to maintain such property and to assess the costs against the Lots located within the Village, which the Association deems to be benefited by the maintenance performed by the Association. Each such Owner of a Lot shall pay its share of such expenses incurred by the Association together with an administrative surcharge of ten percent (10%) of such amount. Such Assessments may be collected as Individual Assessments and shall be subject to all lien rights provided herein.

16.15 Cooperation with Village Associations. The Board shall have the power to assist a Village Association in the performance of their duties and obligations under the Village Documents and cooperate with the Village Association so that the Village Association and the Association can more efficiently and economically provide all required services to the Owners. It is contemplated that from time to time the Village Association or the Association may use the services of each other in the furtherance of its goals and obligations and that they may contract with each other to better provide for such cooperation. Village Declarations may not impose less stringent standards on maintenance and conduct than those imposed by or in accordance with this Declaration. In the event standards set forth in this Declaration or by the Club conflict with Village Declarations or standards of conduct or maintenance set by a Village Association, this Declaration and the Association's standards shall control.

17. Maintenance by Owners. All lawns, landscaping and sprinkler systems and any property, structures, improvements and appurtenances not maintained by Association or Village Association shall be well maintained and kept in first class, good, safe, clean, neat and attractive condition consistent with the general appearance of Verano by the Owner of each Home or Commercial Unit. Each Owner is specifically responsible for maintaining all grass, landscaping and improvements within any portion of a Home or Commercial Unit that is fenced.

17.1 Landscape Maintenance Standards. The following maintenance standards (the "**Landscape Maintenance Standards**") apply to landscaping maintained by Owners.

17.1.1 Trees. Trees are to be pruned as needed.

17.1.2 Shrubs. All shrubs are to be trimmed as needed.

17.1.3 Grass.

17.1.3.1 Cutting Schedule. Grass shall be maintained in a neat and appropriate manner. In no event shall an Owner's lawn get in excess of five inches (5") in height.

17.1.3.2 Edging. Edging of all streets, curbs, beds and borders shall be performed as needed. Chemical edging shall not be permitted.

17.1.3.3 Dead Grass. Owner shall be responsible to replace dead grass. Neither Developer nor Association shall be responsible to replace dead grass.

17.1.4 Mulch. Mulch is to be turned two (2) times per year and shall be replenished as needed on a yearly basis.

17.1.5 Insect Control and Disease. Disease and insect control shall be performed on an as needed basis.

17.1.6 Fertilization. Fertilization of all turf, trees, shrubs, and palms shall be performed at a minimum of three (3) times a year.

17.1.7 Irrigation. Sprinkler heads located on Lots shall be maintained by Association.

17.1.8 Weeding. All beds are to be weeded as needed. Weeds growing in joints in curbs, driveways, and expansion joints shall be removed as needed. Chemical treatment is permitted.

17.1.9 Trash Removal. Dirt, trash, plant and tree cuttings and debris resulting from all operations shall be removed and all areas left in clean condition before the end of the day.

17.1.10 Native Grass and Vegetation. No Owner shall alter, remove, modify or otherwise damage any native grass or vegetation within Verano. Association shall be responsible for maintaining all native vegetation within Verano, including, but not limited to, vegetation located on Common Areas and preserve areas.

17.1.11 Right of Association to Enforce. Each Owner grants Association an easement over his or her Home or Commercial Unit for the purpose of insuring compliance with the requirements of this provision and the Landscape Maintenance Standards. In the event an Owner does not comply with this Section, Association may perform the necessary maintenance to the lawn and charge the costs thereof to the non-complying Owner as an Individual Assessment. Association shall have the right to enforce the foregoing Landscape Maintenance Standards by all necessary legal action. In the event that Association is the prevailing party with respect to any litigation respecting the Landscape Maintenance Standards, it shall be entitled to recover all of its attorneys' fees and paraprofessional fees, and costs, at trial and upon appeal.

17.1.12 Landscaping and Irrigation of Lots; Removal of Sod and Shrubbery; Additional Planting.

17.1.12.1 Without the prior consent of the ACC, no sod, topsoil, tree or shrubbery shall be removed from Verano, and there shall be no change in the plant landscaping, elevation, condition of the soil or the level of the land of such areas which results in any change in the flow and drainage of surface water which the ACC, in its sole discretion, considers detrimental or potentially detrimental to person or property. Notwithstanding the foregoing, Owners who install improvements to the Home or Commercial Unit (including, without limitation, concrete or brick pavers) which result in any change in the flow and/or drainage of surface water shall be responsible for all of the costs of drainage problems resulting from such improvement. Further, in the event that such Owner fails to pay for such required repairs, each Owner agrees to reimburse the Association for all expenses incurred in fixing such drainage problems including, without limitation, removing excess water and/or repairing the Surface Water Management System.

17.1.12.2 No landscape lighting shall be installed by an Owner without the prior written approval of the ACC.

17.1.12.3 Each Owner of a Home abutting the Golf Course or lakes within Verano shall be required to irrigate no less than thirty-two (32) feet beyond the Lot line such that the adjacent portions of the Golf Course and/or corresponding lake slopes receive such irrigation.

17.1.13 Lake and Canal Common Areas. The rear yard of some Homes and the rear boundary of Parcels and Commercial Units may contain lake slopes. To the extent that such lake slopes comprise part of the Facilities, they will be regulated by a District. Association and Village Associations may establish from time to time maintenance standards for the lake and canal maintenance by Owners who own Homes or Commercial Units adjacent to Common Area waterbodies (the "**Lake Slope Maintenance Standards**") or the Association or Village Associations may maintain the lakes and canal slopes and banks. Such standards may include requirements respecting compaction and strengthening of lake banks. Association shall have the right to inspect such lake and canal slopes and banks to insure that each Owner has complied with its obligations hereunder and under the Lake Slope Maintenance Standards. Each Owner hereby grants Association and Village Association an easement of ingress and egress across his or her Home or Commercial Unit to all adjacent lake and canal areas for the purpose of maintenance and/or insuring compliance with the requirements of this provision and the Lake Slope Maintenance Standards. For the purposes of this Declaration, each day that an Owner fails to comply with the requirements of this paragraph or any Lake Slope Maintenance Standards shall be deemed a separate and independent violation of this Declaration.

17.1.14 Weeds and Refuse. No weeds, underbrush, or other unsightly growth shall be permitted to be grown or remain upon any Home or Commercial Unit. No refuse or unsightly objects shall be allowed to be placed or suffered to remain upon any Home or Commercial Unit.

17.1.15 Driveway and Sidewalk Repair. Each Owner shall be responsible to properly and timely repair, maintain and/or replace the driveway which comprises part of a Home or Commercial Unit and the sidewalk abutting the front Lot of the Home or front of a Parcel containing a Commercial Unit including, but not limited to, any damage caused by Developer, Association or by the holder of any easement over which such driveway or sidewalk is constructed. Each Owner, by acceptance of a deed to a Home or Commercial Unit, shall be deemed to have agreed to indemnify and hold harmless Association and the holder of any such easement including, without limitation, all applicable utility companies and governmental agencies, their agents, servants, employees and elected officials, from and against any and all actions or claims whatsoever arising out of the use of the Common Areas and any easement or the construction and/or maintenance of any driveway or sidewalk in that portion of the Common Areas, easement area, or in a public right-of-way between the boundary of such Owner's Home or Commercial Unit and the edge of the adjacent paved roadway. Further, each Owner agrees to reimburse Association any expense incurred in repairing any damage to such driveway or sidewalk in the event that such Owner fails to make the required repairs, together with interest at the highest rate allowed by law.

18. Golf Course.

18.1 Golf Course Living. Some Homes are located on the Golf Course. The flight of a golf ball is extremely difficult to control. Depending upon the location of the Home and the manner in which a golf shot is hit, a golf ball may periodically fly onto an Owner's Lot or strike an Owner's Home. Because neither Association nor Club Owner can monitor every player, and because of the difficulty in controlling the flight of a golf ball, neither Association nor Club Owner will be responsible for golf balls that strike a Lot or a Home or any damages caused by same. Each Owner recognizes and accepts the following inherent risks associated with the Golf Course:

18.1.1 maintenance on the Golf Course may begin early in the morning and extend late into the evening, ordinarily occurring from sunrise to sunset;

18.1.2 maintenance activities can be noisy;

18.1.3 the Golf Course will be periodically heavily fertilized;

18.1.4 Golf Course maintenance can require the use of chemicals and pesticides;

18.1.5 the Golf Course may be watered with reclaimed water, although reclaimed water is not being currently being used, and

18.1.6 golf balls are extremely difficult to control and may enter the airspace of an Owner's Home, strike an Owner, an Owner's guests, pets, yard, walls, roof, windows, landscaping and personal property causing personal injury and property damage

18.2 Association Indemnity. Association and its agents, servants, employees, directors, officers, affiliates, representatives, receivers, subsidiaries, successors and assigns, shall not in any way be responsible for any claims, damages, losses, demands, liabilities, obligations, actions or causes of action whatsoever, including, without limitation, actions based on (a) any invasion of an Owner's use or enjoyment of the Home, (b) design of the Golf Course, proper or improper, (c) the level of skill of any golfer (regardless of whether such golfer has the permission of the Golf Course management to use the Golf Course), (d) trespass by any golfer on the Home, that may result from property damage or personal injury from golf balls (regardless of number) hit on the property or adjacent roadways. Without limiting the foregoing, each golfer has an easement over each Lot and Parcel (exclusive of residential structures comprising a Home) for the purpose of retrieving his or her golf balls. Furthermore, each Owner hereby assumes the risk inherent in owning property adjacent to or nearby a Golf Course, including without limitation, the risk of personal injury and property damage from errant golf balls, and hereby indemnifies and agrees to hold Association harmless from any and all loss arising from claims by such Owner, or persons using or visiting such Owner's Home, or for any personal injury or property damage.

19. Cemetery. A portion of Verano is adjacent to the Peacock Family Cemetery. Each Owner acknowledges that the Peacock Family Cemetery lies adjacent to Verano. Association does not control the Peacock Family Cemetery and shall have no maintenance obligations with respect thereto. Association and Owners shall be subject to certain easement rights reserved pursuant to that certain Warranty Deed recorded in Official Records Book 369 at Page 1166 of the Public records of County as further described in Section 33.9.21.

20. Use Restrictions.

20.1 Alterations and Additions. No alteration, addition or modification to a Parcel, Commercial Unit or Home, or change in the appearance thereof, shall be made without the prior written approval thereof being first had and obtained from the ACC as required by this Declaration.

20.2 Animals. No animals of any kind shall be raised, bred or kept within Verano for commercial purposes other than within a Commercial Unit pet shop if approved by Developer in Developer's sole and absolute discretion. Association may prohibit breeds of dogs that the Board considers dangerous in its sole and absolute discretion. Otherwise, Owners may keep domestic pets as permitted by County ordinances and otherwise in accordance with the Rules and Regulations established by the Board from time to time. Notwithstanding the foregoing, pets may be kept or harbored in a Home only so long as such pets or animals do not constitute a nuisance. A determination by the Board that an animal or pet kept or harbored in a Home is a nuisance shall be conclusive and binding on all parties. All pets shall be walked on a leash. No pet shall be permitted outside a Home unless such pet is kept on a leash or within an enclosed portion of the yard of a Home, as approved by the ACC. No pet or animal shall be "tied out" on the exterior of the Home or in the Common Areas, or left unattended in a yard or on a balcony, porch, or patio. No dog runs or enclosures shall be permitted on any Home. When notice of removal of any pet is given by the Board, the pet shall be removed within forty-eight (48) hours of the giving of the notice. All pets shall defecate only in the "pet walking" areas or "bark park" within Verano designated for such purpose, if any, or on that Owner's Home. The person walking the pet or the Owner shall clean up all matter created by the pet. Each Owner shall be responsible for the activities of its pet. Notwithstanding anything to the contrary, seeing eye dogs shall not be governed by the restrictions contained in this Section.

20.3 Artificial Vegetation. No artificial grass, plants or other artificial vegetation, or rocks or other landscape devices, shall be placed or maintained upon the exterior portion of any Home, Commercial Unit or Parcel, unless approved by the ACC.

20.4 Cars, Trucks and Other Vehicles.

20.4.1 Parking. Owners' automobiles shall be parked in the garage, driveway or parking lot, as appropriate, and shall not block the sidewalk. No vehicles of any nature shall be parked on any portion of Verano or a Lot except on the surfaced parking area thereof. No vehicle shall be parked overnight on the any roadway in Verano. To the extent Verano has any guest parking, Owners are prohibited from parking in such guest parking spaces. No vehicles used in business for the purpose of transporting goods, equipment and the like, shall be parked in Verano except during the period of a delivery. Sports utility vehicles (i.e., Broncos™, Blazers™, Explorers™, Navigators™, Hummers™ etc.), personal street vans, and personal trucks, and personal vehicles that can be appropriately parked within standard size parking stalls may be parked in Verano.

20.4.2 Repairs and Maintenance of Vehicles. No vehicle which cannot operate on its own power shall remain on Verano for more than twelve hours, except in the garage of a Home or Commercial Unit. No repair or maintenance, except emergency repair, of vehicles shall be made within Verano, except in the garage of a Home or Commercial Unit. No vehicles shall be stored on blocks. No tarpaulin covers on vehicles shall be permitted anywhere within the public view.

20.4.3 Prohibited Vehicles. No commercial vehicle, limousines, recreational vehicle (e.g., mobile homes, campers, etc.), boat, trailer including, but not limited to, boat trailers, house trailers, and trailers of every other type, kind or description, or camper, may be kept within Verano except in the garage of a Home or Commercial Unit. The term commercial vehicle shall not be deemed to include law enforcement vehicles or sports utility vehicles (i.e., Broncos™, Blazers™, Explorers™, Navigators™, Hummers™, etc.) or clean "non- working" vehicles such as pick-up trucks, vans, or cars if they are used by the Owner on a daily basis for normal transportation. Notwithstanding any other provision in this Declaration to the contrary, the foregoing provisions shall not apply to construction vehicles in connection with the construction, improvement, installation, or repair by Developer of Homes or Commercial Units, the Club, Common Areas, or any other Verano facility. No vehicles displaying commercial advertising shall be parked within the public view. No vehicles bearing a "for sale" sign shall be parked within the public view anywhere on Verano. For any Owner who drives an automobile issued by the County or other governmental entity (i.e., police cars), such automobile shall not be deemed to be a commercial vehicle and may be parked in the garage or driveway of the Home. No vehicle shall be used as a domicile or residence either temporarily or permanently. No vehicles with expired registration, expired license plates or flat tires may be kept within public view anywhere within Verano.

20.4.4 Pathways. Some Pathways may run adjacent to roadways with vehicular traffic. Such Pathways may have a five foot (5') shoulder on both sides and may not contain any other curbing or buffering. Each person using the Pathways accepts and assumes all risk and responsibility for liability, injury, or damage connected with the use of any Pathways within Verano. Each such person also expressly indemnifies and agrees to hold harmless Developer, the Districts, Association, Village Associations, Club Owner, Club Manager, Builders and all employees, directors, representatives, officers, agents, and partners of the foregoing, from any and all damage or injury, whether direct or consequential, arising from or related to the person's use of the Pathways, including for attorneys' fees, paraprofessional fees and costs at trial and upon appeal. Without limiting the foregoing, all persons using the Pathways do so at their own risk. Each Owner and his or her guests and invitees are responsible for their own safety.

20.4.5 Golf Course Vehicles. Owners may use Golf Course Vehicles for transportation within the Club provided such Owner has entered into a Golf Course Pathway Agreement with Club Owner.

20.4.6 Golf Course Pathways. No person shall be permitted to jog, walk, bike, roller skate or roller blade along the Golf Course Pathways designated for Golf Course Vehicles or any other portion of the Golf Course, unless the prior written approval of the Club has been obtained.

20.4.7 Community Vehicles. Owners may use Community Vehicles on designated Community Pathway for transportation within Verano provided such Owner has entered into a Community Pathway Agreement with Association. The current form of Community Pathway Agreement is attached hereto has **Exhibit 6**.

20.4.8 Reservation of Easement. An easement is hereby reserved in favor of Club Owner and each golfer to cross the Common Areas at designated Golf Course Pathway crossings throughout Verano.

20.5 Casualty Destruction to Improvements. In the event that a Home or Commercial Unit or other improvement is damaged or destroyed by casualty loss or other loss, then within a reasonable period of time after such incident, the Owner thereof shall either commence to rebuild or repair the damaged Home or Commercial Unit or improvement and diligently continue such rebuilding or repairing until completion, or properly clear the damaged Home or Commercial Unit or improvement and restore or repair the Home or Commercial Unit as approved by the ACC. As to any such reconstruction of a destroyed Home or Commercial Unit or improvements, the same shall only be replaced as approved by the ACC.

20.6 Club Nuisance. No person shall, at any time the Golf Course is open for play, engage in any activity whatsoever which shall interfere with the players' performance during use of the Golf Course. Further, no obnoxious, unpleasant, unsightly or offensive activity shall be carried on which shall interfere with the players' use of the Golf Course.

20.7 Commercial Activity. Except (i) for normal construction activity, sale, and re-sale of a Home or Commercial Unit, sale or re-sale of other property owned by Developer, administrative offices of and operation of the Club and (ii) with respect to approved activities within the Commercial Units, no commercial or business activity shall be conducted in any Home within Verano. Notwithstanding the foregoing, and subject to applicable statutes and ordinances, an Owner may maintain a home business office within a Home for such Owner's personal use; provided, however, business invitees, customers, and clients shall not be permitted to meet with Owners in Homes unless the Board provides otherwise in the Rules and Regulations. Each Owner acknowledges that Verano may contain a traditional neighborhood component with live/work space. In such cases, Owners will be allowed to receive business invitees, customers and clients in their Homes. No Owner may actively engage in any solicitations for commercial purposes within Verano. No solicitors of a commercial nature shall be allowed within Verano, without the prior written consent of Association. No garage or yard sales are permitted, except as permitted by Association. No day care center or facility may be operated out of a Home. Prior to the Community Completion Date, Association shall not permit any garage or yard sales without the prior written consent of Developer. Notwithstanding the foregoing, the Commercial Units may operate any commercial use permitted by law that is compatible with Verano; provided, however, that the Commercial Units may not be used for the following purposes: (a) a massage parlor; (b) an adult bookstore; (c) an adult entertainment establishment; or (d) an adult theatre. Each Owner acknowledges that Verano will contain Commercial Units and that various activities pertaining to such Commercial Units may result in increased noise, odors, and increased commercial vehicle traffic. Notwithstanding the foregoing, nothing contained in this Section 20.7 shall prohibit, restrict, or otherwise limit Developer from operating a concierge business or other similar business within Verano.

20.8 Completion and Sale of Units. No person or entity shall interfere with the completion and sale of Homes or Commercial Units within Verano. WITHOUT LIMITING THE FOREGOING, EACH OWNER, BY ACCEPTANCE OF A DEED, AGREES THAT ACTIONS OF OWNERS MAY IMPACT THE VALUE OF HOMES AND COMMERCIAL UNITS; THEREFORE EACH OWNER IS BENEFITED BY THE FOLLOWING RESTRICTION: PICKETING AND POSTING OF NEGATIVE SIGNS OR POSTING OF NEGATIVE WEBSITES ON THE INTERNET, NEGATIVE ADVERTISING, NEGATIVE INFORMATION PROVIDED OR POSTED AT PUBLIC GATHERINGS ARE STRICTLY PROHIBITED IN ORDER TO PRESERVE THE VALUE OF THE HOMES IN VERANO AND THE RESIDENTIAL ATMOSPHERE THEREOF.

20.9 Control of Contractors. Except for direct services which may be offered to Owners (and then only according to the Rules and Regulations relating thereto as adopted from time to time), no person other than an Association officer shall direct, supervise, or in any manner attempt to assert any control over any contractor of Association.

20.10 Cooking. No cooking shall be permitted nor shall any goods or beverages be consumed on the Common Areas except in areas designated for those purposes by Association. The ACC shall have the right to prohibit or restrict the use of grills or barbeque facilities throughout Verano.

20.11 Decorations. No decorative objects including, but not limited to, birdbaths, light fixtures, sculptures, statues, weather vanes, or flagpoles shall be installed or placed within or upon any portion of Verano without the prior written approval of the ACC. Notwithstanding the foregoing, holiday lighting and decorations shall be permitted to be placed upon the exterior portions of the Home or Commercial Unit and upon the Lot in the manner permitted hereunder commencing on Thanksgiving and shall be removed not later than January 5th of the following year. The ACC may establish standards for holiday lights. The ACC may require the removal of any lighting that creates a nuisance (e.g., unacceptable spillover to adjacent Home or Commercial Unit).

20.12 Disputes as to Use. If there is any dispute as to whether the use of any portion of Verano complies with this Declaration, such dispute shall, prior to the Community Completion Date, be decided by Developer, and thereafter by Association. A determination rendered by such party with respect to such dispute shall be final and binding on all persons concerned.

20.13 Drainage System. Drainage systems and drainage facilities may be part of the Facilities, Common Areas and/or Homes or Commercial Units. Once drainage systems or drainage facilities are installed by Developer, the maintenance of such systems and/or facilities thereafter within the boundary of a Home or Commercial Unit shall be the responsibility of the Owner of the Home or Commercial Unit which includes such system and/or facilities. In the event that such system or facilities (whether comprised of swales, pipes, pumps, waterbody slopes, or other improvements) is adversely affected by landscaping, fences, structures (including, without limitation, pavers), or additions, the cost to correct, repair, or maintain such drainage system and/or facilities shall be the responsibility of the Owner of each Home or Commercial Unit containing all or a part of such drainage system and/or facilities. By way of example, and not of limitation, if the Owner of one Home or Commercial Unit plants a tree (pursuant to ACC approval) and the roots of such tree subsequently affect pipes or other drainage facilities within another Home or Commercial Unit, the Owner that plants the tree shall be solely responsible for the removal of the roots that adversely affect the adjacent Home or Commercial Unit. Likewise, if the roots of a tree located within the Common Areas adversely affect an adjacent Home or Commercial Unit, Association shall be responsible for the removal of the roots and the costs thereof shall be Operating Costs. Notwithstanding the foregoing, Association, the Districts and Developer shall have no responsibility or liability for drainage problems of any type whatsoever.

20.14 Extended Vacation and Absences. In the event a Home or Commercial Unit will be unoccupied for an extended period, the Home or Commercial Unit must be prepared prior to departure by: (i) notifying Association in writing; (ii) removing all removable furniture, plants and other objects from outside the Home or Commercial Unit; and (iii) designating a responsible firm or individual to care for the Home or Commercial Unit, should the Home or Commercial Unit suffer damage or require attention, and providing a key to that firm or individual. The name, telephone number and address of the designee shall be furnished to Association. Neither Association nor Developer shall have any responsibility of any nature relating to any unoccupied Home or Commercial Unit.

20.15 Fences/Walls/Screens. No walls or fences shall be erected or installed without prior written consent of the ACC. No chain link fencing of any kind shall be allowed except when screened on the exterior by landscaping at perimeter locations in Villages and Verano. No Lot shall have any chain link fencing within its boundaries. All screening and screened enclosures shall require the prior written approval of the ACC and shall be constructed utilizing bronze aluminum. Screening shall be charcoal in color. All enclosures of balconies or patios, including, without limitation addition of vinyl windows, and decks shall require the prior written approved of the ACC. In the event a fence is installed within a drainage easement area with prior ACC approval, the Owner is solely responsible for fence repair or replacement if the drainage easement area needs to be accessed or as otherwise provided in Section 16.13 hereof.

20.16 Firearms. The discharge of firearms, cross-bows and sling shots within Verano is prohibited. The term "firearms" includes "B-B" guns, pellet guns and other firearms of all types, regardless of size. This restriction shall not prohibit the discharge of firearms in connection with "shotgun" start tournaments held at the Club Facilities. Notwithstanding the foregoing, this Section 20.16 shall not be construed to limit any applicable local, state or federal law relating to the use, discharge, and/or possession of firearms.

20.17 Fuel Storage. No on-site storage of gasoline or other fuels shall be permitted on any Lot except up to five (5) gallons of fuel may be stored on each Lot for emergency purposes and operation of lawn mowers and similar tools or equipment. The foregoing limitation shall not apply to fuel for emergency generators. Furthermore, notwithstanding this provision, underground fuel tanks for storage of heating fuel for dwellings, pools, gas grills and similar equipment may be permitted on a Lot if approved in accordance with Section 28. The Club and Association shall be permitted to store fuel on Club Property (as defined in the Club Plan) or in the Common Areas, as applicable, for operation of maintenance vehicles, generators and similar equipment. This Section shall not apply to Developer or its designees who may, but shall not be required to, provide an underground gas distribution system to service Homes. This restriction is designed to reduce environmental risks associated with fuel storage and to minimize the hazards associated with on-site fuel storage.

20.18 Garages. No garage shall be converted into a general living area unless specifically approved by the ACC. Garage doors shall remain closed at all times except when vehicular or pedestrian access is required.

20.19 Garbage Cans. Trash collection and disposal procedures established by Association shall be observed. No outside burning of trash or garbage is permitted. No garbage cans, supplies or other similar articles shall be maintained on any Home or Commercial Unit so as to be visible from outside the Home, Commercial Unit or Parcel. Each Owner shall be responsible for properly depositing his or her garbage and trash in garbage cans and trash containers sufficient for pick-up by the appropriate collection agencies in accordance with the requirements of any such agency. All such trash receptacles shall be maintained in a sanitary condition and shall be shielded from the view of adjacent properties and streets. Garbage cans and trash containers shall not be placed outside the Home for pick-up earlier than 6:00 p.m. on the day preceding the pick-up and shall be stored by the end of the day of pick-up. All Commercial Units shall arrange for private garbage pick-up and all Commercial Unit trash containers used outside the Commercial Unit are subject to ACC approval.

20.20 General Use Restrictions. Each Home or Commercial Unit, the Common Areas and any portion of Verano shall not be used in any manner contrary to the Association Documents.

20.21 Generators. In times of natural disaster, Owners may desire to use generators as back-up electrical sources. Such generators must have sound attenuation buffers to enable compliance with any local noise ordinance. Generators may be tested only on business days between 9 a.m. and 5 p.m. and after a hurricane warning has been issued by the National Weather Service for the City. No diesel UST generators are permitted.

20.22 Hurricane Shutters. Any hurricane shutters or other protective devices visible from outside a Home or Commercial Unit shall be of a type as approved in writing by the ACC. Panel, accordion and roll-up style hurricane shutters may not be left closed during hurricane season (or at any other time). Any such approved hurricane shutters may be installed or closed up to seventy-two (72) hours prior to the expected arrival of a hurricane and must be removed or opened within seventy-two (72) hours after the end of a hurricane watch or warning or as the Board may determine otherwise. Except as the Board may otherwise decide, shutters may not be closed at any time other than a storm event. Any approval by the ACC shall not be deemed an endorsement of the effectiveness of hurricane shutters.

20.23 Irrigation. Due to water quality, irrigation systems may cause staining on Homes or Commercial Units, other structures or paved areas. It is each Owner's responsibility to treat and remove any such staining. Association may require from time to time, that Owners adopt systems to prevent stains (e.g., automatic deionization systems). **Owners are prohibited from using the lakes and/or waterways for irrigation**. Association and Club Owner may use waterways and lakes to irrigate Common Areas, Golf Course, Homes and/or the Club, as applicable subject to applicable permitting. AT SUCH TIME AS MADE AVAILABLE TO VERANO, THE IRRIGATION SYSTEM SHALL UTILIZE TREATED WASTEWATER EFFLUENT. UTILIZATION OF TREATED WASTEWATER EFFLUENT MAY BE A SIGNIFICANT COST TO THE ASSOCIATION. BY ACCEPTANCE OF A DEED TO A HOME OR PARCEL, EACH OWNER ACKNOWLEDGES THAT THE WATER LEVELS OF ALL LAKES AND WATERBODIES MAY VARY. THERE IS NO GUARANTEE BY DEVELOPER OR ASSOCIATION THAT WATER LEVELS WILL BE CONSTANT OR AESTHETICALLY PLEASING AT ANY PARTICULAR TIME. Developer, Association, and Club Owner, shall have the right to use one or more pumps to remove water from lakes and waterbodies for irrigation purposes at all times, subject to applicable permitting. Developer may utilize a computerized loop system to irrigate the Common Areas, Homes and/or Commercial Units.

Any computerized loop irrigation system that is not specifically the maintenance obligation of a Village Association, shall be the maintenance obligation of Association and shall be deemed part of the Common Areas.

20.24 Lake Easement Areas. Nothing may be erected, installed, planted, stored, located or otherwise in the Lake Easement Areas.

20.25 Laundry. Subject to the provisions of Section 163.04 of the Florida Statutes, to the extent applicable, no rugs, mops or laundry of any kind, or any other similar type article, shall be hung or exposed so as to be visible outside the Home or Parcel. Clotheslines may be installed in the rear yard of a Home so long as not visible from the front of the Home. Notwithstanding the foregoing, for safety reasons, clotheslines shall not be installed in the rear yard of Homes abutting the Golf Course.

20.26 Lawful Use. No immoral, improper, offensive, unlawful or obnoxious use shall be made in any portion of Verano. All laws, zoning ordinances and regulations of all governmental entities having jurisdiction thereof shall be observed. The responsibility of meeting the requirements of governmental entities for maintenance, modification or repair of a portion of Verano shall be the same as the responsibility for maintenance and repair of the property concerned.

20.27 Leases. Homes may be leased, licensed or occupied only in their entirety and no fraction or portion may be rented. No bed and breakfast facility may be operated out of a Home. Individual rooms of a Home may not be leased on any basis. No transient tenants may be accommodated in a Home. All leases or occupancy agreements shall be in writing and a copy of all leases of Homes shall be provided to Association if so requested by Association. No Home may be subject to more than two (2) leases in any twelve (12) month period, regardless of the lease term. No time-share or other similar arrangement is permitted. The Owner of a Home must make available to the Lessee or occupants copies of the Association Documents. No lease term shall be less than ninety (90) days. Notwithstanding the foregoing, this Section shall not apply to a situation where an Owner or resident of a Home receives in-home care by a professional caregiver residing within the Home. The foregoing shall not apply to Commercial Units approved by Developer for hotel or motel use. Association shall provide Lessees with a temporary access card, barcode or other necessary items to enable access to Verano. Association, from time to time, may impose an administrative fee for processing the information provided for in this Section.

20.28 Minor's Use of Facilities. Each Owner shall be responsible for all actions of minor children dwelling in and/or visiting his/her Home. Developer, Association and Club Owner shall not be responsible for any use of the facilities by anyone, including minors. Children under the age of sixteen (16) shall be accompanied by a responsible adult at all times.

20.29 Nuisances. No nuisance or any use or practice that is the source of unreasonable annoyance to others or which interferes with the peaceful possession and proper use of Verano is permitted. No firearms shall be discharged within Verano. Nothing shall be done or kept within the Common Areas, including a Home or Commercial Unit or Parcel which will increase the rate of insurance to be paid by Association.

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

20.31 Paint. Homes and Commercial Units shall be repainted within forty-five (45) days of notice by the Association.

20.32 Personal Property. All personal property of Owners or other occupants of Homes shall be stored within the Homes or Commercial Units. No personal property, except usual patio furniture, may be stored on, nor any use made of, the Common Areas, any Parcel, Commercial Unit or Home, or any other portion of Verano, which is unsightly or which interferes with the comfort and convenience of others.

20.33 Plumbing and Water Conservation. Water-saving plumbing and fixtures and other water conserving methods that meet Permit requirements shall be installed and maintained within the Homes, Commercial Units and Verano. Water Conservation shall be observed when dictated by weather conditions or other restrictions and may affect the appearance of the Common Areas, or other portions of Verano. Notwithstanding the foregoing, the water conservation requirements shall not pertain to the irrigation of the Golf Course.

20.34 Pools. No above-ground pools shall be permitted. All in-ground pools, hot tubs, spas and appurtenances installed shall require the prior written approval of the ACC as set forth in this Declaration. The design must incorporate, at a minimum, the following: (i) the composition of the material must be thoroughly tested and accepted by the industry for such construction; (ii) any swimming pool constructed on any Lot or Parcel shall have an elevation at the top of the pool of not over two (2) feet above the finished floor unless approved by the ACC; (iii) pool cages and screens must be of a design, color and material approved by the ACC and shall be the greater of the roof line or twelve (12) feet unless otherwise approved by the ACC; and (iv) pool screening shall in no event be higher than the roof line of the Home or Commercial Unit. Pool screening shall not extend beyond the sides of the Home or Commercial Unit without express approval by the ACC. All pools shall be adequately maintained and chlorinated (or cleaned with similar treatment). Unless installed by Developer, no diving boards, slides, or platforms shall be permitted without ACC approval.

20.35 Removal of Soil and Additional Landscaping. Without the prior written consent of the ACC, no Owner shall remove soil from any portion of Verano, change the level of the land within Verano, or plant landscaping which results in any permanent change in the flow and drainage of surface water within Verano. Owners may place additional plants, shrubs, or trees within any portion of Verano with the prior approval of the ACC.

20.36 Roofs, Driveways and Pressure Treatment. Roofs and/or exterior surfaces and/or pavement, including, but not limited to, walks and drives, shall be pressure treated within thirty (30) days of notice by the ACC and such treatments may be required as often as deemed reasonably necessary by Association. No surface applications to driveways shall be permitted without the prior written approval of the ACC as to material, color and pattern. Such applications shall not extend beyond the front Lot line or include the sidewalk. Notwithstanding an applicable Village Association's responsibility to paint, each Owner shall be responsible to pressure clean between paintings. The Board may decide to have annual, or more frequent, window washing or roof repair and may collect the costs thereof as part of Operating Costs or Reserves.

20.37 Satellite Dishes and Antennas. No exterior visible antennas, radio masts, towers, poles, aerials, satellite dishes, or other similar equipment shall be placed on any Home, Commercial Unit or Parcel without the prior written approval thereof being first had and obtained from the ACC as required by this Declaration. The ACC may require, among other things, that all such improvements be screened so that they are not visible from adjacent Homes, or from the Common Areas. Each Owner agrees that the location of such items must be first approved by the ACC in order to address the safety and welfare of the residents of Verano. No Owner shall operate any equipment or device which will interfere with the radio or television reception of others. Notwithstanding the foregoing, Club Owner may install without ACC approval Telecommunications Services equipment, satellite dishes or similar equipment within the property comprising the Club so long as such equipment is not visible from the street giving access to the Club. All antennas not covered by the Federal Communications Commission ("FCC") rules are prohibited. Installation, maintenance, and use of all antennas shall comply with restrictions adopted by the Board and shall be governed by the then current rules of the FCC.

20.38 Service Providers. Service providers and domestic help (*e.g.*, nannies and nurses) of any Owner may not gather or lounge in or about the Common Areas.

20.39 Sight Distance at Intersections. All property and/or landscaping shall be landscaped so as to permit safe sight across the street corners. No fence, wall, hedge or shrub planting shall be placed or permitted to remain where it would create a traffic or sight problem, as the same is determined in the sole and absolute discretion of the Board. Restrictions imposed by the Board shall not relieve Owner from additionally complying with any governmental ordinance or rule applicable to safe sight distance.

20.40 Signs and Flags. No sign (including brokerage or for sale/lease signs), flag, banner, sculpture, fountain, outdoor play equipment, solar equipment, artificial vegetation, sports equipment, advertisement, notice or other lettering shall be exhibited, displayed, inscribed, painted or affixed in, or upon any part of Verano that is visible from the outside of a Home without the prior written approval thereof being first had and obtained from the ACC as required by this Declaration; provided, however, signs required by governmental agencies and approved by the ACC may be displayed (e.g., permit boards). "For Sale" and "For Rent" signs must be approved by the ACC. "For Sale" and "For Rent" signs for Homes must be no larger than 12" x 12". Developer is exempt from this Section. No signs may be placed in the window of a Home or Commercial Unit. No in-ground flag poles (except as Developer and Club Owner may use) shall be permitted within Verano, unless written approval of the ACC is obtained. Notwithstanding the foregoing, flags which are no larger than 24" x 36", attached to a Home and displayed for the purpose of a holiday shall be permitted without ACC approval. All signage on Commercial Units is subject to the approval of Developer and the ACC. Notwithstanding the foregoing, no ACC approval is necessary for the installment of one (1) portable, removable United States of America flag or official flag of the State of Florida displayed in a respectful manner, and on Armed Forces Day, Memorial Day, Flag Day, Independence Day, and Veterans Day, and portable, removable official flags, not larger than four and one-half feet (4 ½') by six feet (6'), which represent the United States Army, Navy, Air Force, Marine Corps, or Coast Guard may be displayed in a respectful manner.

20.41 Sports Equipment. No recreational, playground or sports equipment shall be installed or placed within or about any portion of Verano without prior written consent of the ACC. No basketball backboards, skateboard ramps, or play structures will be permitted without written approval by the ACC. Such approved equipment shall be located at the rear of the Home or Commercial Unit or on the inside portion of corner Homes or Commercial Units within the setback lines. Tree houses or platforms of a similar nature shall not be constructed on any part of a Home or Commercial Unit. No basketball hoops shall be attached to a Home and any portable basketball hoops must be stored inside the Home. No tennis courts are permitted within Lots. Commercial Units may be permitted to have exterior sports equipment as permitted by Developer and the ACC. Without limiting other provision hereof, the Club is exempt from these requirements.

20.42 Storage. No temporary or permanent utility or storage shed, storage building, tent, or other structure or improvement shall be permitted and no other structure or improvement shall be constructed, erected, altered, modified or maintained without the prior approval of the ACC, which approval shall conform to the requirements of this Declaration. Water softeners, trash containers, propane tanks and other similar devices shall be properly screened from the street in a manner approved by the ACC.

20.43 Subdivision and Regulation of Land. No portion of any Lot or Parcel shall be divided or subdivided or its boundaries changed without the prior written approval of both Developer and Association. No Owner shall inaugurate or implement any variation from, modification to, or amendment of governmental regulations, land use plans, land development regulations, zoning, or any other development orders or development permits applicable to Verano, without the prior written approval of Developer, which may be granted or denied in its sole discretion. Notwithstanding the foregoing, the prior written approval of the City is required in connection with any land use or zoning changes within Verano.

20.44 Substances. No flammable, combustible or explosive fuel, fluid, chemical, hazardous waste, or substance shall be kept on any portion of Verano or within any Home, Commercial Unit or Parcel, except those which are required for normal household use or permitted by law for the applicable commercial use. All propane tanks and bottled gas for household and/or pool purposes (excluding barbecue grill tanks) must be installed underground or in a manner to be screened from view by landscaping or other materials approved by the ACC.

20.45 Swimming, Fishing, Boating, Docks and Wildlife. Swimming, fishing, boating and feeding wildlife shall be permitted only within designated lakes or waterbodies. No private docks may be erected or boats moored within any waterbody with the exception of docks constructed by or boats owned by the Club or the Club Owner.

20.46 Use of Homes. Each Home is restricted to residential use as a residence by the Owner or permitted occupant thereof, its immediate family, guests, tenants and invitees.

20.47 Visibility on Corners. Notwithstanding anything to the contrary in these restrictions, no obstruction to visibility at street intersections shall be permitted and such visibility clearances shall be maintained as required by the ACC and governmental agencies. No vehicles, objects, fences, walls, hedges, shrubs or other planting shall be placed or permitted on a corner Lot where such obstruction would create a traffic problem.

20.48 Water Intrusion. Florida experiences heavy rainfall and humidity on a regular basis. Each Owner is responsible for making sure his or her Home remains watertight including, without limitation, checking caulking around windows and seals on doors. Each Owner acknowledges that running air conditioning machinery with windows and/or doors open in humid conditions can result in condensation, mold and/or water intrusion. Neither Developer nor Association shall have liability under such circumstances for any damage or loss that an Owner may incur.

20.49 Wells and Septic Tanks. No individual wells will be permitted on any Lot and no individual septic tanks will be permitted on any Lot.

20.50 Wetlands Areas. Verano may contain preserves, wetlands, and/or mitigation areas. No Owner or other person shall take any action or enter onto such areas so as to adversely affect the same. Such areas are to be maintained in their natural state.

20.51 Windows or Wall Units. No window or wall air conditioning unit may be installed in any window or wall of a Home or Commercial Unit.

20.52 Window Treatments. Window treatments shall consist of drapery, blinds, decorative panels, or other window covering, and no newspaper, aluminum foil, sheets or other temporary window treatments are permitted, except for periods not exceeding one (1) week after an Owner or Lessee first moves into a Home or Commercial Unit or when permanent window treatments are being cleaned or repaired. No security bars shall be placed on the windows of any Home or Commercial Unit without prior written approval of the ACC. No awnings, canopies or shutters shall be affixed to the exterior of a Home or Commercial Unit without the prior written approval of the ACC. No reflective tinting or mirror finishes on windows shall be permitted unless approved by the ACC. Window treatments facing the street shall be of a neutral color, such as white, off-white or wood tones.

20.53 Xeriscape Landscaping. Verano will contain xeriscape landscaping to reduce irrigation water demand and to comply with the requirements of the City. No Owner shall alter or remove such landscaping without the prior approval of the ACC. Xeriscape landscaping may not be as attractive as traditional landscaping but it offers environmental advantages.

21. Easement for Unintentional and Non-Negligent Encroachments. If any other building or improvement on a Home or Commercial Unit shall encroach upon another Home or Commercial Unit by reason of original construction by Developer, then an easement for such encroachment shall exist so long as the encroachment exists. It is contemplated that each Home or Commercial Unit shall contain an improvement with exterior walls, footings, and other protrusions which may pass over or underneath an adjacent Home or Commercial Unit. A perpetual nonexclusive easement is herein granted to allow the footers for such walls and such other protrusions and to permit any natural water run off from roof overhangs, eaves and other protrusions onto an adjacent Home or Commercial Unit.

22. Requirement to Maintain Insurance. Association shall maintain the following insurance coverage:

22.1 Flood Insurance. If the Common Areas are located within an area which has special flood hazards and for which flood insurance has been made available under the National Flood Insurance Program ("**NFIP**"), coverage in appropriate amounts, available under NFIP for all buildings and other insurable property within any portion of the Common Areas located within a designated flood hazard area.

22.2 Liability Insurance. Commercial general liability insurance coverage providing coverage and limits deemed appropriate. Such policies must provide that they may not be canceled or substantially modified by any party, without at least thirty (30) days' prior written notice to Developer (until the Community Completion Date), Club Owner and Association.

22.3 Directors and Officers Liability Insurance. Each member of the Board shall be covered by directors and officers liability insurance in such amounts and with such provisions as approved by the Board.

22.4 Other Insurance. Such other insurance coverage as appropriate from time to time. All coverage obtained by Association shall cover all activities of Association and all properties maintained by Association, whether or not Association owns title thereto.

22.5 Developer. Prior to and including the Turnover Date, Developer shall have the right, at Association's expense, to provide any such insurance coverage it deems appropriate under its master insurance policy in lieu of any of the foregoing.

22.6 Items Not Covered By Premiums. Each Owner acknowledges that certain items will not be covered by insurance policies maintained by the Association, including but not limited to, deductibles and landscaping. The cost incurred by Association regarding such items shall be assessed to all Owners as a Special Assessment.

22.7 Homes and Commercial Units.

22.7.1 Requirement to Maintain Insurance. Each Owner shall be required to obtain and maintain adequate insurance of his or her Home or Commercial Unit. Such insurance shall be sufficient for necessary repair or reconstruction work, and/or shall cover the costs to demolish a damaged Home or Commercial Unit as applicable, remove the debris, and to resod and landscape land comprising the Home or Commercial Unit. Upon the request of Association, each Owner shall be required to supply the Board with evidence of insurance coverage on his Home or Commercial Unit which complies with the provisions of this Section. Without limiting any other provision of this Declaration or the powers of Association, Association shall specifically have the right to bring an action to require an Owner to comply with his or her obligations hereunder.

22.7.2 Requirement to Reconstruct or Demolish. In the event that any Home or Commercial Unit is destroyed by fire or other casualty, the Owner of such Home or Commercial Unit shall do one of the following: the Owner shall commence reconstruction and/or repair of the Home or Commercial Unit ("**Required Repair**"), or Owner shall tear the Home or Commercial Unit down, remove all the debris, and resod and landscape the property comprising the Home or Commercial Unit as required by the ACC ("**Required Demolition**") to the extent permitted under law. If an Owner elects to perform the Required Repair, such work must be commenced within thirty (30) days of the Owner's receipt of the insurance proceeds respecting such Home or Commercial Unit. If an Owner elects to perform the Required Demolition, the Required Demolition must be completed within six (6) months from the date of the casualty or such longer period of time established by the Board in its sole discretion subject to extension if required by law. If an Owner elects to perform the Required Repair, such reconstruction and/or repair must be completed in a continuous, diligent, and timely manner. Association shall have the right to inspect the progress of all reconstruction and/or repair work. Without limiting any other provision of this Declaration or the powers of Association, Association shall have a right to bring an action against an Owner who fails to comply with the foregoing requirements. By way of example, Association may bring an action against an Owner who fails to either perform the Required Repair or Required Demolition on his or her Home or Commercial Unit within the time periods and in the manner provided herein. Each Owner acknowledges that the issuance of a building permit or a demolition permit in no way shall be deemed to satisfy the requirements set forth herein, which are independent of, and in addition to, any requirements for completion of work or progress requirements set forth in applicable statutes, zoning codes, and/or building codes.

22.7.3 Townhome Buildings or Paired Residence Buildings. Certain Homes are separated by Party Walls but form part of a Townhome Building or Paired Residence Building. The applicable Village Declaration governs Required Demolition requirements.

22.7.4 Standard of Work. The standard for all demolition, reconstruction, and other work performed as required by this Section shall be in accordance with the Community Standards and any other standards established by Association with respect to any casualty that affects all or a portion of Verano.

22.7.5 Additional Rights of Association. If an Owner refuses or fails, for any reason, to perform the Required Repair or Required Demolition as herein provided, then Association, in its sole discretion, by and through its Board is hereby irrevocably authorized by such Owner to perform the Required Repair or Required Demolition. All Required Repair performed by Association pursuant to this Section shall be in conformance with the original plans and specifications for the Home or Commercial Unit. Association shall have the absolute right to perform the Required Demolition to a Home or Commercial Unit pursuant to this Section if any contractor certifies in writing to Association that such Home or Commercial Unit cannot be rebuilt or repaired. The Board may levy an Individual Assessment against the Owner in whatever amount sufficient to adequately pay for Required Repair or Required Demolition performed by Association.

22.7.6 Association Has No Liability. Notwithstanding anything to the contrary in this Section, Association, its directors and officers, shall not be liable to any Owner should an Owner fail for any reason whatsoever to obtain insurance coverage on a Home or Commercial Unit. Moreover, Association, its directors and officers, shall not be liable to any person if Association does not enforce the rights given to Association in this Section.

22.8 Automobiles, Community Vehicles, and Golf Course Vehicles. Each Owner shall be required to obtain and maintain adequate insurance for his or her Community Vehicle and/or Golf Course Vehicle used to travel on the roads or designated paths within Verano. Such insurance shall be sufficient to comply with minimum statutory requirements for the State of Florida regarding such vehicles and standards adopted by Association from time to time. Association and Club Owner shall be named as additional insureds on each such policy of insurance. Upon the request of Association or Club Owner, each Owner shall be required to supply the Board or Club Owner, as applicable, with evidence of such insurance coverage which complies with the provisions of this Section. Without limiting any other provision of this Declaration or the powers of Association, Association shall specifically have the right to bring an action to require an Owner to comply with his or her obligations hereunder.

22.9 Fidelity Bonds. If available, Association shall obtain a blanket fidelity bond for all officers, directors, trustees and employees of Association, and all other persons handling or responsible for funds of, or administered by, Association. In the event Association delegates some or all of the responsibility for the handling of the funds to a professional management company or licensed manager, such bonds shall be required for its officers, employees and agents, handling or responsible for funds of, or administered on behalf of Association. The amount of the fidelity bond shall be based upon reasonable business judgment. The fidelity bonds required herein must meet the following requirements (to the extent available at a reasonable premium):

22.9.1 The bonds shall name Association as an obligee.

22.9.2 The bonds shall contain waivers, by the issuers of the bonds, of all defenses based upon the exclusion of persons serving without compensation from the definition of "employee" or similar terms or expressions.

22.9.3 The premiums on the bonds (except for premiums on fidelity bonds maintained by a professional management company, or its officers, employees and agents), shall be paid by Association.

22.9.4 The bonds shall provide that they may not be canceled or substantially modified (including cancellation for non-payment of premium) without at least thirty (30) days' prior written notice to Developer (until the Community Completion Date), Club Owner and Association.

22.10 Association as Agent. Association is irrevocably appointed agent for each Owner of any interest relating to the Common Areas to adjust all claims arising under insurance policies purchased by Association and to execute and deliver releases upon the payment of claims.

22.11 Casualty to Common Areas. In the event of damage to the Common Areas, or any portion thereof, Association shall be responsible for reconstruction after casualty. In the event of damage to a Parcel, Lot, Commercial Unit or Home, or any portion thereof, the Owner shall be responsible for reconstruction after casualty. In the event of damage to the Club, the responsibility for reconstruction shall be as provided in the Club Plan.

22.12 Nature of Reconstruction. Any reconstruction of improvements hereunder shall be substantially in accordance with the plans and specifications of the original improvement, or as the improvement was last constructed, subject to modification to conform with the then current governmental regulation(s).

22.13 Additional Insured. Developer, Club Owner and their respective Lender(s) and Development Lender(s) shall be named as additional insured on all policies obtained by Association, as their interests may appear.

22.14 Cost of Payment of Premiums. The costs of all insurance maintained by Association hereunder, and any other fees or expenses incurred which may be necessary or incidental to carry out the provisions hereof are Operating Costs. Notwithstanding the foregoing, the costs of items not covered by insurance premiums (e.g., deductibles, landscaping, etc.) shall be assessed to all Owners as a Special Assessment.

23. Property Rights.

23.1 Owners' Easement of Enjoyment. Every Owner, and its immediate family, tenants, guests and invitees, and every owner of an interest in Verano shall have a non-exclusive right and easement of enjoyment in and to those portions of the Common Areas which it is entitled to use for their intended purpose, subject to the following provisions:

23.1.1 Easements, restrictions, reservations, conditions, limitations and declarations of record, now or hereafter existing, and the provisions of this Declaration, as amended.

23.1.2 Rules and Regulations adopted governing use and enjoyment of the Common Areas.

23.1.3 The right of Association to suspend an Owner's rights hereunder or to impose fines in accordance with Section 720.305, Florida Statutes, as amended from time to time.

23.1.4 The right to suspend the right to use all (except vehicular and pedestrian ingress and egress and necessary utilities) or a portion of the Common Areas by an Owner, its immediate family, etc. for any period during which any Assessment against that Owner remains unpaid.

23.1.5 The right of Developer and/or Association to dedicate or transfer all or any part of the Common Areas. No such dedication or transfer shall be effective prior to the Community Completion Date without prior written consent of Developer and, at any time, without the prior written consent of the Club Owner.

23.1.6 The right of Developer and/or Association to modify the Common Areas as set forth in this Declaration.

23.1.7 No Owner shall have any ownership rights in the Club.

23.1.8 The perpetual right of Developer and/or Club Owner to access and enter the Common Areas at any time, even after the Community Completion Date, for the purposes of inspection and testing of the Common Areas. Association and each Owner shall give Developer unfettered access, ingress and egress to the Common Areas so that Developer and/or its agents can perform all tests and inspections deemed necessary by Developer. Developer shall have the right to make all repairs and replacements deemed necessary by Developer. At no time shall Association and/or an Owner prevent, prohibit and/or interfere with any testing, repair or replacement deemed necessary by Developer relative to any portion of the Common Areas.

23.1.9 The rights of Developer and/or Association and/or Club Owner regarding Verano as reserved in this Declaration, including the right to utilize the same and to grant use rights, etc. to others.

23.1.10 An Owner relinquishes use of the Common Areas at any time that a Home or Commercial Unit is leased to a Lessee.

23.2 Ingress and Egress. An easement for ingress and egress is hereby created for pedestrian traffic over, and through and across sidewalks, paths, pedestrian trail, walks, driveways, passageways, and lanes as the same, from time to time, may exist upon, or be designed as part of, the Common Areas, and for vehicular traffic over, through and across such portions of the Common Areas as, from time to time, may be paved and intended for such purposes.

23.3 Development Easement. In addition to the rights reserved elsewhere herein, Developer reserves an easement for itself or its nominees and creates an easement in favor of the Club Owner over, upon, across, and under Verano as may be required in connection with the development of Verano, the Club, and other lands designated by Developer and to promote or otherwise facilitate the development, construction and sale and/or leasing of Parcels, Commercial Units and Homes, the Club, and other lands designated by Developer. Without limiting the foregoing, Developer specifically reserves the right to use all paved roads and rights of way within Verano for vehicular and pedestrian ingress and egress to and from construction sites and for the construction and maintenance of any Telecommunications Systems provided by Developer. Specifically, each Owner acknowledges that construction vehicles and trucks may use portions of the Common Areas. Developer shall have no liability or obligation to repave, restore, or repair any portion of the Common Areas as a result of the use of the same by construction traffic, and all maintenance and repair of such Common Areas shall be deemed ordinary maintenance of Association payable by all Owners as part of Operating Costs. Notwithstanding the foregoing, any damage caused by any Builder due to construction traffic shall be repaired by such Builder at its sole cost and expense. Without limiting the foregoing, at no time shall Developer be obligated to pay any amount to Association on account of Developer's and Club Owner's use of the Common Areas for construction purposes. Developer intends to use the Common Areas for sales of new and used Homes and Commercial Units. Further, Developer may market other residences and commercial properties located outside of Verano from Developer's sales facilities located within Verano. Developer has the right to use all portions of the Common Areas in connection with its marketing activities, including, without limitation, allowing members of the general public to inspect model Homes, installing signs and displays, holding promotional parties and picnics, and using the Common Areas for every other type of promotional or sales activity that may be employed in the marketing of new and used residential Homes and Commercial Units or the leasing of residential apartments within Apartment Buildings and displaying any portion of Verano, including Homes, in Developer's videos, sales brochures and commercials. The easements created by this Section, and the rights reserved herein in favor of Developer, shall be construed as broadly as possible and supplement the rights of Developer set forth in Section 30 of this Declaration. At no time shall Developer incur any expense whatsoever in connection with its use and enjoyment of such rights and easements. Without limiting any other provision of this Declaration, Developer may non-exclusively assign its rights hereunder to each Builder.

23.4 Public Easements. City, County, fire, police, school transportation, health, sanitation and other public service and utility company personnel and vehicles shall have a permanent and perpetual easement for ingress and egress over and across the Common Areas. In addition, Telecommunications Providers shall also have the right to use all paved roadways for ingress and egress to and from Telecommunications Systems within Verano.

23.5 Delegation of Use. Every Owner shall be deemed to have delegated its right of enjoyment to the Common Areas and Club to occupants or Lessees of that Owner's Home or Commercial Unit subject to the provisions of this Declaration and the Rules and Regulations, as may be promulgated, from time to time. Any such delegation or lease shall not relieve any Owner from its responsibilities and obligations provided herein.

23.6 Easement for Encroachments. In the event that any improvement upon Common Areas, as originally constructed, shall encroach upon any other property or improvements thereon, or for any reason, then an easement appurtenant to the encroachment shall exist for so long as the encroachment shall naturally exist.

23.7 Permits, Licenses and Easements. Prior to the Community Completion Date, Developer, and thereafter Association, shall, in addition to the specific rights reserved to Developer herein, have the right to grant, modify, amend and terminate permits, licenses and easements over, upon, across, under and through Verano (including Lots, Parcels, Homes and/or Commercial Units) for Telecommunications Systems, utilities, roads and other purposes reasonably necessary or useful as it determines, in its sole discretion. To the extent legally required, each Owner shall be deemed to have granted to Developer and, thereafter, Association an irrevocable power of attorney, coupled with an interest, for the purposes herein expressed.

23.8 Blanket Easement in Favor of Districts. Each District shall also have blanket easements necessary for district operations above, across and under Verano. The easement shall permit, without limitation, all construction, maintenance and replacement activities of each District.

23.9 Support Easement and Maintenance Easement. An easement is hereby created for the existence and maintenance of supporting structures (and the replacement thereof) in favor of the entity required to maintain the same. An easement is hereby created for maintenance purposes (including access to perform such maintenance) over and across Verano (including Lots, Parcels, Commercial Units, Homes and the Club) for the reasonable and necessary maintenance of Common Areas, the Club, utilities, cables, wires and other similar facilities.

23.10 Drainage. A non-exclusive easement shall exist in favor of Developer, the Districts, Club Owner, Association, the City, and their designees, and any applicable water management district, state agency, county agency and/or federal agency having jurisdiction over Verano over, across and upon Verano for drainage, irrigation and water management purposes. A non-exclusive easement for ingress, egress and access exists as shown on the Plat for such parties in order to construct, maintain, inspect, record data on, monitor, test, or repair, as necessary, any water management areas, conservation areas, mitigation areas, irrigation systems, well sites and facilities thereon and appurtenances thereto. No structure, landscaping, or other material shall be placed or be permitted to remain which may damage or interfere with the drainage or irrigation of Verano and/or installation or maintenance of utilities or which may obstruct or retard the flow of water through Verano and/or water management areas and facilities or otherwise interfere with any drainage, irrigation and/or easement provided for in this Section or the use rights set forth elsewhere in this Declaration.

23.11 Club Easements. A non-exclusive easement shall exist in favor of the Club Owner and its respective designees, invitees, guests, agents, employees, and members over and upon the Common Areas and portions of Verano necessary for ingress, egress, access to, construction, maintenance and/or repair of the Club. Club Owner, Club employees, agents, invitees, guests, any manager of the Club, and all members of the Club shall be given access to the Club on the same basis as Owners, but without any charge therefor (in the term of Assessments or otherwise).

23.12 Easement for Errant Golf Balls. Non-specific easements are created for the benefit of users of the neighboring Golf Course over Homes, Common Areas, and other properties adjacent to the Golf Course, to permit every reasonable act necessary and appropriate to playing golf, including but not limited to, the retrieval of golf balls from the Common Areas and non-fenced yards of Homes. These easements include, without limitation, the flight of golf balls over Homes and the Common Areas, the landing of golf balls, the use of necessary Golf Course Vehicles and maintenance equipment and the usual common noises and odors created by playing golf and constructing and maintaining the Golf Course. Developer, Association and Village Associations shall not be liable or responsible for disputes between an Owner and any person using the Golf Course. All Owners, by acceptance of delivery of a deed to a Home or Parcel will assume all risks associated with errant golf balls, and agree and covenant not to make any claim or institute any action against the Developer, the Club Owner, Association, or Village Associations arising or resulting from any errant golf balls or damages caused thereby.

23.13 Golf Course Vehicle Easement. A non-exclusive easement shall exist for Golf Course Vehicle traffic over, through and across such portions of the Common Areas as, from time to time, may be paved and intended for such purposes, including but not limited to, roadways and designated Pathways.

23.14 Blanket Easement in favor of Association. Association is hereby granted an easement over all of Verano, including all Homes, Commercial Units, Parcels and Lots, for the purposes of (a) constructing, maintaining, replacing and operating all Common Areas and Village Common Areas, including, but not limited to, lakes, perimeter walls and fences and (b) performing any obligation of an Owner for which Association intends to impose an Individual Assessment.

23.15 Blanket Easement in Favor of Developer. Developer shall also have blanket easements above, across and under Verano. The easement shall permit, without limitation, all construction, maintenance and replacement activities of Developer.

23.16 Blanket Easement in Favor of Club Owner. Club Owner shall also have blanket easements necessary for operating the Club above, across and under Verano. The easement shall permit, without limitation, all construction, maintenance and replacement activities of the Club.

23.17 Duration. All easements created herein or pursuant to the provisions hereof shall be perpetual unless stated to the contrary.

24. Club Plan. Association and each Home Owner, where applicable, shall be bound by and comply with the Club Plan which is incorporated herein by reference. Although the Club Plan is an exhibit to this Declaration, the Association Documents are subordinate and inferior to the Club Plan. In the event of any conflict between the Club Plan and the Association Documents, the Club Plan shall control.

25. Assessments.

25.1 Types of Assessments. Each Owner and Builder, by acceptance of a deed or instrument of conveyance for the acquisition of title in any manner (whether or not so expressed in the deed), including any purchaser at a judicial sale, shall hereafter be deemed to have covenanted and agreed to pay to Association at the time and in the manner required by the Board, assessments or charges and any special assessments as are fixed, established and collected from time to time by Association (collectively, the "**Assessments**"). Each Builder shall pay such portion of Operating Costs which benefits any Lot or Parcel owned by such Builder, as determined by Developer, in Developer's sole discretion. By way of example, and not of limitation, Developer may require that each Builder pay some portion of Assessments on a Lot or Parcel owned by a Builder which does not contain a Home. As vacant Lots or Parcels owned by Builders may not receive certain services (e.g., Telecommunications Services), Builders shall not be required to pay for the same. Club Owner, as a Member of Association, shall not be required to pay Assessments to Association.

25.2 Purpose of Assessments. The Assessments levied by Association shall be used for, among other things, the purpose of promoting the recreation, health, safety and welfare of the residents of Verano, and in particular for the improvement and maintenance of the Common Areas and any easement in favor of Association, including, but not limited to the following categories of Assessments as and when levied and deemed payable by the Board:

25.2.1 Any quarterly assessment (as determined by the Board), which shall be payable in advance, or charge for the purpose of operating Association and accomplishing any and all of its purposes, as determined in accordance herewith, including, without limitation, payment of Operating Costs and collection of amounts necessary to pay any deficits from prior years' operation (hereinafter "**Installment Assessments**");

25.2.2 Any Village Assessments for the purpose of providing Village-specific services authorized by this Declaration or a Village Declaration;

25.2.3 Any special assessments for capital improvements, major repairs, emergencies, the repair or replacement of the Surface Water Management System, or nonrecurring expenses (hereinafter "**Special Assessments**");

25.2.4 Any specific fees, dues or charges to be paid by Owners for any special services provided to or for the benefit of an Owner or Home or Commercial Unit, for any special or personal use of the Common Areas, or to reimburse Association for the expenses incurred in connection with that service or use (hereinafter "**Use Fees**"); and

25.2.5 Assessments of any kind for the creation of reserves determined by Association, from time to time, if any, for any of the aforesaid purposes. At such time as there are improvements in any Common

Areas for which Association has a responsibility to maintain, repair, and replace, the Board may, but shall have no obligation to, include a "Reserve for Replacement" in the Installment Assessments in order to establish and maintain an adequate reserve fund for the periodic maintenance, repair and replacement of improvements comprising a portion of the Common Areas (hereinafter "**Reserves**"). Assessments pursuant to this Section shall be payable in such manner and at such times as determined by Association, and may be payable in installments extending beyond the fiscal year in which the Reserves are approved. Until the Community Completion Date, Reserves shall be subject to the prior written approval of Developer, which may be withheld for any reason.

25.2.6 Assessments for which one or more Owners (but less than all Owners) within Verano is subject ("**Individual Assessments**") such as costs of special services provided to a Home, Commercial Unit or Owner or cost relating to enforcement of the provisions of this Declaration or the architectural provisions hereof as it relates to a particular Owner or Home or Commercial Unit. By way of example, and not of limitation, all of the Owners within a Village may be subject to Individual Assessments for maintenance, repair and/or replacement of facilities serving only the residents of such Village. Further, in the event an Owner fails to maintain the exterior of his or her Home or Commercial Unit (other than those portions of a Home maintained by Association) in a manner satisfactory to Association, Association shall have the right, through its agents and employees, to enter upon the Home or Commercial Unit and to repair, restore, and maintain the Home or Commercial Unit as required by this Declaration. The cost thereof, plus a ten percent (10%) administrative surcharge, shall be an Individual Assessment. The lien for an Individual Assessment may be foreclosed in the same manner as any other Assessment. As a further example, if one or more Owners receive optional Telecommunications Services such as Toll Calls, Cable Services and/or Data Transmission Services, and Association pays a Telecommunications Provider for such services, then the cost of such services shall be an Individual Assessment as to each Owner receiving such services. Further, in the event that Association decides it is in the best interest of Verano that Association perform any other obligation of an Owner under this Declaration and/or a Village Declaration, the cost of performing such obligation shall be an Individual Assessment. Further, Association shall have the right to perform any obligation of a Village Association and assess all Owners within the Village the costs of performance as Individual Assessments. The lien for an Individual Assessment may be foreclosed in the same manner as any other Assessment.

25.3 Designation. The designation of Assessment type shall be made by Association. Prior to the Community Completion Date, any such designation must be approved by Developer. Such designation may be made on the budget prepared by Association. The designation shall be binding upon all Owners.

25.4 Allocation of Operating Costs.

25.4.1 For the period until the adoption of the first annual budget, the allocation of Operating Costs shall be as set forth in the initial budget prepared by Developer.

25.4.2 Commencing on the first day of the period covered by the annual budget, and until the adoption of the next annual budget, the Installment Assessments shall be allocated so that each Owner shall pay his pro rata portion of Installment Assessments, Special Assessments, and Reserves. Each Owner of a Home, other than an Apartment Unit and Granny Flat, shall be assessed on a uniform basis except for Individual Assessments. Apartment Units shall pay the equivalent of one-quarter (1/4) the uniform Assessment and Granny Flats shall pay the equivalent of one-half (1/2) the uniform Assessment. Each Owner of a Commercial Unit, other than Institutional Units, shall pay the equivalent of one-half (1/2) the uniform Assessment on each Home for each Land Point associated with such Commercial Unit. Owners of Institutional Units shall not pay any Assessments other than Individual Assessments. The Public Park and Public School are exempt from Assessments.

25.4.3 In the event the Operating Costs as estimated in the budget for a particular fiscal year are, after the actual Operating Costs for that period is known, less than the actual costs, then the difference shall, at the election of Association: (i) be added to the calculation of Installment Assessments for the next ensuing fiscal year; or (ii) be immediately collected from the Owners as a Special Assessment. Association shall have the unequivocal right to specially assess Owners retroactively on January 1st of any year for any shortfall in Installment Assessments, which Special Assessment shall relate back to the date that the Installment Assessments could have been made. No vote of the Owners shall be required for such Special Assessment (or for any other Assessment) except to the extent specifically provided herein.

25.4.4 Each Owner agrees that so long as it does not pay more than the required amount it shall have no grounds upon which to object to either the method of payment or non-payment by other Owners of any sums due.

25.5 General Assessments Allocation. Except as hereinafter specified to the contrary, Installment Assessments, Special Assessments and Reserves shall be allocated equally to each Owner.

25.6 Use Fees and Individual Assessment. Except as hereinafter specified to the contrary, Use Fees and Individual Assessments shall be made against the Owners benefiting from, or subject to the special service or cost as specified by Association.

25.7 Commencement of First Assessment. Assessments shall commence as to each Owner on the day of the conveyance of title of a Home or Commercial Unit to an Owner. The applicable portion of Assessments shall commence as to each Builder on the day of the conveyance of title of a Lot or Parcel to such Builder, unless waived by Developer.

25.8 Shortfalls and Surpluses. Prior to the Turnover Date, Developer shall have the option to (i) fund the shortfall in Installment Assessments not raised by virtue of all income received by Association or (ii) to pay Installment Assessments on Homes, Lots, Parcels or Commercial Units owned by Developer. If Developer has cumulatively over funded Operating Costs and/or prepaid expenses of Association which have not been reimbursed to Developer prior to the Turnover Date, Association shall refund such amounts to Developer on or prior to the Turnover Date or as soon as possible thereafter (e.g. once the amount is finally determined). Developer shall never be required to (i) pay Installment Assessments if Developer has elected to fund the deficit instead of paying Installment Assessments on Homes, Lots, Parcels or Commercial Units owned by Developer, or (ii) pay Special Assessments, management fees or Reserves. Any surplus Assessments collected by Association may be (i) allocated towards the next year's Operating Costs, (ii) used to fund Reserves, whether or not budgeted, (iii) retained by Association, and/or (iv) used for any other purpose, in Association's sole and absolute discretion. Under no circumstances shall Association be required to pay surplus Assessments to Owners.

25.9 Budgets. The initial budget prepared by Developer is adopted as the budget for the period of operation until adoption of the first annual Association budget. Thereafter, annual budgets shall be prepared and adopted by Association. To the extent Association has commenced or will commence operations prior to the date this Declaration is recorded or the first Home or Commercial Unit is closed, the Operating Costs may vary in one or more respects from that set forth in the initial budget. Unless waived by Developer, a Builder shall pay Assessments as per the budget for each Lot owned by such Builder commencing from the date the Builder obtained title to such Lot, as determined by Developer. Developer shall fund entirely all Operating Costs not covered by Builders' Assessments until the month prior to the closing of the first Home or Commercial Unit. Thereafter, Assessments shall be payable by each Owner and Builder as provided in this Declaration. THE INITIAL BUDGET OF ASSOCIATION IS PROJECTED (NOT BASED ON HISTORICAL OPERATING FIGURES). THEREFORE, IT IS POSSIBLE THAT ACTUAL ASSESSMENTS MAY BE LESSER OR GREATER THAN PROJECTED.

25.10 Establishment of Assessments. Assessments shall be established in accordance with the following procedures:

25.10.1 Installment Assessments shall be established by the adoption of a twelve (12) month operating budget by the Board. The budget shall be in the form required by Section 720.303(6) of the Florida Statutes, as amended from time to time. Written notice of the amount and date of commencement thereof shall be given to each Owner not less than ten (10) days in advance of the due date of the first installment thereof. Notwithstanding the foregoing, the budget may cover a period of less than twelve (12) months if the first budget is adopted mid-year or in order to change the fiscal year of Association.

25.10.2 Special Assessments and Individual Assessments against the Owners may be established by Association, from time to time, and shall be payable at such time or time(s) as determined. Until the Community Completion Date, no Special Assessment shall be imposed without the consent of Developer.

25.10.3 Association may establish, from time to time, by resolution, rule or regulation, or by delegation to an officer or agent, including, a professional management company, Use Fees. The sums established shall be payable by the Owner utilizing the service or facility as determined by Association.

25.11 Initial Contribution. The first purchaser of each Lot, Home or Parcel upon which a Home will be constructed, at the time of closing of the conveyance from Developer to the purchaser, shall pay to Association an initial contribution in the amount of two (2) months Assessments per Home or Commercial Unit ("**Initial Contribution**"). The funds derived from the Initial Contributions shall be used at the discretion of Association for any purpose including, but not limited to, future and existing capital improvements, operating expenses, support costs and start-up costs. Association may waive this requirement for some Lots, Parcels, Commercial Units and Homes, if the first purchaser is a Builder, and the Builder becomes unconditionally obligated to collect and pay the Initial Contribution upon the subsequent sale of each Lot, Commercial Unit and/or Home to an end purchaser.

25.12 Community Enhancement Fee. Association may establish a community enhancement fee for Homes ("**Community Enhancement Fee**"). There shall be collected by Association upon every conveyance of an ownership interest in a Home by an Owner other than Developer an amount equal to one-quarter percent (1/4%) of the sales price. The Community Enhancement Fee shall not be applicable to conveyances from Developer. After the Home has been conveyed by Developer, there shall be a recurring assessment payable to Association upon all succeeding conveyances of a Home. The amount of the Community Enhancement Fee and the manner of payment shall be determined by resolution of the Board from time to time; provided, however, all Homes shall be assessed a uniform percentage or amount. There shall never be a Community Enhancement Fee for Commercial Units. Notwithstanding the foregoing, while Association is under control of Developer, Association may elect to waive collection of the Community Enhancement Fee in specific circumstances.

25.13 Assessment Estoppel Certificates. No Owner shall sell or convey its interest in a Home or Commercial Unit unless all sums due Association have been paid in full and an estoppel certificate in recordable form shall have been received by such Owner. Association shall prepare and maintain a ledger noting Assessments due from each Owner. The ledger shall be kept in the office of Association, or its designees, and shall be open to inspection by any Owner and Club Owner. Within ten (10) days of a written request therefor, there shall be furnished to an Owner an estoppel certificate in writing setting forth whether the Assessments have been paid and/or the amount which is due as of any date. As to parties other than Owners who, without knowledge of error, rely on the certificate, the certificate shall be conclusive evidence of the amount of any Assessment therein stated. The Owner requesting the estoppel certificate shall be required to pay Association a reasonable sum to cover the costs of examining records and preparing such estoppel certificate. Each Owner waives its rights (if any) to an accounting related to Operating Costs or Assessments.

25.14 Payment of Real Estate Taxes. Each Owner shall pay all taxes and obligations relating to its Home or Commercial Unit which, if not paid, could become a lien against the Home or Commercial Unit which is superior to the lien for Assessments created by this Declaration.

25.15 Creation of the Lien and Personal Obligation. Each Owner, by acceptance of a deed or instrument of conveyance for the acquisition of title to a Home or Commercial Unit, shall be deemed to have covenanted and agreed that the Assessments, and/or other charges and fees set forth herein, together with interest, late fees, costs and reasonable attorneys' fees and paraprofessional fees, pre-trial and at all levels of proceedings including appeals, collections and bankruptcy, shall be a charge and continuing lien in favor of Association encumbering the Home or Commercial Unit and all personal property located thereon owned by the Owner against whom each such Assessment is made. Multiple Owners are jointly and severally liable for Assessments. The lien is effective from and after recording a claim of lien in the Public Records stating the legal description of the Home or Commercial Unit, name of the Owner, and the amounts due as of that date, but shall relate back to the date that this Declaration is recorded. Without limiting the foregoing, any claim of lien filed by Association shall have priority and be superior to any lien of a Village Association. The claim of lien shall also cover any additional amounts which accrue thereafter until satisfied. Each Assessment, together with interest, late fees, costs and reasonable attorneys' fees and paraprofessional fees, pre-trial and at all levels of proceedings, including appeals, and other costs and expenses provided for herein, shall be the personal obligation of the person who was the Owner of the Home or Commercial Unit at the time when the Assessment became due, as well as the Owner's heirs, devisees, personal representatives, successors or assigns.

25.16 Subordination of the Lien to Mortgages and Club Dues. The lien for Assessments shall be subordinate to (i) a bona fide first mortgage held by a Lender as to a Home or a Commercial Unit, or a Development Lender, if the mortgage is recorded in the Public Records prior to the claim of lien, and (ii) to Club Dues, as further provided in this Section 25.16. The lien for Assessments shall be a lien superior to all other liens save and except tax liens and mortgage liens, provided such mortgage liens are first liens against the property encumbered thereby, subject only to tax liens, and secure indebtedness which is amortized in monthly or quarter-annual payments over a period of not less than ten (10) years. The lien for Assessments shall not be affected by any sale or transfer of a Home or Commercial Unit, except in the event of a sale or transfer of a Home or Commercial Unit pursuant to a (i) foreclosure (or by deed in lieu of foreclosure or otherwise) of a bona fide first mortgage held by a Lender or a Development Lender, or (ii) lien for Club Dues, in which event, the acquirer of title, its successors and assigns, shall not be liable for such sums secured by a lien for Assessments encumbering the Home or Commercial Unit or chargeable to the former Owner of the Home or Commercial Unit, which became due prior to such sale or transfer. However, any such unpaid Assessments for which such acquirer of title is not liable may be reallocated and assessed to all Owners (including such acquirer of title) as a part of Operating Costs included within Installment Assessments. Any sale or transfer pursuant to a foreclosure (or by deed in lieu of foreclosure or otherwise) shall not relieve the Owner from liability for, nor the Home or Commercial Unit from the lien of any Assessments made thereafter. Nothing herein contained shall be construed as releasing the party liable for any delinquent Assessments from the payment thereof, or the enforcement of collection by means other than foreclosure. Association shall have the right, but not the obligation, to cure such default within the time periods applicable to Owner. In the event Association makes such payment on behalf of an Owner, Association shall, in addition to all other rights reserved herein, be subrogated to all of the rights of the Lender. All amounts advanced on behalf of an Owner pursuant to this Section shall be added to Assessments payable by such Owner with appropriate interest. A Lender, other than a Development Lender, shall give written notice to Association if the mortgage held by such Lender is in default.

25.17 Acceleration. In the event of a default in the payment of any Assessment, Association may accelerate the Assessments then due for up to the next ensuing twelve (12) month period.

25.18 Non-Payment of Assessments. If any Assessment is not paid within fifteen (15) days (or such other period of time established by the Board) after the due date, a late fee of $25.00 per month (or such greater amount established by the Board), together with interest in an amount equal to the maximum rate allowable by law (or such lesser rate established by the Board), per annum, beginning from the due date until paid in full, may be levied. The late fee shall compensate Association for administrative costs, loss of use of money, and accounting expenses. Association may, at any time thereafter, bring an action at law against the Owner personally obligated to pay the same, and/or foreclose the lien against the Home or Commercial Unit, or both. Association shall not be required to bring such an action if it believes that the best interests of Association would not be served by doing so. There shall be added to the Assessment all costs expended in preserving the priority of the lien and all costs and expenses of collection, including attorneys' fees and paraprofessional fees, pre-trial and at all levels of proceedings, including appeals, collection and bankruptcy. No Owner may waive or otherwise escape liability for Assessments and Club Dues provided for herein by non-use of, or the waiver of the right to use the Common Areas or the Club or by abandonment of a Home or Commercial Unit.

25.19 Exemption. Notwithstanding anything to the contrary herein, Developer, the Districts and Club Owner shall not be responsible for any Assessments of any nature or any portion of the Operating Costs prior to the Turnover Date. Developer, at Developer's sole option, may pay Assessments on Homes, Lots, Parcels and Commercial Units owned by it, or fund the deficit, if any, as set forth in Section 25.8 herein. In addition, the Board shall have the right to exempt any portion of Verano subject to this Declaration from the Assessments, provided that such portion of Verano exempted is used (and as long as it is used) for any of the following purposes:

25.19.1 Any easement or other interest therein dedicated and accepted by the local public authority and devoted to public use;

25.19.2 Any real property interest held by a Telecommunications Provider;

25.19.3 Common Areas or property (other than a Home) owned by a Village Association;

25.19.4 Any of Verano exempted from ad valorem taxation by the laws of the State of Florida or exempted from Assessments by other provisions of this Declaration;

25.20 Collection by Developer. If for any reason Association shall fail or be unable to levy or collect Assessments, then in that event, Developer shall at all times have the right, but not the obligation: (i) to advance such sums as a loan to Association to bear interest and to be repaid as hereinafter set forth; and/or (ii) to levy and collect such Assessments by using the remedies available as set forth above, which remedies; including, but not limited to, recovery of attorneys' fees and paraprofessional fees, pre-trial and at all levels of proceedings including appeals, shall be deemed assigned to Developer for such purposes. If Developer advances sums, it shall be entitled to immediate reimbursement, on demand, from Association for such amounts so paid, plus interest thereon at the Wall Street Journal Prime Rate plus two percent (2%), plus any costs of collection including, but not limited to, reasonable attorneys' fees and paraprofessional fees, pre-trial and at all levels of proceedings including appeals.

25.21 Association Right to Allocate Portion of Operating Costs. Association shall have the right to allocate and charge to individual Village Associations any portion of the Operating Costs that may be attributable solely to a Village. By way of example, and not of limitation, if a lake lies completely within a Village, then Association may charge a portion of the costs of maintaining such lake to the Village Association responsible for that Village.

25.22 Rights to Pay Assessments and Receive Reimbursement. Association, Developer, Club Owner and any Lender of a Home or Commercial Unit or a Development Lender shall have the right, but not the obligation, jointly and severally, and at their sole option, to pay any Assessments or other charges which are in default and which may or have become a lien or charge against any Home or Commercial Unit. If so paid, the party paying the same shall be subrogated to the enforcement rights of Association with regard to the amounts due.

25.22 Mortgagee Right. Each Lender or a Development Lender may request in writing that Association notify such Lender or Development Lender of any default of the Owner of the Home or Commercial Unit subject to the Lender's or the Development Lender's mortgage under the Association Documents which default is not cured within thirty (30) days after Association learns of such default. A failure by Association to furnish notice to any Lender or Development Lender shall not result in liability of Association because such notice is given as a courtesy to a Lender and the furnishing of such notice is not an obligation of Association to Lender or a Development Lender.

25.23 Additional Development Lender Rights. In the event that any Development Lender (the "Acquiring Party") acquires title to any portion of Verano owned by Declarant (or on which Declarant held a mortgage which was assigned to the Acquiring Party) as a result of the foreclosure of a mortgage(s) thereon or the giving of a deed in lieu of foreclosure or in satisfaction of debt, such party shall automatically succeed to all rights, benefits and privileges of Declarant hereunder (and under the Articles, Bylaws and Rules and Regulations of the Association), except to the extent the Acquiring Party specifically disclaims any of such rights, benefits or privileges in a written notice to the Association. Notwithstanding the foregoing or anything to the contrary contained in this Declaration (or in the aforesaid Articles, Bylaws or Rules and Regulations), the Acquiring Party shall in no manner be obligated or liable for any duties, obligations, warranties, liabilities, acts or omissions of Declarant (I) occurring or arising from facts existing (regardless of when same became known or should have become known) prior to the date the Acquiring Party succeeds to the rights, benefits and privileges of Declarant or (ii) otherwise not directly attributable to the Acquiring Party solely in its own right. The foregoing shall be in addition to, and not in derogation of, the Acquiring Party's rights, benefits and privileges as same may exist elsewhere in, under or in connection with this Declaration (or the aforesaid Articles, Bylaws or Rules and Regulations). The development or construction of the improvements shall mean and refer to all of the improvements constructed upon the Property.

25.24 Collection of Assessments. Installment Assessments shall be paid by each owner to their respective Village Association together with all assessments due to such Village Association. Each Village Association shall remit a lump sum payment to Association of the full amount of Installment Assessments collected by Homes within each Village. Collection proceedings for an Owner's failure to pay Installment Assessments may be brought by Village Associations.

26. Information to Lenders and Owners.

26.1 Availability. There shall be available for inspection upon request, during normal business hours or under other reasonable circumstances, to Owners, Lenders and Development Lenders current copies of the Association Documents.

26.2 Copying. Any Owner and/or Lender shall be entitled, upon written request, and at its cost, to a copy of the documents referred to above.

26.3 Notice. Upon written request by a Lender (identifying the name and address of the Lender and the name and address of the applicable Owner), the Lender will be entitled to timely written notice of:

26.3.1 Any condemnation loss or casualty loss which affects a material portion of a Home or Commercial Unit to the extent Association is notified of the same;

26.3.2 Any delinquency in the payment of Assessments or Club Dues owed by an Owner of a Home or Commercial Unit subject to a first mortgage held by the Lender, which remains uncured for a period of sixty (60) days;

26.3.3 Any lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained hereunder; and

26.3.4 Any proposed action (if any) which would require the consent of a specific mortgage holder.

27. Villages.

27.1 General. Every Lot will be located within a Village. The Lots within a particular Village may be subject to a Village Declaration and the Owners may all be members of a Village Association in addition to the Association. At the time provided in the Bylaws, the Board must coordinate a Village meeting. Prior to the formation of a Village Committee, the Developer shall perform the functions of the Village Committee.

27.2 Request for Services. Each Village, upon the written consent of the Developer (so long as the Developer owns one (1) or more Homes within Verano) and Owners (including Developer, representing a majority of the Lots) within the Village, which such latter consent shall be delivered to the Association and shall contain the signatures of such majority, may request that the Association provide a higher level of service or special services for the benefit of Homes in such Village, the cost of which shall be assessed against the beneficial Homes as a Village Assessment. The Association, may, but shall not be required to, provide such higher level service.

27.3 Division of Villages. The Developer shall designate Villages by Village Declaration. Village Assessments shall be authorized by Village Declaration. Any Village may be expanded by amendment to a Village Declaration authorized solely by Developer.

27.4 Association Approval of Village Association Documents and Ability to Enforce Rules. In order to ensure compliance with the community-wide maintenance standards promulgated by the Association from time to time, the Association shall have the following rights and powers with respect to each Village Association:

27.4.1 Approval of Village Association Documents. The Association shall have the right to approve all Village Association documents and all amendments thereto. Each Village Association shall submit all proposed Village Association documents and amendments thereto to the Association for review and approval prior to recordation thereof.

27.4.2 Enforcement of Village Association Documents. The Association shall have the power, but not the obligation, to enforce all rules and regulations promulgated by any Village Association, together with the terms and provisions of any Village Association documents.

27.4.3 Other Powers of the Association with Respect to Villages. The Association shall have the power to veto any action taken or contemplated to be taken by a Village Association which the Board reasonably determines to be adverse to the interests of the Association or its Members or inconsistent with the Community Standards. The Association shall also have the power to require specific action to be taken by any Village Association in connection with its obligations and responsibilities hereunder or under any other covenants affecting Verano. Without limiting the generality of the foregoing, the Association may require specific maintenance or repairs or aesthetic changes to be effectuated by the Village Association, may require that a proposed budget include certain items and that expenditures be made therefor, and may veto or cancel any contract providing for maintenance, repair, or replacement of the property governed by such Village Association. Any action required by the Association in a written notice pursuant to the foregoing paragraph to be taken by a Village Association shall be taken within the time frame set by the Association in such written notice, which time frame shall be reasonable. If the Village Association fails to comply with the requirements set forth in such written notice, the Association shall have the right to effect such action on behalf of the Village Association, the Association shall assess the Lots in such Village for their pro rata share of any expenses incurred by the Association in taking such action. Such Assessments may be collected as a Special Assessment hereunder and shall be subject to all lien rights provided for herein.

27.4.4 Gated Entrances. Some Villages may have separate gated entrances for access to such Village. Developer may, at anytime prior to and including the Turnover Date and in its sole and absolute discretion, may install additional gated entrances for those Villages that do not have gated entrances. The cost of maintaining such gated entrances shall be an expense of the applicable Village and shall for part of Village Assessments, unless otherwise provided in this Declaration.

27.4.5 Entry Rights. The Association shall have the right, for itself, its designee, contractors, or any agent or employee, to enter upon any property administered by a Village Association to carry out the provisions hereunder or the applicable Village Declaration, and the same shall not constitute a trespass.

27.4.6 Delegation. The Association shall have the right and power, but neither the duty nor the obligation, to delegate in whole or in part, exclusively or non-exclusively, and on a permanent or temporary basis, to any Village Association any obligation of maintenance or repair created under this Declaration or by delegations from Developer. The Association shall have the right, at any time, by its sole act, to terminate such assignment and again fulfill such rights and obligations.

27.4.7 Right to Maintain Village Property. The Association shall have the right (but not the obligation) to maintain the exterior of Homes within a Village and Common Areas of the Village, including in particular, landscaping within the Village, and may assess the cost of such maintenance as a Village Expense.

27.4.8 Priority. When a Village Declaration or Village Association documents pertaining to any Village is in conflict with this Declaration, the Articles or any documents of the Association, this Declaration and the other documents of the Association shall prevail.

27.5 No Liability. Developer, the Association and their directors, officers, agents, employees and affiliates shall have no liability or responsibility whatsoever to any Person concerning any matters pertaining to any Village Association.

27.6 Indemnification. The Village Associations and Owners each covenant and agree jointly and severally to indemnify, defend and hold harmless Developer, its officers, directors, shareholders and any related persons or corporations and its employees from and against any and all claims, suits, actions, causes of action or damages arising from any personal injury, loss of life or damage to property sustained on or about the Common Areas or other property serving the respective Village Association and improvements thereon, or resulting from or arising out of activities or operations of the Owners or respective Village Association, and from and against all legal fees, expenses and liabilities incurred or arising from any such claim, the investigation thereof, or the defense of any action or proceeding brought thereon, and from and against any orders, judgments or decrees which may be entered relating thereto. The costs and expenses of fulfilling this covenant of indemnification shall be part of the Village Assessment for the respective Village Association to the extent such matters are not covered by insurance maintained by such Village Association.

27.7 Dispute Resolution. The Association may, but shall not be obligated to, exercise jurisdiction over and act as arbiter with respect to any dispute between any Villages or Village Associations within Verano.

28. Architectural Control.

28.1 Architectural Control Committee. The ACC shall be a permanent committee of Association and shall administer and perform the architectural and landscape review and control functions relating to Verano. The ACC shall consist of a minimum of three (3) members who shall initially be named by Developer and who shall hold office at the pleasure of Developer. The ACC shall have the right to form subcommittees consisting of representatives from each Village to review ACC applications. The ACC shall oversee such subcommittees and shall take precedence over any decision made by such subcommittees. Until the Community Completion Date, Developer shall have the right to change the number of members on the ACC, and to appoint, remove, and replace all members of the ACC. Developer shall determine which members of the ACC shall serve as its chairman and co-chairman. In the event of the failure, refusal, or inability to act of any of the members appointed by Developer, Developer shall have the right to replace any member within thirty (30) days of such occurrence. If Developer fails to replace that member, the remaining members of the ACC shall fill the vacancy by appointment. From and after the Community Completion Date, the Board shall have the same rights as Developer with respect to the ACC.

28.2 Developer Review. Prior to and including the Turnover Date, Developer shall be reimbursed for all administrative expenses incurred relating to the review of applications pursuant to Section 28.10. Such reimbursement shall be made through review fees collected by the ACC. ACC review fees collected in a given taxable year shall be reduced by Developer's expense in such year.

28.3 Membership. There is no requirement that any member of the ACC be an Owner or a member of Association.

28.4 General Plan. It is the intent of this Declaration to create a general plan and scheme of development of Verano. Accordingly, the ACC shall have the right to approve or disapprove all architectural, landscaping, and improvements by Owners within Verano other than Developer or Club Owner. The ACC shall have the right to evaluate all plans and specifications as to harmony of exterior design, landscaping, location of any proposed improvements, relationship to surrounding structures, topography and conformity with such other reasonable requirements as shall be adopted by the ACC. The ACC may impose standards for construction and development which may be greater or more stringent than standards prescribed in applicable building, zoning, or other local governmental codes. Prior to the Community Completion Date, any additional standards or modification of existing standards shall require the consent of Developer, which may be granted or denied in its sole discretion.

28.5 Master Plan. Developer has established an overall Master Plan. However, notwithstanding the above, or any other document, brochures or plans, Developer reserves the right to modify the Master Plan or any site plan at any time as it deems desirable in its sole discretion and in accordance with applicable laws and ordinances. WITHOUT LIMITING THE FOREGOING, DEVELOPER AND/OR BUILDERS MAY PRESENT TO THE PUBLIC OR TO OWNERS RENDERINGS, PLANS, MODELS, GRAPHICS, TOPOGRAPHICAL TABLES, SALES BROCHURES, OR OTHER PAPERS RESPECTING VERANO. SUCH RENDERINGS, PLANS, MODELS, GRAPHICS, TOPOGRAPHICAL TABLES, SALES BROCHURES, OR OTHER PAPERS ARE NOT A GUARANTEE OF HOW VERANO WILL APPEAR UPON COMPLETION AND DEVELOPER RESERVES THE RIGHT TO CHANGE ANY AND ALL OF THE FOREGOING AT ANY TIME AS DEVELOPER DEEMS NECESSARY IN ITS SOLE AND ABSOLUTE DISCRETION.

28.6 Community Standards. Each Owner and its contractors and employees shall observe, and comply with, the Community Standards which now or may hereafter be promulgated by the ACC and approved by the Board from time to time. The Community Standards shall be effective from the date of adoption; shall be specifically enforceable by injunction or otherwise; and shall have the effect of covenants as if set forth herein verbatim. The Community Standards shall not require any Owner to alter the improvements previously constructed. Until the Community Completion Date, Developer shall have the right to approve the Community Standards, which approval, may be granted in its sole discretion.

28.7 Commercial Units. No provision of the Community Standards regulating Commercial Units shall be changed after the Turnover Date without the approval of a majority of the votes of the Commercial Units at any duly noticed meeting of Association at which a quorum of the general membership is obtained.

28.8 Quorum. A majority of the ACC shall constitute a quorum to transact business at any meeting. The action of a majority present at a meeting at which a quorum is present shall constitute the action of the ACC. In lieu of a meeting, the ACC may act in writing.

28.9 Power and Duties of the ACC. No improvements shall be constructed on a Lot or Parcel, no exterior of a Home or Commercial Unit shall be repainted, no landscaping, sign, or improvements erected, removed, planted, or maintained on a Parcel, nor shall any material addition to or any change, replacement, or alteration of the improvements as originally constructed by Developer (visible from the exterior of the Home or Commercial Unit) be made until the plans and specifications showing the nature, kind, shape, height, materials, floor plans, color scheme, and the location of same shall have been submitted to and approved in writing by the ACC.

28.10 Procedure. In order to obtain the approval of the ACC, each Owner shall observe the following:

28.10.1 Each applicant shall submit an application to the ACC with respect to any proposed improvement or material change in an improvement, together with the required application(s) and other fee(s) as established by the ACC. The applications shall include such information as may be required by the application form adopted by the ACC. The ACC may also require submission of samples of building materials and colors proposed to be used. At the time of such submissions, the applicant shall, if requested, submit to the ACC, such site plans, plans and specifications for the proposed improvement, prepared and stamped by a registered Florida architect or residential designer, and landscaping and irrigation plans, prepared by a registered landscape architect or designer showing all existing trees and major vegetation stands and surface water drainage plan showing existing and proposed design grades, contours relating to the predetermined ground floor finish elevation, pool plans and specifications and the times scheduled for completion, all as reasonably specified by the ACC.

28.10.2 In the event the information submitted to the ACC is, in the ACC's opinion, incomplete or insufficient in any manner, the ACC may request and require the submission of additional or supplemental information. The Owner shall, within fifteen (15) days thereafter, comply with the request.

28.10.3 No later than thirty (30) days after receipt of all information required by the ACC for final review, the ACC shall approve or deny the application in writing. The ACC shall have the right to refuse to approve any plans and specifications which are not suitable or desirable, in the ACC's sole discretion, for aesthetic or any other reasons or to impose qualifications and conditions thereon. In approving or disapproving such plans and specifications, the ACC shall consider the suitability of the proposed improvements, the materials of which the improvements are to be built, the site upon which the improvements are proposed to be erected, the harmony thereof with the surrounding area and the effect thereof on adjacent or neighboring property. In the event the ACC fails to respond within such thirty (30) day period, the plans and specifications shall be deemed disapproved by the ACC.

28.10.4 Construction of all improvements shall be completed within the time period set forth in the application and approved by the ACC.

28.10.5 In the event that the ACC disapproves any plans and specifications, the applicant may request a rehearing by the ACC for additional review of the disapproved plans and specifications. The meeting shall take place no later than thirty (30) days after written request for such meeting is received by the ACC, unless applicant waives this time requirement in writing. The ACC shall make a final written decision no later than thirty (30) days after such meeting. In the event the ACC fails to provide such written decision within such thirty (30) days, the plans and specifications shall be deemed disapproved.

28.10.6 Upon final disapproval (even if the members of the Board and the ACC are the same), the applicant may appeal the decision of the ACC to the Board within thirty (30) days of the ACC's written review and disapproval. Review by the Board shall take place no later than thirty (30) days subsequent to the receipt by the Board of the Owner's request therefor. If the Board fails to hold such a meeting within thirty (30) days after receipt of request for such meeting, then the plans and specifications shall be deemed approved. The Board shall make a final decision no later than sixty (60) days after such meeting. In the event the Board fails to provide such written decision within such sixty (60) days after such meeting, such plans and specifications shall be deemed approved. The decision of the ACC, or if appealed, the Board, shall be final and binding upon the applicant, its heirs, legal representatives, successors and assigns.

28.11 Conflict With Village ACC. The ACC shall have the right to overrule any and all action taken by a Village ACC. The decision of the ACC, or if appealed, the Board, shall be final and binding upon the applicant, its heirs, legal representatives, successors and assigns.

28.12 Alterations. Any and all alterations, deletions, additions and changes of any type or nature whatsoever to then existing improvements or the plans or specifications previously approved by the ACC shall be subject to the approval of the ACC in the same manner as required for approval of original plans and specifications.

28.13 Variances. Association or ACC shall have the power to grant variances from any requirements set forth in this Declaration or from the Community Standards, on a case by case basis, provided that the variance sought is reasonable and results from a hardship upon the applicant. The granting of a variance shall not nullify or otherwise affect the right to require strict compliance with the requirements set forth herein or in the Community Standards on any other occasion.

28.14 Permits. The Owner is solely responsible to obtain all required building and other permits from all governmental authorities having jurisdiction.

28.15 Construction by Owners. The following provisions govern construction activities by Owners after consent of the ACC has been obtained:

28.15.1 Each Owner shall deliver to the ACC, if requested, copies of all construction and building permits as and when received by the Owner. Each construction site in Verano shall be maintained in a neat and orderly condition throughout construction. Construction activities shall be performed on a diligent, workmanlike and continuous basis. Roadways, easements, swales, Common Areas and other such areas in Verano shall be kept clear of construction vehicles, construction materials and debris at all times. No construction office or trailer shall be kept in Verano and no construction materials shall be stored in Verano subject, however, to such conditions and requirements as may be promulgated by the ACC. All refuse and debris shall be removed or deposited in a dumpster on a daily basis. No materials shall be deposited or permitted to be deposited in any canal, waterway, Common Areas, Commercial Unit or Home in Verano or be placed anywhere outside of the Home or Commercial Unit upon which the construction is taking place. No hazardous waste or toxic materials shall be stored, handled and used, including, without limitation, gasoline and petroleum products, except in compliance with all applicable federal, state and local statutes, regulations and ordinances, and shall not be deposited in any manner on, in or within the construction or adjacent property or waterways. All construction activities shall comply with the Community Standards. If a contractor or Owner shall fail in any regard to comply with the requirements of this Section, the ACC may require that such Owner or contractor post security with Association in such form and amount deemed appropriate by the ACC in its sole discretion. Notwithstanding the foregoing, Developer shall not be subject to the provisions of this Section 28.15.1.

28.15.2 There shall be provided to the ACC, if requested, a list (name, address, telephone number and identity of contact person), of all contractors, subcontractors, materialmen and suppliers (collectively, "**Contractors**") and changes to the list as they occur relating to construction. Each Builder and all of its employees and Contractors and their employees shall utilize those roadways and entrances into Verano as are designated by the ACC for construction activities. The ACC shall have the right to require that each Builder's and Contractor's employees check in at the designated construction entrances and to refuse entrance to persons and parties whose names are not registered with the ACC.

28.15.3 Each Owner is responsible for insuring compliance with all terms and conditions of these provisions and of the Community Standards by all of its employees and Contractors. In the event of any violation of any such terms or conditions by any employee or Contractor, or, in the opinion of the ACC, the continued refusal of any employee or Contractor to comply with such terms and conditions, after five (5) days' notice and right to cure, the ACC shall have, in addition to the other rights hereunder, the right to prohibit the violating employee or Contractor from performing any further services in Verano.

28.15.4 The ACC may, from time to time, adopt standards governing the performance or conduct of Owners, Contractors and their respective employees within Verano. Each Owner and contractor shall comply with such standards and cause its respective employees to also comply with same. The ACC may also promulgate requirements to be inserted in all contracts relating to construction within Verano and each Owner shall include the same therein.

28.16 Inspection. There is specifically reserved to Association and ACC and to any agent or member of either of them, the right of entry and inspection upon any portion of Verano at any time within reasonable daytime hours, for the purpose of determination whether there exists any violation of the terms of any approval or the terms of this Declaration or the Community Standards.

28.17 Violation. Without limiting any other provision herein, if any improvement shall be constructed or altered without prior written approval, or in a manner which fails to conform with the approval granted, the Owner shall, upon demand of Association or the ACC, cause such improvement to be removed, or restored until approval is obtained or in order to comply with the plans and specifications originally approved. The Owner shall be liable for the payment of all costs of removal or restoration, including all costs and attorneys' fees and paraprofessional fees, pre-trial and at all levels of proceedings including appeals, incurred by Association or ACC. The costs shall be deemed an Individual Assessment and enforceable pursuant to the provisions of this Declaration. The ACC and/or Association are specifically empowered to enforce the architectural and landscaping provisions of this Declaration and the Community Standards, by any legal or equitable remedy.

28.18 Court Costs. In the event that it becomes necessary to resort to litigation to determine the propriety of any constructed improvement or to cause the removal of any unapproved improvement, Association and/or ACC shall be entitled to recover court costs, expenses and attorneys' fees and paraprofessional fees, pre-trial and at all levels of proceedings, including appeals, in connection therewith.

28.19 Certificate. In the event that any Owner fails to comply with the provisions contained herein, the Community Standards, or other rules and regulations promulgated by the ACC, Association and/or ACC may, in addition to all other remedies contained herein, record a certificate of non-compliance against the Home or Commercial Unit stating that the improvements on the Home or Commercial Unit fail to meet the requirements of this Declaration and that the Home or Commercial Unit is subject to further enforcement remedies.

28.20 Certificate of Compliance. If requested by an Owner, prior to the occupancy of any improvement constructed or erected on any Home or Commercial Unit by other than Developer, or its designees, the Owner thereof shall obtain a certificate of compliance from the ACC, certifying that the Owner has complied with the requirements set forth herein. The ACC may, from time to time, delegate to a member or members of the ACC, the responsibility for issuing the certificate of compliance. The issuance of a certificate of compliance does not abrogate the ACC's rights set forth in Section 28.16 herein.

28.21 Exemption. Notwithstanding anything to the contrary contained herein, or in the Community Standards, any improvements of any nature made or to be made by Developer or Club Owner, or their nominees, including, without limitation, improvements made or to be made to the Common Areas, Club, Commercial Unit or Home, shall not be subject to the review of the ACC, Association, or the provisions of the Community Standards.

28.22 Exculpation. Developer, Association, the directors or officers of Association, the ACC, the members of the ACC, or any person acting on behalf of any of them, shall not be liable for any cost or damages incurred by any Owner or any other party whatsoever, due to any mistakes in judgment, negligence, or any action of Developer, Association, ACC or their members, officers, or directors, in connection with the approval or disapproval of plans and specifications. Each Owner agrees, individually and on behalf of its heirs, devisees, legal and personal representatives, successors and assigns, by acquiring title to a Home or Commercial Unit, that it shall not bring any action or suit against Developer, Association or their respective directors or officers, the ACC or the members of the ACC, or their respective agents, in order to recover any damages caused by the actions of Developer, Association, or ACC or their respective members, officers, or directors in connection with the provisions of this Section. Association does hereby indemnify, defend and hold Developer and the ACC, and each of their members, officers, and directors harmless from all costs, expenses, and liabilities, including attorneys' fees and paraprofessional fees, pre-trial and at all levels of proceedings, including appeals, of all nature resulting by virtue of the acts of the Owners, Association, ACC or their members, officers and directors. Developer, Association, its directors or officers, the ACC or its members, or any person acting on behalf of any of them, shall not be responsible for any defects in any plans or specifications or the failure of same to comply with applicable laws or code nor for any defects in any improvements constructed pursuant thereto. Each party submitting plans and specifications for approval shall be solely responsible for the sufficiency thereof and for the quality of construction performed pursuant thereto.

28.23 School Site. The School Site as defined in the Impact Fee School Board Agreement shall be subject to the ACC provisions as set forth in this Section 28.

29. Owners Liability.

29.1 Loop System Irrigation. Some or all Homes, Commercial Units and Common Areas may receive irrigation pursuant to a loop system. If an Owner desires to make any alterations or improvements to a Home or Commercial Unit that in any way affect the loop irrigation system, then the Owner shall be responsible for taking measures to "cap off" the main line of the loop irrigation system that leads to the Home or Commercial Unit. In addition, the Owner shall be obligated to obtain the prior written approval of Association before taking any action that may adversely affect the loop irrigation system. Once the main line is "capped off," the Owner shall then be responsible for maintaining the irrigation system for his or her Home or Commercial Unit. Any damages to the Home or Commercial Unit resulting from an Owner's failure to comply with the terms set forth herein shall be the sole responsibility of such Owner and Developer shall not be liable for the same. Furthermore, each Owner understands that as provided in this Declaration, an Owner may be permitted to install, including without limitation, a patio, and/or screened enclosure ("**Improvement**") on the Home or Commercial Unit upon the prior written approval of the ACC as set forth in this Declaration and/or the Community Standards. If an Improvement is approved to be installed, then, where applicable, a five (5) foot gate must also installed. Before the ACC approves the installation of an Improvement, the irrigation system that will be within the Improvement portion of that Home or Commercial Unit must be re-routed, if necessary, by a professional irrigation company. In order for the ACC to approve the Improvement installation, a letter or other evidence by a professional irrigation company must be given to the ACC at least ten (10) days before the Improvement installation stating that the effectiveness of Verano drainage system will not be affected by the re-routing of the irrigation system. Should an Owner install the Improvement without providing the necessary letter or other evidence from a professional irrigation company in advance as required herein, then Association may conduct the necessary inspection, repair any necessary drainage facilities and charge the work as an Individual Assessment to such Owner, all as further provided in this Declaration and/or Community Standards.

29.2 Right to Cure. Should any Owner do any of the following:

29.2.1 Fail to perform its responsibilities as set forth herein or otherwise breach the provisions of the Declaration including, without limitation, any provision herein benefiting SFWMD and/or ACOE; or

29.2.2 Cause any damage to any improvement or Common Areas or Club; or

29.2.3 Impede Developer, Club Owner, or Association from exercising its rights or performing its responsibilities hereunder or under the Club Plan; or

29.2.4 Undertake unauthorized improvements or modifications to a Home or Commercial Unit, the Common Areas or the Club; or

29.2.5 Impede Developer or Club Owner from proceeding with or completing the development of Verano or Club, as the case may be.

Then Developer, Association and/or Club Owner, where applicable, after thirty (30) days prior written notice, shall have the right, through its agents and employees, to cure the breach, including, but not limited to, the entering upon the Home or Commercial Unit and causing the default to be remedied and/or the required repairs or maintenance to be performed, or as the case may be, removing unauthorized improvements or modifications. The cost thereof, plus reasonable overhead costs and attorneys' fees and paraprofessional fees, pre-trial and at all levels of proceedings including appeals, incurred shall be assessed against the Owner as an Individual Assessment.

29.3 Non-Monetary Defaults. In the event of a violation by any Owner, other than the nonpayment of any Assessment or other monies, of any of the provisions of this Declaration, Developer or Association shall notify the Owner of the violation, by written notice. If such violation is not cured as soon as practicable and in any event within seven (7) days after such written notice, the party entitled to enforce same may, at its option:

29.3.1 Commence an action to enforce the performance on the part of the Owner or to enjoin the violation or breach or for equitable relief as may be necessary under the circumstances, including injunctive relief; and/or

29.3.2 Commence an action to recover damages; and/or

29.3.3 Take any and all action reasonably necessary to correct the violation or breach.

29.3.4 All expenses incurred in connection with the violation or breach, or the commencement of any action against any Owner, including reasonable attorneys' fees and paraprofessional fees, pre-trial and at all levels of proceedings including appeals, shall be assessed against the Owner, as an Individual Assessment, and shall be immediately due and payable without further notice.

29.4 No Waiver. The failure to enforce any right, provision, covenant or condition in this Declaration, shall not constitute a waiver of the right to enforce such right, provision, covenant or condition in the future.

29.5 Rights Cumulative. All rights, remedies, and privileges granted to Developer, Club Owner, Association and/or the ACC pursuant to any terms, provisions, covenants or conditions of this Declaration, or Community Standards, shall be deemed to be cumulative, and the exercise of any one or more shall neither be deemed to constitute an election of remedies, nor shall it preclude any of them from pursuing such additional remedies, rights or privileges as may be granted or as it might have by law.

29.6 Enforcement By or Against Other Persons. In addition to the foregoing, this Declaration or Community Standards may be enforced by Developer and/or, where applicable, Owners, Club Owner and/or Association by any procedure at law or in equity against any person violating or attempting to violate any provision herein, to restrain such violation, to require compliance with the provisions contained herein, to recover damages, or to enforce any lien created herein. The expense of any litigation to enforce this Declaration or Community Standards shall be borne by the person against whom enforcement is sought, provided such proceeding results in a finding that such person was in violation of this Declaration or the Community Standards.

29.7 Fines. Association may suspend, for reasonable periods of time, the rights of an Owner or an Owner's tenants, guests and invitees, or both, to use the Common Areas and may levy reasonable fines, not to exceed the maximum amounts permitted by Section 720.305(2) of the Florida Statutes, against an Owner, tenant, guest or invitee, for failure to comply with any provision of this Declaration including, without limitation, those provisions benefiting the SFWMD and/or ACOE.

29.7.1 A fine may be levied on the basis of each day of a continuing violation, with a single notice and opportunity for hearing. Fines in the aggregate are not capped to any amount.

29.7.2 A fine or suspension may not be imposed without notice of at least fourteen (14) days to the person sought to be fined or suspended and an opportunity for a hearing before a committee of at least three (3) persons (the "**Compliance Committee**") appointed by the Board who are not officers, directors or employees of Association, or the spouse, parent, child, brother, sister of an officer, director or employee. If the Compliance

Committee does not by a majority vote approve a fine or suspension the same may not be imposed. The written notice of violation shall be in writing to the Owner, tenant, guest or invitee and detail the infraction or infractions. Included in the notice shall be the date and time of the hearing of the Compliance Committee. An Owner may appeal a Compliance Committee decision to the Board. In no event shall the Board impose a fine or suspension greater than that imposed by the Compliance Committee. Furthermore, the Compliance Committee shall have not right to appeal a decision of the Board.

29.7.3 The non-compliance shall be presented to the Compliance Committee acting as a tribunal, after which the Compliance Committee shall hear reasons why a fine should not be imposed. The hearing shall be conducted in accordance with the procedures adopted by the Compliance Committee from time to time. A written decision of the Compliance Committee shall be submitted to the Owner, tenant, guest or invitee, as applicable, by not later than twenty-one (21) days after the meeting of the Compliance Committee.

29.7.4 The Compliance Committee may impose Individual Assessments against the Owner in the amount of $100 (or any greater amount permitted by law from time to time) for each violation. Each day of non-compliance shall be treated as a separate violation and there is no cap on the aggregate amount the Compliance Committee may fine an Owner, tenant, guest or invitee. Individual Assessment fines shall be paid not later than five (5) days after notice of the imposition of the Individual Assessment. All monies received from fines shall be allocated as directed by the Board.

30. Additional Rights of Developer.

30.1 Sales and Administrative Offices. Developer shall have the perpetual right to take such action reasonably necessary to transact any business necessary to consummate the development of Verano and sales and re-sales of Commercial Units, Homes and/or other properties owned by Developer or others outside of Verano. This right shall include, but not be limited to, the right to maintain models, sales offices and parking associated therewith, have signs on any portion of Verano, including Common Areas and the Club, employees in the models and offices without the payment of rent or any other fee, maintain offices in models and use of the Common Areas and the Club to show Homes and Commercial Units. The sales office and signs and all items pertaining to development and sales remain the property of Developer. Developer shall have all of the foregoing rights without charge or expense. Without limiting any other provision of this Declaration, Developer may assign its rights hereunder to each Builder. The rights reserved hereunder shall extend beyond the Community Completion Date. All other sales offices, other than those owned, operated, or maintained by Developer, shall be prohibited within Verano.

30.2 Modification. The development and marketing of Verano will continue as deemed appropriate in Developer's sole discretion, and nothing in this Declaration or Community Standards, or otherwise, shall be construed to limit or restrict such development and marketing. It may be necessary or convenient for the development of Verano to, as an example and not a limitation, amend a Plat and/or the Master Plan, modify the boundary lines of the Common Areas, grant easements, dedications, agreements, licenses, restrictions, reservations, covenants, rights-of-way, and to take such other actions which Developer, or its agents, affiliates, or assignees may deem necessary or appropriate. Association and Owners shall, at the request of Developer, execute and deliver any and all documents and instruments which Developer deems necessary or convenient, in its sole discretion, to accomplish the same.

30.3 Promotional Events. Prior to the Community Completion Date, Developer and its successors and assigns shall have the right, at any time, to hold marketing, special and/or promotional events within Verano and/or on the Common Areas or Club, without any charge for use. Developer, its agents, affiliates, or assignees shall have the right to market Verano and Homes and Commercial Units in advertisements and other media by making reference to Verano, including, but not limited to, filming commercials within Verano, creating videos within Verano, creating pictures or drawings of Verano, the Club, Common Areas, Parcels, Commercial Units and Homes constructed in Verano without any payment to or permission from any Owner. All logos, trademarks, and designs used in connection with Verano are the property of Developer, and Association shall have no right to use the same after the Community Completion Date except with the express written permission of Developer. Without limiting any other provision of this Declaration, Developer may assign its rights hereunder to each Builder.

30.4 Use by Prospective Purchasers. Prior to the Community Completion Date, Developer and Club shall have the right, without charge, to use the Common Areas and the Club for the purpose of entertaining prospective purchasers of Homes and Commercial Units, or other properties owned by Developer outside of Verano.

30.5 Franchises. Developer may grant franchises or concessions to commercial concerns on all or part of the Common Areas and shall be entitled to all income derived therefrom.

30.6 Management. Developer may manage the Common Areas by contract with Association. Developer may also contract with a third party ("**Manager**") for management of Association and the Common Areas. Each Owner acknowledges that Developer may receive lump sum or monthly compensation from any Manager in connection with the costs of services provided by such Manager. Such compensation may be paid on a per Home or Commercial Unit or other basis. All such compensation shall be the sole property of Developer, who shall have no duty to account for or disclose the amount of such compensation.

30.7 Easements. Until the Community Completion Date, Developer reserves the exclusive right to grant, in its sole discretion, easements, permits and/or licenses for ingress and egress, drainage, utilities service, maintenance, Telecommunications Services; and other purposes over, under, upon and across Verano so long as any such easements do not materially and adversely interfere with the intended use of Homes or Commercial Units previously conveyed to Owners. By way of example, and not of limitation, Developer may be required to take certain action, or make additions or modifications to the Common Areas in connection with an environmental program. All easements necessary for such purposes are reserved in favor of Developer, in perpetuity, for such purposes. Without limiting the foregoing, Developer may relocate any easement affecting a Home or Commercial Unit, or grant new easements over a Home or Commercial Unit, after conveyance to an Owner, without the joinder or consent of such Owner, so long as the grant of easement or relocation of easement does not materially and adversely affect the Owner's use of the Home as a residence or Owner's use of a Commercial Unit for its intended and approved use. As an illustration, Developer may grant an easement for Telecommunications Systems, irrigation, drainage lines or electrical lines over any portion of a Parcel or Lot so long as such easement is outside the footprint of the foundation of any residential or commercial improvement constructed on such Parcel or Lot. Developer shall have the sole right to any fees of any nature associated therewith, including, but not limited to, license or similar fees on account thereof. Association and Owners will, without charge, if requested by Developer: (a) join in the creation of such easements, etc. and cooperate in the operation thereof; and (b) collect and remit fees associated therewith, if any, to the appropriate party. Association will not grant any easements, permits or licenses to any other entity providing the same services as those granted by Developer, nor will it grant any such easement, permit or license prior to the Community Completion Date without the prior written consent of Developer which may be granted or denied in its sole discretion.

30.8 Right to Enforce. Developer has the right, but not the obligation, to enforce the provisions of this Declaration and the Community Standards and to recover all costs relating thereto, including attorneys' fees and paraprofessional fees, pre-trial and at all levels of proceedings, including appeals. Such right shall include the right to perform the obligations of Association and to recover all costs incurred in doing so. The Club Owner shall also have such rights relating to the Club and/or Club Dues.

30.9 Additional Development. If Developer withdraws portions of Verano from the operation of this Declaration, Developer may, but is not required to, subject to governmental approvals, create other forms of residential property ownership or other improvements of any nature on the property not subjected to or withdrawn from the operation of this Declaration. Developer shall not be liable or responsible to any person or entity on account of its decision to do so or to provide, or fail to provide, the amenities and/or facilities which were originally planned to be included in such areas. If so designated by Developer, owners or tenants of such other forms of housing or improvements upon their creation, may share in the use of all or some of the Common Areas and/or Club and other facilities and/or roadways which remain subject to this Declaration. The expense of the operation of such facilities shall be allocated to the various users thereof, if at all, as determined by Developer.

30.10 Representations. Developer makes no representations concerning development both within and outside the boundaries of Verano including, but not limited to, the number, design, boundaries, configuration and arrangements, prices of all Parcels, Lots, Commercial Units or Homes or Club and buildings in all other proposed forms of ownership and/or other improvements on Verano or in Verano or adjacent to or near Verano, including, but not limited to, the size, location, configuration, elevations, design, building materials, height, view, airspace, number of homes, number of buildings, location of easements, parking and landscaped areas, services and amenities offered.

30.11 Telecommunications Services.

30.11.1 Right to Contract for Telecommunications Services. Association shall have the right, but not the obligation, to enter into one or more contracts for the provision of one or more Telecommunications Services for all or any part of Verano. Prior to the Community Completion Date, all contracts between a Telecommunications Provider and Association shall be subject to the prior written approval of Developer. Developer and/or its nominees, successors, assigns, affiliates, and licensees may contract with Association and act as a Telecommunications Provider for one or more Telecommunications Services, subject only to the requirements of all applicable laws, statutes, and regulations. If Developer is not the Telecommunications Provider for any particular Telecommunications Service, Developer shall have the right to receive, on a perpetual basis, all or a portion of access fees and/or the revenues derived from such Telecommunications Service within Verano as agreed, from time to time, between the Telecommunications Provider and Developer.

30.11.2 Easements. Developer (i) reserves unto itself and its nominees, successors, assigns, affiliates, and licensees, and (ii) grants to each Telecommunications Provider that has entered into an agreement with Association respecting Telecommunications Services and/or Telecommunications Systems a perpetual right, privilege, easement and right-of-way across, over, under and upon Verano for the installation, construction and maintenance of Telecommunications Systems together with a perpetual right, privilege and easement of ingress and egress, access, over and upon Verano for installing, constructing, inspecting, maintaining, altering, moving, improving and replacing facilities and equipment constituting such Telecommunications Systems. If, and to the extent, Telecommunications Services provided by such Telecommunications Providers are to serve all of Verano, then the amounts payable to such Telecommunications Providers under their written agreements with Association shall be part of Operating Costs of Association and shall be assessed as a part of the Assessments.

30.11.3 Restoration. Upon the completion of any installation, upgrade, maintenance, repair, or removal of the Telecommunications Systems or any part thereof, each Telecommunications Provider shall restore the relevant portion of the Common Areas, Parcel, Lot, Commercial Unit and/or any Home to as good a condition as that which existed prior to such installation, maintenance, repair or removal. Failure by Telecommunications Provider to commence such restoration within twenty (20) days after receiving written notice from Association of such failure or the Telecommunications Provider's failure to complete such restoration within ninety (90) days of commencement shall vest in Association the right (but not the obligation) to restore or cause to be restored such portion of the Common Areas, Parcel, Lot, Commercial Unit and/or Home disturbed by such work, all at such Telecommunications Provider's sole cost and expense, except for in emergency situations whereby Association may restore or cause to be restored such disturbed portion of the Common Areas, Parcel, Lot, Commercial Unit and/or Home immediately. In the event that Association exercises the right of self-help, each Telecommunications Provider agrees in advance that Association shall have the sole right to (i) select the contractors to perform such work and (ii) determine the extent of required restoration. This remedy of self-help is in addition to all other remedies of Association hereunder. All reasonable expenses incurred by Association in connection with such restoration shall be paid by Telecommunications Provider within twenty (20) days of completion of restoration and delivery to Telecommunications Provider of Association's invoice therefor. Any expenses not so paid when due shall bear interest from the due date at the lesser of (i) the publicly announced prime rate (or similar successor reference rate) of Wachovia National Bank or its successor on the date of such invoice, or (ii) the maximum rate of interest allowed by the law of the State of Florida for such obligations, or as provided in an agreement between Association and a Telecommunications Provider.

30.11.4 Intranet Website. The Telecommunications Service provided to Verano may include an intranet website which may include information regarding Verano, such as, Club activities, community events, and general community information. The intranet may also be used for video surveillance.

30.11.5 Operating Costs. Each Owner understands that the expense of any Telecommunications Service may not be charged on a bulk basis, but may be charged at the rate equal to any rate paid by individual home owners that are not subject to a homeowners association in St. Lucie County, Florida. Each Owner acknowledges that Developer may receive lump sum or monthly compensation from any Telecommunications Provider in connection with the supply of Telecommunications Services. Such compensation may be paid on a per Home or Commercial Unit or other basis. All such compensation shall be the sole property of Developer, who shall have no duty to account for or disclose the amount of such compensation.

30.12 Access Control System. Developer may install a tele-entry system at the entrance to Verano. Association shall have the right, but not the obligation, to contract for the installation of additional Access Control System facilities for Verano or any Villages therein. Prior to the Community Completion Date, all contracts for Access Control Systems shall be subject to the prior written approval of Developer. ASSOCIATION AND DEVELOPER SHALL NOT BE HELD LIABLE FOR ANY LOSS OR DAMAGE BY REASON OR FAILURE TO PROVIDE ADEQUATE ACCESS CONTROL OR INEFFECTIVENESS OF ACCESS CONTROL MEASURES UNDERTAKEN. Each and every Owner and the occupant of each Home or Commercial Unit acknowledges that Developer, Association, and their employees, agents, managers, directors, and officers, are not insurers of Owners, Parcels, Lots, Commercial Units or Homes, or the personal property located within Homes or Commercial Units. Developer and Association will not be responsible or liable for losses, injuries, or deaths resulting from any casualty or intrusion into a Home or Commercial Unit. Access Control Systems within Verano may utilize cameras and other similar video surveillance technology.

30.13 Non-Liability. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE ASSOCIATION DOCUMENTS, NEITHER ASSOCIATION NOR ANY VILLAGE ASSOCIATION SHALL BE LIABLE OR RESPONSIBLE FOR, OR IN ANY MANNER A GUARANTOR OR INSURER OF, THE HEALTH OR WELFARE OF ANY OWNER, OCCUPANT OR USER OF ANY PORTION OF VERANO INCLUDING, WITHOUT LIMITATION, RESIDENTS AND THEIR FAMILIES, GUESTS, LESSEES, LICENSEES, INVITEES, AGENTS, SERVANTS, CONTRACTORS, AND/OR SUBCONTRACTORS OR FOR ANY PROPERTY OF ANY SUCH PERSONS. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING:

30.13.1 IT IS THE EXPRESS INTENT OF THE ASSOCIATION DOCUMENTS THAT THE VARIOUS PROVISIONS THEREOF WHICH ARE ENFORCEABLE BY ASSOCIATION AND WHICH GOVERN OR REGULATE THE USES OF VERANO HAVE BEEN WRITTEN, AND ARE TO BE INTERPRETED AND ENFORCED, FOR THE SOLE PURPOSE OF ENHANCING AND MAINTAINING THE ENJOYMENT OF VERANO AND THE VALUE THEREOF; AND

30.13.2 ASSOCIATION IS NOT EMPOWERED, AND HAS NOT BEEN CREATED, TO ACT AS AN AGENCY WHICH ENFORCES OR ENSURES THE COMPLIANCE WITH THE LAWS OF THE STATE OF FLORIDA, CITY AND/OR COUNTY OR PREVENTS TORTIOUS ACTIVITIES; AND

30.13.3 THE PROVISIONS OF THE ASSOCIATION DOCUMENTS SETTING FORTH THE USES OF ASSESSMENTS WHICH RELATE TO HEALTH, SAFETY, AND WELFARE SHALL BE INTERPRETED AND APPLIED ONLY AS LIMITATIONS ON THE USES OF ASSESSMENT FUNDS AND NOT AS CREATING A DUTY OF ASSOCIATION TO PROTECT OR FURTHER THE HEALTH, SAFETY, OR WELFARE OF ANY PERSON(S), EVEN IF ASSESSMENT FUNDS ARE CHOSEN TO BE USED FOR ANY SUCH REASON.

EACH OWNER (BY VIRTUE OF HIS ACCEPTANCE OF TITLE TO A HOME) AND EACH OTHER PERSON HAVING AN INTEREST IN OR LIEN UPON, OR MAKING A USE OF, ANY PORTION OF VERANO (BY VIRTUE OF ACCEPTING SUCH INTEREST OR LIEN OR MAKING SUCH USE) SHALL BE BOUND BY THIS SECTION AND SHALL BE DEEMED TO HAVE AUTOMATICALLY WAIVED ANY AND ALL RIGHTS, CLAIMS, DEMANDS AND CAUSES OF ACTION AGAINST ASSOCIATION ARISING FROM OR CONNECTED WITH ANY MATTER FOR WHICH THE LIABILITY OF ASSOCIATION HAS BEEN DISCLAIMED IN THIS SECTION OR OTHERWISE. AS USED IN THIS SECTION, "ASSOCIATION" SHALL INCLUDE WITHIN ITS MEANING ALL OF ASSOCIATION'S DIRECTORS, OFFICERS, COMMITTEE AND BOARD MEMBERS, EMPLOYEES, AGENTS, CONTRACTORS (INCLUDING MANAGEMENT COMPANIES, SUBCONTRACTORS, SUCCESSORS AND ASSIGNS).

30.14 Resolution of Disputes. BY ACCEPTANCE OF A DEED, EACH OWNER AGREES THAT THE ASSOCIATION DOCUMENTS ARE VERY COMPLEX; THEREFORE, ANY CLAIM, DEMAND, ACTION, OR CAUSE OF ACTION, WITH RESPECT TO ANY ACTION, PROCEEDING, CLAIM,

COUNTERCLAIM, OR CROSS CLAIM, WHETHER IN CONTRACT AND/OR IN TORT (REGARDLESS IF THE TORT ACTION IS PRESENTLY RECOGNIZED OR NOT), BASED ON, ARISING OUT OF, IN CONNECTION WITH OR IN ANY WAY RELATED TO THE ASSOCIATION DOCUMENTS, INCLUDING ANY COURSE OF CONDUCT, COURSE OF DEALING, VERBAL OR WRITTEN STATEMENT, VALIDATION, PROTECTION, ENFORCEMENT ACTION OR OMISSION OF ANY PARTY SHOULD BE HEARD IN A COURT PROCEEDING BY A JUDGE AND NOT A JURY IN ORDER TO BEST SERVE JUSTICE. DEVELOPER HEREBY SUGGESTS THAT EACH OWNER UNDERSTAND THE LEGAL CONSEQUENCES OF ACCEPTING A DEED TO A HOME.

30.15 Venue. EACH OWNER ACKNOWLEDGES REGARDLESS OF WHERE SUCH OWNER (i) EXECUTED A PURCHASE AND SALE AGREEMENT, (ii) RESIDES, (iii) OBTAINS FINANCING OR (iv) CLOSED ON A HOME, THIS DECLARATION LEGALLY AND FACTUALLY WAS EXECUTED IN COUNTY. DEVELOPER HAS AN OFFICE IN COUNTY AND EACH HOME IS LOCATED IN COUNTY. ACCORDINGLY, AN IRREBUTTABLE PRESUMPTION EXISTS THAT THE ONLY APPROPRIATE VENUE FOR THE RESOLUTION OF ANY DISPUTE LIES IN COUNTY. IN ADDITION TO THE FOREGOING, EACH OWNER AND DEVELOPER AGREES THAT THE VENUE FOR RESOLUTION OF ANY DISPUTE LIES IN COUNTY.

30.16 Reliance. BEFORE ACCEPTING A DEED TO A HOME, EACH OWNER HAS AN OBLIGATION TO RETAIN AN ATTORNEY IN ORDER TO CONFIRM THE VALIDITY OF THIS DECLARATION. BY ACCEPTANCE OF A DEED TO A HOME, EACH OWNER ACKNOWLEDGES THAT HE HAS SOUGHT AND RECEIVED SUCH AN OPINION OR HAS MADE AN AFFIRMATIVE DECISION NOT TO SEEK SUCH AN OPINION. DEVELOPER IS RELYING ON EACH OWNER CONFIRMING IN ADVANCE OF ACQUIRING A HOME THAT THIS DECLARATION IS VALID, FAIR AND ENFORCEABLE. SUCH RELIANCE IS DETRIMENTAL TO DEVELOPER. ACCORDINGLY, AN ESTOPPEL AND WAIVER EXISTS PROHIBITING EACH OWNER FROM TAKING THE POSITION THAT ANY PROVISION OF THIS DECLARATION IS INVALID IN ANY RESPECT. AS A FURTHER MATERIAL INDUCEMENT FOR DEVELOPER TO SUBJECT VERANO TO THIS DECLARATION, EACH OWNER DOES HEREBY RELEASE, WAIVE, DISCHARGE, COVENANT NOT TO SUE, ACQUIT, SATISFY AND FOREVER DISCHARGE DEVELOPER, ITS OFFICERS, DIRECTORS, EMPLOYEES, AND AGENTS AND ITS AFFILIATES AND ASSIGNS FROM ANY AND ALL LIABILITY, CLAIMS, COUNTERCLAIMS, DEFENSES, ACTIONS, CAUSES OF ACTION, SUITS, CONTROVERSIES, AGREEMENTS, PROMISES AND DEMANDS WHATSOEVER IN LAW OR IN EQUITY WHICH AN OWNER MAY HAVE IN THE FUTURE, OR WHICH ANY PERSONAL REPRESENTATIVE, SUCCESSOR, HEIR OR ASSIGN OF OWNER HEREAFTER CAN, SHALL OR MAY HAVE AGAINST DEVELOPER, ITS OFFICERS, DIRECTORS, SHAREHOLDERS, EMPLOYEES, AND AGENTS, AND ITS AFFILIATES AND ASSIGNS, FOR, UPON OR BY REASON OF ANY MATTER, CAUSE OR THING WHATSOEVER RESPECTING THIS DECLARATION, OR THE EXHIBITS HERETO. THIS RELEASE AND WAIVER IS INTENDED TO BE AS BROAD AND INCLUSIVE AS PERMITTED BY THE LAWS OF THE STATE OF FLORIDA.

31. Refund of Taxes and Other Charges. Unless otherwise provided herein, Association agrees that any taxes, fees or other charges paid by Developer to any governmental authority, utility company or any other entity which at a later date are refunded in whole or in part, shall be returned to Developer in the event such refund is received by Association.

32. Assignment of Powers. All or any part of the rights, exemptions and powers and reservations of Developer or Club Owner, as the case may be, herein contained may be conveyed or assigned in whole or part to other persons or entities by an instrument in writing duly executed, acknowledged, and, at Developer's option, recorded in the Public Records.

33. General Provisions.

33.1 Authority of Board. Except when a vote of the membership of Association is specifically required, all decisions, duties, and obligations of Association hereunder may be made by the Board. Association and Owners shall be bound thereby.

33.2 Builders. Verano is a master planned mixed use community being developed by Developer. The individual buildings constructed within Verano may be constructed by the Developer, Builders or others who are independent contractors who purchase unimproved Lots from the Developer. If a building is constructed by a person or entity other than Developer, the Developer shall have no liability whatsoever from such builder's activities, whether direct or indirect, including, without limitation, marketing or construction of the building or actions of any principal, officer, trustee, partner, agent or subcontractor.

33.3 Severability. Invalidation of any of the provisions of this Declaration by judgment or court order shall in no way affect any other provision, and the remainder of this Declaration shall remain in full force and effect.

33.4 Execution of Documents. Developer's plan of development for the Property including, without limitation, the creation of one (1) or more taxing districts and/or the Districts may necessitate from time to time the execution of certain documents as required by governmental agencies. To the extent that such documents require the joinder of Owners, Association or Village Associations, Developer, by its duly authorized officers, may, as the agent or the attorney-in-fact for the Owners, execute, acknowledge and deliver such documents (including, without limitation, any consents or other documents required by any governmental agencies in connection with the creation of any taxing district); and the Owners, by virtue of their acceptance of deeds, irrevocably nominate, constitute and appoint Developer, through its duly authorized officers, as their proper and legal attorneys-in-fact, for such purpose. Such appointment is coupled with an interest and is therefore irrevocable. Any such documents executed pursuant to this Section may recite that it is made pursuant to this Section. Notwithstanding the foregoing, each Owner, Association and Village Associations agrees, by its acceptance of a deed to a Home, Parcel or Commercial Unit or any other portion of Verano, to execute or otherwise join in any petition and/or other documents required in connection with the creation of the Districts or any taxing district relating to Verano or any portion(s) thereof.

33.5 Affirmative Obligation of Association. In the event that Association believes that Developer has failed in any respect to meet Developer's obligations under this Declaration or has failed to comply with any of Developer's obligations under law or the Common Areas are defective in any respect, Association shall give written notice to Developer detailing the alleged failure or defect. Association agrees that once Association has given written notice to Developer pursuant to this Section, Association shall be obligated to permit Developer and its agents to perform inspections of the Common Areas and to perform all tests and make all repairs/replacements deemed necessary by Developer to respond to such notice at all reasonable times. Association agrees that any inspection, test and/or repair/replacement scheduled on a business day between 9 a.m. and 5 p.m. shall be deemed scheduled at a reasonable time. The rights reserved in this Section include the right of Developer to repair or address, in Developer's sole option and expense, any aspect of the Common Areas deemed defective by Developer during its inspections of the Common Areas. Association's failure to give the notice and/or otherwise comply with the provisions of this Section will damage Developer. At this time, it is impossible to determine the actual damages Developer might suffer. Accordingly, if Association fails to comply with its obligations under this Section in any respect, Association shall pay to Developer liquidated damages in the amount of $250,000.00 which Association and Developer agree is a fair and reasonable remedy.

33.6 Notices. Any notice required to be sent to any person, firm, or entity under the provisions of this Declaration shall be deemed to have been properly sent when mailed, postpaid, to the last known address at the time of such mailing.

33.7 Florida Statutes. Whenever this Declaration refers to the Florida Statutes, it shall be deemed to refer to the Florida Statutes as they exist on the date this Declaration is recorded except to the extent provided otherwise as to any particular provision of the Florida Statutes.

33.8 Construction Activities. ALL OWNERS, OCCUPANTS AND USERS OF VERANO ARE HEREBY PLACED ON NOTICE THAT (1) DEVELOPER AND/OR ITS AGENTS, CONTRACTORS, SUBCONTRACTORS, LICENSEES AND OTHER DESIGNEES AND/OR (2) ANY OTHER PARTIES WILL BE, FROM TIME TO TIME, CONDUCTING CONSTRUCTION ACTIVITIES, BLASTING, EXCAVATION, CONSTRUCTION AND OTHER ACTIVITIES WITHIN OR IN PROXIMITY TO VERANO. BY THE ACCEPTANCE OF THEIR DEED OR OTHER CONVEYANCE OR MORTGAGE, LEASEHOLD, LICENSE OR OTHER INTEREST, AND BY USING ANY PORTION OF VERANO, EACH SUCH OWNER, OCCUPANT AND USER AUTOMATICALLY ACKNOWLEDGES, STIPULATES AND AGREES (i) THAT NONE OF THE

AFORESAID ACTIVITIES SHALL BE DEEMED NUISANCES OR NOXIOUS OR OFFENSIVE ACTIVITIES, HEREUNDER OR AT LAW GENERALLY, (ii) NOT TO ENTER UPON, OR ALLOW THEIR CHILDREN OR OTHER PERSONS UNDER THEIR CONTROL OR DIRECTION TO ENTER UPON (REGARDLESS OF WHETHER SUCH ENTRY IS A TRESPASS OR OTHERWISE) ANY PROPERTY WITHIN OR IN PROXIMITY TO VERANO WHERE SUCH ACTIVITY IS BEING CONDUCTED (EVEN IF NOT BEING ACTIVELY CONDUCTED AT THE TIME OF ENTRY, SUCH AS AT NIGHT OR OTHERWISE DURING NON-WORKING HOURS), (iii) DEVELOPER AND THE OTHER AFORESAID RELATED PARTIES SHALL NOT BE LIABLE FOR ANY AND ALL LOSSES, DAMAGES (COMPENSATORY, CONSEQUENTIAL, PUNITIVE OR OTHERWISE), INJURIES OR DEATHS ARISING FROM OR RELATING TO THE AFORESAID ACTIVITIES, EXCEPT RESULTING DIRECTLY FROM DEVELOPER'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, AND (iv) ANY PURCHASE OR USE OF ANY PORTION OF VERANO HAS BEEN AND WILL BE MADE WITH FULL KNOWLEDGE OF THE FOREGOING.

33.9 Title Documents. Each Owner by acceptance of a deed to a Home or Commercial Unit acknowledges that such Home or Commercial Unit is subject to certain land use and title documents and all amendments thereto, which may include among other items, unrecorded land use documents and the following title documents identified in this Declaration and any other document affecting title to Verano (collectively, the "**Title Documents**"):

33.9.1 Reservation of easement by Florida Power & Light Company, a Florida corporation in Special Warranty Deed recorded on February 10, 1981 in Official Records Book 348, Page 993.

33.9.2 Easement to Florida Power & Light Company recorded on July 11, 1989 in Official Records Book 645, Page 317.

33.9.3 Electric Utility Easement to Florida Power & Light Company recorded on October 3, 1990 in Official Records Book 710, Page 96 (as to Western Grove Tract and O. L. Peacock Canal).

33.9.4 Electric Utility Easement to Florida Power & Light Company recorded on October 3, 1990 in Official Records Book 710, Page 101 (as to Western Grove Tract).

33.9.5 Easement Agreement to Florida Power & Light Company recorded on December 17, 1991 in Official Records Book 767, Page 2676, as re-recorded on December 18, 1991 in Official Records Book 768, Page 927 (as to Western Grove Tract and O. L. Peacock Canal).

33.9.6 Easement Agreement by and between Westchester Development Company, LLC, a Florida limited liability company, and A. Duda & Sons, Inc., a Florida corporation, recorded on June 6, 2002 in Official Records Book 1536, Page 1644 (as to O. L. Peacock Canal).

33.9.7 Utility Easement Agreement by and between A. Duda & Sons, Inc., a Florida corporation, and Westchester -Development Company, LLC, a Florida limited liability company, recorded on June 6, 2002 in Official Records Book 1536, Page 1734.

33.9.8 Reservoir Access Easement Agreement by and between A. Duda And Sons, Inc., a Florida corporation, Westchester Development Company, LLC, a Florida limited liability company, and Horizons St. Lucie Development, LLC, a Florida limited liability company, recorded on June 6, 2002 in Official Records Book 1536, Page 1754 (as to Western Grove Tract and O. L. Peacock Canal).

33.9.9 Rights of upper and lower owners in and to the use of the waters of the O. L. Peacock Canal and to the continued uninterrupted flow thereof (as to the O. L. Peacock Canal).

33.9.10 Annexation and Development Agreement recorded on January 28, 2003 in Official Records Book 1648, Page 2879.

33.9.11 All matters as shown on survey made by GCY Incorporated under File & Drawing No. 02-1059-03-01 dated June 23, 2003.

33.9.12 Designation Agreement by Tradition Development Company, LLC f/k/a Westchester Development Company, LLC, Horizons St. Lucie Development, LLC and Reserve Homes Ltd, L.P., recorded July 2, 2003 in Official Records Book 1745, Page 2036.

33.9.13 Terms and conditions of Access Easement Agreement by and between Tradition Development Company, LLC, Horizons St. Lucie Development, LLC and Reserve Hoes LTD., LP., recorded July 2, 2003 in Official Records Book 1745, Page 1913.

33.9.14 Terms and conditions of Drainage and Irrigation Easement by and between Tradition Development Company, LLC, and Reserve Homes, Ltd., LP., recorded July 2, 2003 in Official Records Book 1745, Page 1955.

33.9.15 Access Easement Agreement by and between Reserve Homes, Ltd., L.P., Tradition Development Company, LLC, and Horizons St. Lucie Development, LLC and recorded July 2, 2003 in Official Records Book 1745, Page 1881.

33.9.16 Reservoir Restrictive Covenant and Access Easement Agreement by and among Reserve Homes Ltd., L.P., Horizons St. Lucie Development, LLC, Tradition Development Company, LLC, and A. Duda & Sons, Inc. recorded July 2, 2003 in Official Records Book 1745, Page 2002.

33.9.17 Lane Use Allocation Agreement by and between Tradition Development Company, LLC and Reserve Homes Ltd., LP., recorded July 2, 2003 in Official Records Book 1745, Page 2042.

33.9.18 Access Easement Agreement by and between Reserve Homes Ltd., L.P., and A. Duda & Sons, Inc. recorded July 2, 2003 in Official Records Book 1745, Page 1868.

33.9.19 Drainage and Irrigation Easement by and among Reserve Homes Ltd., L.P., Tradition Development Company, LLC, and Horizons St. Lucie Development, LLC, recorded July 2, 2003 in Official Records Book 1745, Page 1973.

33.9.20 Declaration of Restrictive Covenant by and between Tradition Development Company, LLC and Reserve Homes Ltd., L.P., recorded July 2, 2003 in Official Records Book 1745, Page 2061.

33.9.21 That certain perpetual, private and non-exclusive easement for the purpose of ingress and egress to and from the Peacock family cemetery as reserved in that certain Warranty Deed as recorded in Official Records Book 369, Page 1166, of the Public Records or St. Lucie County, Florida. Those rights and easements reserved to A. Duda and Sons, Inc., in and under those certain Special Warranty Deeds as recorded in Official Records Book 383, Page 1049; Official Records Book 383, Page 1054.

33.9.22 That certain North Joint Use and Maintenance Agreement ("**North Joint Use and Maintenance Agreement**") as recorded in Official Records Book 383, Page 1097, as amended in Official Records Book 589, Page 1199.

33.9.23 Subject to title to any portion of the land described herein which lies within the bed of the O. L. Peacock Canal.

33.9.24 The right, if any, of the United States, any governmental entities, the public and other riparian owners in or to that portion of the land which lies within the bed or boundaries of the O. L. Peacock Canal.

33.9.25 The right, reservations and easements reserved in or referred to in that certain Special Warranty Deed as recorded in Official Records Book 589, Page 1186.

33.9.26 Easements, rights, interest and estates pertaining to the so-called "O. L. Peacock Canal" including, but not limited to, drainage or irrigation rights and easements relating thereto and the water from time to time located therein or passing there through.

33.9.27 Easement as recorded in Official Records Book 590, Page 828.

33.9.28 Easement in favor of Florida Power and Light Company as recorded in Official Records Book 710, Page 106.

33.9.29 Ordinance #03-22 as recorded in Official Records Book 1666, Page 1727.

33.9.30 Revocable License Agreement by A. Duda & Sons, Inc. and Metropolitan Life Insurance Company, dated May 24, 1988 and recorded in Official Records Book 589, Page 1194.

33.9.31 Terms, covenants, conditions and provisions set forth in Grant of Easement recorded in Official Records Book 307, Page 2688.

33.9.32 Terms, covenants, conditions and provisions set forth in Agreement recorded in Official Records Book 627, Page 2135, as modified by Modification Agreement recorded in Official Records Book 928, Page 2520 and First Addendum to Modification Agreement recorded in Official Records Book 926, Page 1446 and Official Records Book 928, Page 2524.

33.9.33 Easement in favor of Florida Power & Light Company dated November 11, 1981, recorded in Official Records Book 366, Page 1807, of the Public Records of St. Lucie County, Florida.

33.9.34 Florida Power & Light Right of Way Agreement dated March 31, 1965, recorded in Official Records Book 120, Page 199.

33.9.35 Easements and supplements in favor of Florida Power & Light Company recorded in Deed Book 234, Page 104, Deed Book 238, Page 133, and Official Records Book 97, Page 504.

33.9.36 Easements and supplements in favor of Florida Power & Light Company recorded in Deed Book 234, Page 102, Deed Book 238, Page 134, and Official Records Book 97, Page 505.

33.9.37 Terms and conditions, reservations and easements in that certain Right of Way deed to Trustees of the property of Florida East Coast Railway Company as recorded in Deed Book 122, Page.

33.9.38 Easements in favor of Central and Southern Florida Flood Control District, given by O. L. Peacock and Mildred Vare Peacock, his wife, both dated Sept. 29, 1958 and recorded respectively in Deed Book 241, Page 101 and Deed Book 241, Page 103.

33.9.39 Easement in favor of Florida Power & Light Company dated Dec. 17, 1982 and recorded in Official Records Book 390, Page 501.

33.9.40 Easement in favor of Florida Power & Light Company dated Oct. 12, 1989 and recorded in Official Records Book 665, Page 2736.

32.9.44 Notice of Establishment of the Montage Reserve Center Community Development District recorded in Official Records Book 2336, Page 2616, as amended in Official Records Book 2500, Page 1043.

32.9.45 Notice of Establishment of the Montage Reserve #1 Community Development District recorded in Official Records Book 2336, Page 2619, as amended in Official Records Book 2500, Page 1045.

32.9.46 Notice of Establishment of the Montage Reserve #2 Community Development District recorded in Official Records Book 2336, Page 2622, as amended in Official Records Book 2500, Page 1047.

32.9.47 Notice of Establishment of the Montage Reserve #3 Community Development District recorded in Official Records Book 2336, Page 2625, as amended in Official Records Book 2500, Page 1049.

32.9.48 Notice of Establishment of the Montage Reserve #4 Community Development District recorded in Official Records Book 2336, Page 2628, as amended in Official Records Book 2500, Page 1051.

32.9.49 Notice of Establishment of the Montage Reserve #5 Community Development District recorded in Official Records Book 2336, Page 2631, as amended in Official Records Book 2500, Page 1053.

32.9.50 Restrictions, reservations, and easements as indicated and/or shown on that certain Plat recorded in Plat Book 56, Page 11.

32.9.51 Restrictions, reservations, and easements as indicated and/or shown on that certain Plat recorded in Plat Book 49, Page 23.

32.9.52 Water and Wasterwater Service Agreement recorded in Official Records Book 2448, Page 1058.

32.9.53 City of Port St. Lucie Utility Systems Department Water and Wasterwater Service Agreement recorded in Official Records Book 2402, Page 1476.

32.9.54 Road Impact Fee Credit Agreement recorded in Official Records Book 1966, Page 2164.

32.9.55 Environmental Resource Permit Notice of the South Florida Water Management District recorded in Official Records Book 2244, Page 2348.

32.9.56 District Interlocal Agreement recorded in Official Records Book 2457, Page 247.

32.9.57 The terms and conditions contained in that certain Agreement recorded in Official Records Book 2561, Page 1517.

32.9.58 True-Up Agreement recorded in Official Records Book 2541, Page 2369.

32.9.59 Declaration of Consent to Imposition of Special Assessment – Verano Development LLC, recorded in Official Records Book 2541, Page 2344.

32.9.60 Special Assessment Acknowledgment by SunTrust Bank recorded in Official Records Book 2541, Page 2355.

32.9.61 Notice of Adoption of Development Order for the PGA Village (a/k/a Verano) Development of Regional Impact recorded in Official Records Book 2528, Page 1210.

32.9.62 Impact Fee Pre-Payment Agreement recorded in Official Records Book 2773, Pare 636.

32.9.63 Interlocal Agreement as recorded in Official Records Book 2682, Page 2441.

ALL OF THE FOREGOING ARE RECORDED IN THE PUBLIC RECORDS AND ARE INCORPORATED HEREIN BY REFERENCE AS IF FULLY SET FORTH HEREIN.

[ADDITIONAL TEXT AND SIGNATURES APPEAR ON THE FOLLOWING PAGE]

Developer's plan of development for Verano may necessitate from time to time the further amendment, modification and/or termination of the Title Documents. DEVELOPER RESERVES THE UNCONDITIONAL RIGHT TO SEEK AMENDMENTS AND MODIFICATIONS OF THE TITLE DOCUMENTS. It is possible that a governmental subdivision or agency may require the execution of one or more documents in connection with an amendment, modification, and/or termination of the Title Documents. To the extent that such documents require the joinder of Owners, Association or a Village Association, Developer, by any one of its duly authorized officers, may, as the agent and/or the attorney-in-fact for the Owners, Association and Village Associations execute, acknowledge and deliver any documents required by applicable governmental subdivision or agency; and the Owners, Association and Village Associations by virtue of their acceptance of deeds, irrevocably nominate, constitute and appoint Developer, through any one of its duly authorized officers, as their proper and legal attorney-in-fact for such purpose. This appointment is coupled with an interest and is therefore irrevocable. Any such documents executed pursuant to this Section may recite that it is made pursuant to this Section. Notwithstanding the foregoing, each Owner, Association and Village Associations, agrees, by its acceptance of a deed to a Home or Commercial Unit: (i) to execute or otherwise join in any documents required in connection with the amendment, modification, or termination of the Title Documents; and (ii) that such Owner has waived its right to object to or comment the form or substance of any amendment, modification, or termination of the Title Documents. Without limiting the foregoing, upon the Community Completion Date Association shall assume all of the obligations of Developer under the Title Documents unless otherwise provided by Developer by amendment to this Declaration recorded by Developer in the Public Records, from time to time, and in the sole discretion of Developer.

IN WITNESS WHEREOF, the undersigned, being Developer hereunder, has hereunto set its hand and seal this 26 day of MARCH, 2007.

WITNESSES:

Print Name: Tracy M Standring

Print Name: AARON CHOROST

VERANO DEVELOPMENT LLC,
a Delaware limited liability company

By:
Name: Craig A. Perna
Title: President

STATE OF FLORIDA)
) SS.:
COUNTY OF ST. LUCIE)

The foregoing instrument was acknowledged before me this 18 day of April, 2007 by Craig A. Perna as President and member of VERANO DEVELOPMENT, LLC, a Delaware limited liability company, who is personally known to me, on behalf of the company.

My commission expires:

NOTARY PUBLIC, State of FL at Large
Print Name Irene K Ange

IRENE K. ANGE
Comm# DD0303929
Expires 3/25/2008
Bonded thru (800)432-4254
Florida Notary Assn., Inc
NOTARY PUBLIC STATE OF FLORIDA

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JOINDER

VERANO PROPERTY OWNERS ASSOCIATION, INC.

VERANO PROPERTY OWNERS ASSOCIATION, INC. ("**Association**") does hereby join in the Declaration for Verano ("**Declaration**") to which this Joinder is attached, and the terms thereof are and shall be binding upon the undersigned and its successors in title. Association acknowledges that this Joinder is for convenience only and is not to the effectiveness of the Declaration, as Association has no right to approve the Declaration.

IN WITNESS WHEREOF, the undersigned has executed this Joinder on this 26 day of MARCH, 2007.

WITNESSES:

Tracy M. Standring
Print Name: Tracy M. Standring

Aaron Chorost
Print Name: AARON CHOROST

VERANO PROPERTY OWNERS ASSOCIATION, INC.,
a Florida not-for-profit corporation

By: [signature]
Name: Craig A. Perna
Title: President
Date: 3/26/07

{SEAL}

STATE OF FLORIDA)
) SS.:
COUNTY OF ST. LUCIE)

The foregoing instrument was acknowledged before me this 26 day of March, 2007 by Craig A. Perna as President of VERANO PROPERTY OWNERS ASSOCIATION, INC., a Florida not-for-profit corporation who is personally known to me, on behalf of the corporation.

My commission expires:

[signature]
NOTARY PUBLIC, State of Florida at Large

Print Name: Irene K. Ange

IRENE K. ANGE
Comm# DD0303929
Expires 3/25/2008
Bonded thru (800)432-4254
Florida Notary Assn., Inc

CONSENT TO

DECLARATION FOR VERANO

SunTrust Bank, a bank organized under the State of Georgia, the holder of a mortgage ("**Mortgage**") recorded in Official Records Book 1745, Page 2098, of the Public Records of St. Lucie County, Florida, which encumbers the Land described in **Exhibit 1**, does hereby Consent to the Declaration for Verano, to which this consent is attached, and acknowledges that the terms thereof are and shall be binding upon the undersigned and its successors and assigns.

By consenting to the Declaration for Verano SunTrust Bank is not subordinating the Mortgage to any assessments against any portion of Verano levied pursuant to the Declaration nor is SunTrust Bank waiving or subordinating any of its rights under that certain Acquisition, Development and Construction Loan Agreement dated as of March 2, 2006, which shall specifically control over the terms of Sections 5.1, 5.3 and 9.1 of the Declaration. Further, the Loan Agreement shall control as to the application and disbursement of insurance and condemnation proceeds as to any conflicting provision of the Declaration.

IN WITNESS WHEREOF, the undersigned has executed this Consent on this 5th day of ~~March~~ APRIL, 2007.

WITNESSES:

[signature]
Print Name: SHEREE FOSTER

[signature]
Print Name: Karen McLemore

SunTrust Bank,
a bank organized under the State of Georgia

By: [signature]
Name: ~~Fred Roxas~~ JEFFREY TART
Title: ~~First~~ Vice President
Date: 4/5/07

{SEAL}

SUNTRUST BANK CORPORATE SEAL GEORGIA

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

The foregoing instrument was acknowledged before me this 5th day of ~~March~~ APRIL, 2007 by ~~Fred Roxas~~ Jeffrey TART as ~~First~~ Vice President of SunTrust Bank, a bank organized under the State of Georgia, who is personally known to me or who produced ______________________ as identification, on behalf of the bank.

My commission expires: 7/29/07

[signature]
NOTARY PUBLIC, State of FLORIDA at Large
Print Name: Doreen Fischer

Doreen Fischer
My Commission DD236151
Expires July 29, 2007

{WP374341;6}
DM2\427700.15

EXHIBIT 1

LEGAL DESCRIPTION

EXHIBIT "1"

PARCEL 1

WESTERN GROVE

TRACT ONE

A parcel of land lying in Sections 31 and 32, Township 36 South, Range 39 East; and Section 5 and 6, Township 37 South, Range 39 East, St. Lucie County, Florida, being more particularly described as follows:

COMMENCE at the intersection of the Southeasterly right-of-way line of the Florida East Coast Railway Co. "Fort Pierce Cut-Off" Track as shown on Pages V. 3d/6 and V. 3d/7, dated February 1, 1950 with Tract Correct revision dated 4/28/67 and the Southwesterly right-of-way line of South Florida Water Management District Canal C-24; thence run South 44°46'01" West along said Southeasterly right-of-way line of the Florida East Coast Railway Co., a distance of 5069.40 feet to the West line of said Section 29; thence South 04°13'20" East, along said West line, a distance of 258.80 feet to the Northeast corner of said Section 31; thence South 89°40'25" West, along the North line of said Section 31, a distance of 312.03 feet to the aforesaid Southeasterly right-of-way line of the Florida East Coast Railway Co.; thence South 44°46'01" West, along said right-of-way line, a distance of 728.74 feet to the POINT OF BEGINNING; Thence, departing said right-of-way line, South 45°07'48" East, a distance of 3688.39 feet; thence South 34°54'59" East, a distance of 4767.41 feet to the northerly top of bank of the O. L. Peacock Canal; Thence along the northerly top of bank of said O.L. Peacock Canal South 74°05'51" West, a distance of 4714.77 feet; thence North 89°58'45" West, a distance of 5508.96 feet East right-of-way line of State Road S-609 as shown on the Florida Department of Transportation right-of-way map dated 11/5/64 and revised January 1965; Thence along said right-of-way line North 00°01'15" East, a distance of 2906.07 feet to the intersection with the South line of said Section 31; thence continue along said easterly right-of-way, North 00°08'55" West, a distance of 156.88 feet to the intersection with the aforesaid Southeasterly right-of-way line of the Florida East Coast Railway Co.; thence North 44°46'01" East, along said Southeasterly right- of-way line of the Florida East Coast Railway Co. a distance of 6673.84 feet to the POINT OF BEGINNING.

LESS AND EXCEPT Being a parcel of land lying in Sections 31 and 32, Township 36 South, Range 39 East and Sections 5 and 6, Township 37 South, Range 39 East, St. Lucie County, Florida and being more particularly described as follows: COMMENCE at the Northeasterly corner of Grove 3, said lands described in Official Record Book 383, Page 1059, Public Records, St. Lucie County, Florida; thence South 74°03'19" West, along the Northerly line of said Grove 3, a distance of 4636.82 feet; thence North 16°48?28? West, departing said Northerly line, a distance of 52.70 feet; thence North 16°48'28" West, a distance of 63.64 feet; thence North 74°03'44" East, a distance of 67.81 feet; thence North 57°16'41" East, a distance of 51.67 feet; thence North 38°31'24" East, a distance of 73.78 feet; thence North 22°50'39" East, a distance of 50.98 feet to the POINT OF BEGINNING; Thence North 61°20'02" West, a distance of 1685.86 feet; Thence North 58°57'12" West, a distance of 127.57 feet; Thence North 49°19'49" West, a distance of 93.34 feet; Thence North 32°18'49" West, a distance of 178.91 feet; Thence North 25°32'27" West, a distance of 184.36 feet; Thence North 06°00'43" West, a distance of 118.58 feet; Thence North 22°50'28" East, a distance of 467.15 feet; Thence North 31°22'11" East, a distance of 93.05 feet; Thence North 40°40'44" East, a distance of 1124.23 feet; Thence North 44°11'03" East, a distance of 181.77 feet; Thence North 52°20'18" East, a distance of 81.27 feet; Thence South 48°56'38" East, a distance of 3272.46 feet; Thence South 09°19'30" West, a distance of 329.60 feet; Thence South 74°14'21" West, a distance of 1658.09 feet; Thence North 84°42'27" West, a distance of 125.75 feet to the POINT OF BEGINNING.

WPB 871636.1

EXHIBIT "1"

PARCEL 1 (continued)

TRACT TWO

Being a parcel of land lying in Sections 31 and 32, Township 36 South, Range 39 East and Sections 5 and 6, Township 37 South, Range 39 East, St. Lucie County, Florida and being more particularly described as follows:

COMMENCE at the Northeasterly corner of Grove 3, said lands described in Official Record Book 383, Page 1059, Public Records, St. Lucie County, Florida; thence South 74°03'19" West, along the Northerly line of said Grove 3, a distance of 4636.82 feet; thence North 16°48'28" West, departing said Northerly line, a distance of 52.70 feet; thence North 16°48'28" West, a distance of 63.64 feet; thence North 74°03'44" East, a distance of 67.81 feet; thence North 57°16'41" East, a distance of 51.67 feet; thence North 38°31'24" East, a distance of 73.78 feet; thence North 22°50'39" East, a distance of 50.98 feet to the POINT OF BEGINNING;

thence North 61°20'02" West, a distance of 1685.86 feet;
thence North 58°57'12" West, a distance of 127.57 feet;
thence North 49°19'49" West, a distance of 93.34 feet;
thence North 32°18'49" West, a distance of 178.91 feet;
thence North 25°32'27" West, a distance of 184.36 feet;
thence North 06°00'43" West, a distance of 118.58 feet;
thence North 22°50'28" East, a distance of 467.15 feet;
thence North 31°22'11" East, a distance of 93.05 feet;
thence North 40°40'44" East, a distance of 1124.23 feet;
thence North 44°11'03" East, a distance of 181.77 feet;
thence North 52°20'18" East, a distance of 81.27 feet;
thence South 48°56'38" East, a distance of 3272.46 feet;
thence South 09°19'30" West, a distance of 329.60 feet;
thence South 74°14'21" West, a distance of 1658.09 feet;
thence North 84°42'27" West, a distance of 125.75 feet to the POINT OF BEGINNING.

LESS AND EXCEPT A PARCEL OF LAND LYING IN SECTION 5 AND 6, TOWNSHIP 37 SOUTH, RANGE 39 EAST, ST. LUCIE COUNTY, FLORIDA AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGIN AT THE INTERSECTION OF THE EAST LINE OF THAT CERTAIN FLORIDA POWER AND LIGHT COMPANY EASEMENT AGREEMENT AS RECORDED IN OFFICIAL RECORDS BOOK 767, PAGE 2676, PUBLIC RECORDS OF ST. LUCIE COUNTY, FLORIDA AND THE NORTH LINE OF THAT CERTAIN PARCEL OF LAND DESCRIBED IN OFFICIAL RECORDS BOOK 2186, PAGE 548, PUBLIC RECORDS OF ST. LUCIE COUNTY, FLORIDA; THENCE NORTH 14°45'25" WEST, ALONG SAID EAST LINE OF FLORIDA POWER AND LIGHT COMPANY EASEMENT, A DISTANCE OF 789.36 FEET; THENCE CONTINUE NORTH 01°58'48" WEST, ALONG SAID EAST LINE, A DISTANCE OF 235.96 FEET; THENCE NORTH 74°05'51" EAST, DEPARTING SAID EAST LINE, A DISTANCE OF 1124.39 FEET; THENCE SOUTH 15°54'09" EAST, A DISTANCE OF 1181.91 FEET TO SAID NORTH LINE OF THAT CERTAIN PARCEL OF LAND DESCRIBED IN OFFICIAL RECORDS BOOK 2186, PAGE 548; SAID POINT

EXHIBIT "1"

PARCEL 1 (continued)

BEING A POINT ON A CURVE CONCAVE TO THE NORTHWEST, HAVING A RADIUS OF 22,918.00 FEET, THE RADIUS POINT OF WHICH BEARS NORTH 09°37'34" WEST; THENCE SOUTHWESTERLY ALONG SAID NORTH LINE AND ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 03°01'14", A DISTANCE OF 1208.23 FEET TO THE POINT OF BEGINNING. (Commercial Parcel in Western Grove)

AND LESS AND EXCEPT A PARCEL OF LAND LYING IN SECTION 4, 5 AND 6, TOWNSHIP 37 SOUTH, RANGE 39 EAST, ST. LUCIE COUNTY, FLORIDA AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE INTERSECTION OF THE SOUTHEASTERLY RIGHT-OF-WAY LINE OF THE FLORIDA EAST COAST RAILWAY CO. "FORT PIERCE CUT-OFF" AS SHOWN ON PAGES V. 3D/6 AND V. 3D/7, DATED FEBRUARY 1, 1950 WITH TRACT CORRECT REVISION DATED 4/28/67 AND THE SOUTHWESTERLY RIGHT-OF-WAY LINE OF SOUTH FLORIDA WATER MANAGEMENT DISTRICT CANAL C-24; THENCE RUN SOUTH 44°46'01" WEST ALONG THE SOUTHEASTERLY RIGHT-OF-WAY LINE OF THE FLORIDA EAST COAST RAILWAY CO. 5069.40 FEET TO THE WEST LINE OF SECTION 29, TOWNSHIP 36 SOUTH, RANGE 39 EAST; THENCE SOUTH 04°13'20" EAST ALONG SAID WEST LINE 258.80 FEET TO THE NORTHEAST CORNER OF SECTION 31, TOWNSHIP 36 SOUTH, RANGE 39 EAST; THENCE SOUTH 89°40'25" WEST, ALONG THE NORTH LINE OF SAID SECTION 31, A DISTANCE OF 312.03 FEET TO SAID SOUTHEASTERLY RIGHT-OF-WAY LINE OF THE FLORIDA EAST COAST RAILWAY CO.; THENCE SOUTH 44°46'01" WEST, ALONG SAID RIGHT-OF-WAY LINE 7402.57 FEET TO THE EAST RIGHT-OF-WAY LINE OF STATE ROAD S-609 AS SHOWN ON THE FLORIDA DEPARTMENT OF TRANSPORTATION RIGHT-OF-WAY MAP DATED 11/5/64 AND REVISED JANUARY 1965; THENCE SOUTH 00°08'55" EAST ALONG SAID RIGHT-OF-WAY LINE 156.89 FEET; THENCE SOUTH 00°01'15" WEST ALONG SAID RIGHT-OF-WAY LINE 2756.07 FEET TO THE POINT OF BEGINNING;

FROM SAID POINT OF BEGINNING RUN THENCE SOUTH 89°58'45" EAST 2278.50 FEET TO A POINT OF CURVE TO THE LEFT, SAID CURVE BEING CONCAVE TO THE NORTHERLY; THENCE EASTERLY AND NORTHEASTERLY ALONG SAID CURVE WITH A RADIUS OF 22918.00 FEET, THROUGH A CENTRAL ANGLE OF 16°00'49", FOR AN ARC DISTANCE OF 6405.36 FEET, THE CHORD OF SAID ARC BEING NORTH 82°00'50" EAST 6384.50 FEET; THENCE NORTH 74°00'26" EAST 3830.74 FEET; THENCE SOUTH 38°44'47" WEST 258.82 FEET; THENCE SOUTH 74°00'26" WEST 1625.09 FEET; THENCE SOUTH 34°54'59" WEST 16.17 FEET; THENCE SOUTH 74°35'02" WEST 625.46 FEET; THENCE SOUTH 74°05'51" WEST 4614.88 FEET; THENCE NORTH 89°58'45" WEST 5508.95 FEET TO SAID RIGHT-OF-WAY OF STATE ROAD S-609; THENCE NORTH 00°01'15" EAST, ALONG SAID RIGHT-OF-WAY, A DISTANCE OF 150.00 TO THE POINT OF BEGINNING. (West Virginia Extension)

EXHIBIT "1"

PARCEL 1 (continued)

TRACT THREE

An easement for the benefit of Parcel 1 as created by Drainage and Irrigation Easement between Tradition Development Company, LLC and Reserve Homes, Ltd., L.P. dated June 30, 2003 recorded in Official Records Book 1745, Page 1913, of the Public Records of St. Lucie County, Florida over the lands described as the "Grantor Parcel" in said Drainage and Irrigation Easement, subject to the terms, provisions and conditions set forth in said instrument.

EXHIBIT "1".

Parcel 2

EGAN PARCEL

GROVE 1:

Being a portion of Sections 28, 29 and 32, Township 36 South, Range 39 East, St. Lucie County, Florida, and being more particularly described as follows:

Begin at the point of intersection of the southeasterly right of way line of the Florida East Coast Railway Co. "Fort Pierce Cut-off" track as shown on right of way maps, Pages V.3d/6 and V.3d/7 dated February 1, 1950 with "track correct" revision dated 4/28/67 and the southwesterly right of way line of South Florida Water Management District Canal C-24 as shown on the right of way map for said Canal C-24, checked dated 11/25/58 and revised 2/23/59; thence S 43 degrees 08 minutes 38 seconds E, along said Canal C-24 right of way line a distance of 2488.08 feet, to a point hereinafter referred to as Point "A"; thence S 35 degrees 05 minutes 51 seconds W a distance of 4892.60 feet; thence N 43 degrees 25 minutes 41 seconds W a distance of 3309.86 feet to the intersection with the aforesaid southeasterly right of way line of the Florida East Coast Railway; thence N 44 degrees 46 minutes 01 seconds E, along said Florida East Coast Railway right of way a distance of 4809.53 feet to the POINT OF BEGINNING.

TOGETHER WITH an easement for drainage and irrigation over the following described property:

Commence at the aforedescribed Point "A"; thence S 43 degrees 08 minutes 38 seconds E, along the aforesaid southwesterly right of way line of South Florida Water Management District Canal C-24, a distance of 347.56 feet to the POINT OF BEGINNING of the following described easement:

Thence continue S 43 degrees 08 minutes 38 seconds E, along said right of way line a distance of 50.00 feet; thence S 46 degrees 51 minutes 22 seconds W a distance of 42.14 feet; thence N 66 degrees 46 minutes 57 seconds W a distance of 64.82 feet; thence N 56 degrees 12 minutes 33 seconds W a distance of 190.72 feet; thence N 79 degrees 11 minutes 38 seconds W a distance of 69.18 feet; thence S 61 degrees 48 minutes 26 seconds W a distance of 141.21 feet, to the Southeasterly boundary of the above described parcel; thence N 35 degrees 05 minutes 51 seconds E, along said Southeasterly boundary a distance of 111.24 feet; thence N 61 degrees 48 minutes 26 seconds E a distance of 59.54 feet; thence S 79 degrees 11 minutes 38 seconds E a distance of 97.05 feet; thence S 56 degrees 12 minutes 33 seconds E a distance of 196.26 feet; thence Section 66 degrees 46 minutes 57 seconds E a distance of 27.50 feet; thence N 46 degrees 51 minutes 22 seconds E a distance of 9.44 feet to the said southwesterly right of way line of said Canal C-24 and the POINT OF BEGINNING.

GROVE 2:

Being a parcel of land lying in Sections 28, 33, and 34, Township 36 South, Range 39 East and Section 4, Township 37 South, Range 39 East, St. Lucie County, Florida and being more particularly described as follows:

Commence at the point of intersection of the South line of said Section 34 and the southwesterly right of way line of the South Florida Water Management District Canal C-24 as shown on the right of way map for said Canal C-24, checked dated 11/25/58 and revised 2/23/59; thence N 43 degrees 08 minutes 38 seconds W, along said southwesterly right of way line of Canal C-24, a distance of 2628.30 feet to the POINT OF BEGINNING of the following described parcel:

Thence continue N 43 degrees 08 minutes 38 seconds W, along said right of way line, a distance of 364.51 feet, to a point hereinafter referred to as Point "A"; thence continue N 43 degrees 08 minutes 38

EXHIBIT "1"

Parcel 2 (Continued)

seconds W, along said right of way a distance of 4812.17 feet; thence S 46 degrees 52 minutes 25 seconds W a distance of 2151.65 feet; thence S 43 degrees 12 minutes 50 seconds E a distance of 4647.83 feet; thence S 43 degrees 58 minutes 20 seconds W a distance of 1282.29 feet to a point hereinafter referred to as Point "B"; thence N 70 degrees 42 minutes 47 seconds E a distance of 440.52 feet; thence N 65 degrees 05 minutes 51 seconds E a distance of 762.00 feet; thence N 24 degrees 54 minutes 09 seconds W a distance of 60.06 feet; thence N 01 degrees 49 minutes 23 seconds E a distance of 1037.87 feet; thence N 17 degrees 05 minutes 14 seconds W a distance of 421.43 feet; thence N 46 degrees 51 minutes 22 seconds E a distance of 63.46 feet to the aforesaid southwesterly right of way line of Canal C-24 and the POINT OF BEGINNING.

Together with an easement for drainage and irrigation being more particularly described as follows:

Begin at aforedescribed Point "B"; thence along the southeasterly boundary of the above parcel by the following courses and distances:
Thence N 70 degrees 42 minutes 47 seconds E a distance of 440.52 feet;
thence N 65 degrees 05 minutes 51 seconds E a distance of 762.00 feet;
thence N 60 degrees 24 minutes 31 seconds E a distance of 793.61 feet;
thence S 89 degrees 08 minutes 58 seconds E a distance of 318.77 feet to the aforesaid southwesterly right of way line of Canal C-24;
thence S 43 degrees 08 minutes 38 seconds E along said right of way line a distance of 139.00 feet;
thence N 89 degrees 08 minutes 58 seconds W a distance of 388.11 feet;
thence S 60 degrees 24 minutes 31 seconds W a distance of 770.50 feet;
thence S 65 degrees 05 minutes 51 seconds W a distance of 771.00 feet;
thence S 70 degrees 42 minutes 47 seconds W a distance of 399.46 feet;
thence N 43 degrees 58 minutes 20 seconds W a distance of 110.06 feet to the POINT OF BEGINNING.

Subject to an easement for ingress and egress, being 15.00 feet in width, lying 7.50 feet each side of the following described centerline.
BEGIN at the aforedescribed Point "A"; thence S 02 degrees 40 minutes 10 seconds E a distance of 4.30 feet to the beginning of a curve concave to the northwest having a radius of 130.00 feet; thence southwesterly along the arc of said curve a distance of 112.33 feet; through an angle of 49 degrees 30 minutes 25 seconds; thence S 46 degrees 50 minutes 15 seconds W a distance of 2041.23 feet to the southwesterly boundary of the parcel first described above and the POINT OF TERMINATION of easement, said easement being bounded on the northeast by the southwesterly right of way line of aforesaid Canal C-24 and on the southwest by the southwesterly boundary of the parcel first described above.

EGAN PARCEL

TRACT 2 GROVE 2:

Being a parcel of land lying in Sections 33 and 34, Township 36 South, Range 39 East, St. Lucie County, Florida and being more particularly described as follows:

Commence at the intersection of the south line of said section 34 and the southwesterly right of way line of the South Florida Water Management District Canal C-24 as shown on the right of way map for said Canal C-24, sheet 11 of 16, and last revised 4/21/61. Thence north 43 degrees 08 minutes 38 seconds West, along said right of way line, a distance of 1050.96 feet to the point of beginning of the following

EXHIBIT "1"

Parcel 2 (Continued)

described parcel:
Thence continue north 43 degrees 08 minutes 38 seconds West a distance of 1577.34 feet;
thence south 46 degrees 51 minutes 22 seconds west a distance of 63.46 feet:
thence south 17 degrees 05 minutes 14 seconds east a distance of 421.43 feet;
thence south 01 degrees 49 minutes 23 seconds West a distance of 1037.87 feet;
thence south 24 degrees 54 minutes 09 seconds east a distance of 60.06 feet;
thence north 60 degrees 24 minutes 31 seconds east a distance of 793.61 feet;
thence south 89 degrees 08 minutes 58 seconds east a distance of 318.77 feet to the point of beginning.

EASEMENT NO. 1:

An easement for ingress and egress 30.00 feet in width lying 15 feet each side of the centerline in Township 36 South, Range 39 East and Township 37 South, Range 39 East the centerline of which being described as follows:

Beginning at a point on a Westerly prolongation of the centerline of Gatlin Boulevard as shown on Florida Department of Transportation right-of-way maps for State Road 9 (I-95) Section 94001-2412, dated 6/22/77, with last revision of 9/11/79, said point being 15 feet westerly of the west toe of spoil lying west of the "Borrow Canal"; thence northerly, 15 feet westerly of, as measured at right angles, and parallel with said west toe of spoil of the "Borrow Canal"; thence easterly, northeasterly, northerly and northwesterly, 15 feet distance from, as measured at right angles and parallel with the said toe of spoil of the "Borrow Canal" to a point 15 feet southerly of, as measured at right angles, the south toe of spoil south of the Canal South of the north line of Section 10, Township 37 South, Range 39 East; thence Westerly parallel with the said south toe of spoil to the intersection with a line 15 feet westerly of, as measured at right angles, the West toe of spoil lying West of a Canal west of the east line of Section 4, Township 37 South, Range 39 East; thence Northerly parallel with the said west toe of spoil of said Canal and the Northerly prolongation thereof to the Southeasterly boundary of "Grove 2".

EASEMENT NO. 2:

An easement for ingress and egress 30.00 feet in width lying in Township 36 South, Range 39 East and Township 37 South, Range 39 East being bounded as follows:
On the northeast by the ingress and egress easement from Gatlin Boulevard to said "Grove 2"; on the Northwest by the southerly toe of slope of the spoil bank south of the "O.L. Peacock Canal"; on the southwest by the 20.00 feet wide ingress and egress easement from "Grove 1", to "Grove 3', on the southeast by a line 30.00 feet southeasterly of, as measured at right angles, and parallel with the aforedescribed northwest boundary.

EXHIBIT "1"

PARCEL 3

DUDA PARCEL

A parcel of land lying in Sections 28, 29, 31, 32 and 33 Township 36 South, Range 39 East; and Sections 4 and 5, Township 37 South, Range 39 East, St. Lucie County, Florida, being more particularly described as follows:

COMMENCE at the intersection of the Southeasterly right-of-way line of the Florida East Coast Railway Co. "Fort Pierce Cut-Off" Track as shown on Pages V. 3d/6 and V. 3d/7, dated February 1, 1950 with Tract Correct revision dated 4/28/67 and the Southwesterly right-of-way line of South Florida Water Management District Canal C-24; thence run S 44°46'02" W, a distance of 4809.54 feet to the Northwesterly corner of lands described in Official Record Book 477, Page 560, Public Records, St. Lucie County, Florida and the POINT OF BEGINNING; thence South 43°25'41" East, along the westerly line of said lands, a distance of 3309.86 feet to the Southwesterly corner of the aforesaid lands; thence North 35°05'51" East, along the Southerly line of the aforesaid lands, a distance of 4892.60 feet to the Southwesterly right-of-way line of the aforesaid South Florida Water Management Districts C-24 Canal; along the aforesaid Southwesterly Right-of-Way Line South 43°08'38" East, a distance of 2327.32 feet to the Northern most point of Grove 2 as described in Official Record Book 477, Page 560, Public Records, St. Lucie County, Florida; thence departing the aforesaid Southwesterly right- of-way line of the C-24 Canal South 46°52'25" West, along the Northwesterly line of the aforesaid Grove 2, a distance of 2151.65 feet; thence South 43°12'50" East, along the Southwesterly line of Grove 2, a distance of 4647.83 feet to the intersection with the Northerly line of those lands described in Official Record Book 658, Page 110, Public Records, St. Lucie County, Florida; thence South 51°16'22" West, along said Northerly line, a distance of 950.05 feet to the intersection with the Northerly line of the Peacock Cemetery Parcel as described in Official Records Book 369, Page 1166, Public Records, St. Lucie County, Florida; thence along said Northerly and Westerly line of said Cemetery parcel, the following courses and distances: South 45°15'13" West, a distance of 400.02 feet; thence South 38°44'44" West, a distance of 1227.76 feet; thence South 27°11'26" East, a distance of 67.85 feet to the Northerly top of bank of O.L. Peacock Canal; thence along the northerly top of bank of said O.L. Peacock Canal, the following courses and distances:

South 75°29'17" West, a distance of 65.34 feet;
Thence South 72°49'14" West, a distance of 56.76 feet;
Thence South 74°47'53" West, a distance of 186.47 feet;
Thence South 74°19'03" West, a distance of 254.27 feet;
Thence South 73°21'27" West, a distance of 169.47 feet;
Thence South 74°55'09" West, a distance of 277.14 feet;
Thence South 73°51'40" West, a distance of 276.70 feet;
Thence South 70°57'21" West, a distance of 154.19 feet;
Thence South 74°10'23" West, a distance of 128.57 feet;
Thence South 72°03'14" West, a distance of 107.48 feet;
Thence South 78°34'38" West, a distance of 102.69 feet;
Thence South 75°04'05" West, a distance of 194.77 feet;
Thence South 72°33'58" West, a distance of 75.48 feet;
Thence South 75°55'30" West, a distance of 157.24 feet;
Thence South 71°39'51" West, a distance of 59.39 feet;

Thence North 34°54'59" West, departing said top of bank, a distance of 4760.96 feet; thence North 45°07'48" West, a distance of 3688.37 feet; thence North 44°46'02" East, a distance of 728.76 feet to the intersection with the South line of Section 30, Township 36 South, Range 39 East, St Lucie County, Florida; thence North 89°40'25" East, along said South line, a distance of 312.01 feet to the Southeast corner of said Section 30;

EXHIBIT "1"

PARCEL 3 (continued)

thence North 04°13'20" West, along the East line of said Section 30, a distance of 258.80 feet to the Southeasterly Right-of-Way line of the aforesaid Florida East Coast Railway; thence North 44°46'02" East, along said Southeasterly Right-of-Way line, a distance of 259.86 feet to the POINT OF BEGINNING.

EXHIBIT "1"

PARCEL 4

UNRECORDED MONTAGE PLATS NORTH OF C-24 CANAL

A parcel of land being a portion of Section 28, 29, 33 and 34, Township 36 South, Range 39 East, St. Lucie County, Florida, being more particularly described as follows:

Begin at the intersection of the southeasterly right-of-way line of the Florida East Coast Railroad and the northeasterly right-of-way line of South Florida Water Management District Canal No. C-24; thence North 44°45'38" East, along said southeasterly right-of-way line, a distance of 1,221.80 feet to the easterly prolongation of the southerly line of Sabal Creek, Phase II, according to the plat thereof, as recorded in Plat Book 24, Pages 1, 1A, 1B and 1C, Public Records of St. Lucie County, Florida; thence South 43°34'29" East, departing said right-of-way line, along the said southerly prolongation and the south line of the aforementioned plat and the southerly line of Sabal Creek, Phase IV, according to the plat thereof, as recorded in Plat Book 24, Pages 17 and 17A, Public Records of St. Lucie County, Florida, a distance of 5,340.48 feet; thence continuing along the southerly line of Sabal Creek, Phase IV, according to the plat thereof, as recorded in Plat Book 24, Pages 17 and 17A, Public Records of St. Lucie County, Florida, South 43°09'01" East, a distance of 1,026.26 feet to the southeast corner of Sabal Creek, Phase IV, according to the plat thereof, as recorded in Plat Book 24, Pages 17 and 17A, Public Records of St. Lucie County, Florida; thence North 45°11'03" East, along the east line of said plat, a distance of 0.99 feet; thence South 43°08'40" East, departing said east line, a distance of 52.97 feet; thence South 43°09'00" East, a distance of 331.07 feet; thence South 43°08'32" East, a distance of 3671.33 feet; thence South 72°42'41" East, a distance of 217.77 feet to the northwesterly line of that certain parcel of land described in Special Warranty Deed, as recorded in Official Records Book 1577, Page 1222, Public Records of St. Lucie County, Florida; thence North 61°51'31" East, along said northwesterly line, a distance of 188.61 feet to the northerly corner of said certain parcel of land; thence South 43°08'30" East, along the northeasterly line and easterly prolongation of said certain parcel of land, a distance of 2361.96 feet to the north line of that certain parcel of land described in Official Records Book 1547, Page 490, Public Records of St. Lucie County, Florida; said point being parallel with and 1024.10 feet northerly of, as measured at right angles to the south line of said Section 34; thence North 89°52'17" East, along said north line and parallel line, a distance of 1211.13 feet to a point on a non-tangent curve, concave to the northwest, having a radius of 2060.00 feet, the radius point of which bears North 50°24'45" West; thence southwesterly, departing said north line and parallel line, along the arc of said curve through a central angle of 03°00'41", a distance of 108.27 feet to the point of tangency; thence South 42°35'56" West, a distance of 556.01 feet to the point of curvature of a curve concave to the northwest, having a radius of 776.00 feet; thence southwesterly along the arc of said curve through a central angle of 07°36'31", a distance of 103.05 feet to the point of compound curvature of a curve concave to the northwest, having a radius of 1639.50 feet; thence southwesterly along the arc of said curve through a central angle of 19°59'18", a distance of 571.96 feet; thence South 89°56'01" West, a distance of 1531.40 feet to said northeasterly right-of-way line of South Florida Water Management District Canal No. C-24; thence North 43°08'36" West, along said right-of-way line, a distance of 12,679.36 feet to the point of beginning.

EXHIBIT "Z"

PARCEL 4 (continued)

LESS AND EXCEPT that property contained in All of the Plat of Montage PUD No. 1, according to the Plat thereof as recorded in Plat Book 49, Page 23, Public Records of St. Lucie County, Florida.

EXHIBIT "1"

PARCEL 5

RECORDED MONTAGE PLAT

All of the Plat of Montage PUD No. 1, according to the Plat thereof as recorded in Plat Book 49, Page 23, Public Records of St. Lucie County, Florida, LESS AND EXCEPT the Commercial Tract.

EXHIBIT 2

ARTICLES OF INCORPORATION

State of Florida

Department of State

I certify from the records of this office that VERANO PROPERTY OWNERS ASSOCIATION, INC. is a corporation organized under the laws of the State of Florida, filed on March 28, 2006.

The document number of this corporation is N06000003438.

I further certify that said corporation has paid all fees due this office through December 31, 2006, and its status is active.

I further certify that said corporation has not filed Articles of Dissolution.

I further certify that this is an electronically transmitted certificate authorized by section 15.16, Florida Statutes, and authenticated by the code, 706A00021274-032906-N06000003438-1/1, noted below.

Authentication Code: 706A00021274-032906-N06000003438-1/1

Given under my hand and the
Great Seal of the State of Florida,
at Tallahassee, the Capital, this the
Twenty-ninth day of March, 2006

GREAT SEAL OF THE STATE OF FLORIDA
IN GOD WE TRUST

Sue M. Cobb

Sue M. Cobb
Secretary of State

State of Florida

Department of State

I certify the attached is a true and correct copy of the Articles of Incorporation of VERANO PROPERTY OWNERS ASSOCIATION, INC., a Florida corporation, filed on March 28, 2006, as shown by the records of this office.

I further certify the document was electronically received under FAX audit number H06000082521. This certificate is issued in accordance with section 15.16, Florida Statutes, and authenticated by the code noted below

The document number of this corporation is N06000003438.

Authentication Code: 706A00021274-032906-N06000003438-1/1

Given under my hand and the
Great Seal of the State of Florida,
at Tallahassee, the Capital, this the
Twenty-ninth day of March, 2006

Sue M. Cobb

Sue M. Cobb
Secretary of State

ARTICLES OF INCORPORATION
OF
VERANO PROPERTY OWNERS ASSOCIATION, INC.
(A CORPORATION NOT FOR PROFIT)

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ARTICLES OF INCORPORATION
OF
VERANO PROPERTY OWNERS ASSOCIATION, INC.
(A 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 VERANO PROPERTY OWNERS ASSOCIATION, INC. ("**Association**").

2. Principal Office. The principal office of Association is 9700 Reserve Blvd., Port St. Lucie, FL 34986.

3. Registered Office - Registered Agent. The street address of the Registered Office of Association is 200 South Biscayne Blvd., Suite 3400, Miami, Florida 33131. The name of the Registered Agent of Association is:

PATRICIA KIMBALL FLETCHER, P.A.

4. Definitions. A declaration entitled Declaration for Verano (the "**Declaration**") will be recorded in the Public Records of St. Lucie County, Florida, and shall govern all of the operations of a community to be known as Verano. All initially capitalized terms not defined herein shall have the meanings set forth in the Declaration.

5. Purpose of Association. Association is formed to: (a) provide for ownership, operation, maintenance and preservation of the Common Areas, and improvements thereon; (b) perform the duties delegated to it in the Declaration; (c) administer the interests of Association and the Owners; (d) promote the health and welfare of the Owners.

6. Not for Profit. Association is a not for profit Florida corporation and does not contemplate pecuniary gain to, or profit for, its members.

7. Powers of Association. Association shall, subject to the limitations and reservations set forth in the Declaration, have all the powers, privileges and duties reasonably necessary to discharge its obligations, including, but not limited to, the following:

7.1. To perform all the duties and obligations of Association set forth in the Declaration and By-Laws, as herein provided.

7.2. To enforce, by legal action or otherwise, the provisions of the Declaration and By-Laws and of all rules, regulations, covenants, restrictions and agreements governing or binding Association and Verano.

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

7.4. To pay all Operating Costs, including, but not limited to, all licenses, taxes or governmental charges levied or imposed against the property of Association.

7.5. 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 Association except as limited by the Declaration.

7.6. 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.

7.7. To dedicate, grant, license, lease, concession, create easements upon, sell or transfer all or any part of Verano to any public agency, entity, authority, utility or other person or entity for such purposes and subject to such conditions as it determines and as provided in the Declaration.

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

7.9. To adopt, publish, promulgate or enforce rules, regulations, covenants, restrictions or agreements governing Association, Verano, the Common Areas, Lots, Parcels, Commercial Units and Homes as provided in the Declaration and to effectuate all of the purposes for which Association is organized.

7.10. 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 may now, or hereafter, have or exercise.

7.11. To employ personnel and retain independent contractors to contract for management of Association, Verano, 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 Association.

7.12. To contract for services to be provided to, or for the benefit of, Association, Owners, the Common Areas, and Verano as provided in the Declaration, such as, but not limited to, Telecommunications Services, maintenance, garbage pick-up, and utility services.

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

7.14. The obligation to operate and maintain the Surface Water Management System within Verano (including, without limitation, all retention areas, culverts and related appurtenances, if any) in a manner consistent with the applicable South Florida Water Management District ("SFWMD") Permit requirements and applicable SFWMD rules, and to assist in the enforcement of the Declaration which relate to the Surface Water Management System.

7.15. To contract with the Verano Center Community Development District, Verano #1 Community Development District, Verano #2 Community Development District, Verano #3 Community Development District, Verano #4 Community Development District, Verano #5 Community Development District, their successors and/or assigns for any legal purpose.

8. Voting Rights. Owners and Developer shall have the voting rights set forth in the By-Laws.

9. Board of Directors. The initial number of directors shall be three (3). Board members shall be appointed and/or elected as stated in the By-Laws. The names and addresses of the members of the first Board who shall hold office until their successors are appointed or elected, or until removed, are as follows:

NAME	ADDRESS
Roy Davidson	9700 Reserve Blvd. Port St. Lucie, FL 34986
George Fingulin	2160 Reserve Park Trace Port St. Lucie, FL 34986
Kevin Volter	1601 Forum Place, Suite 805 West Palm Beach, FL 33401

10. Dissolution. In the event of the dissolution of Association other than incident to a merger or consolidation, any member may petition the Circuit Court having jurisdiction of the Judicial Circuit of the State of Florida for the appointment of a receiver to manage its affairs of the dissolved Association and to manage the Common Areas, in the place and stead of Association, and to make such provisions as may be necessary for the continued management of the affairs of the dissolved Association and its properties. In addition, if 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.

11. Duration. Association shall have perpetual existence.

12. Amendments.

12.1. General Restrictions on Amendments. Notwithstanding any other provision herein to the contrary, no amendment to these Articles shall affect the rights of Developer and/or Club Owner unless such amendment receives the prior written consent of Developer, as applicable, which may be withheld for any reason whatsoever. If the prior written approval of any governmental entity or agency having jurisdiction is required by applicable law or governmental regulation for any amendment to these Articles, then the prior written consent of such entity or agency must also be obtained. No amendment shall be effective until it is recorded in the Public Records. Notwithstanding the foregoing, no amendment to these Articles shall adversely affect the rights of Developer or Club Owner.

12.2. Amendments Prior to and Including the Turnover Date. Prior to and including the Turnover Date, Developer shall have the right to amend these Articles as it deems appropriate, without the joinder or consent of any person or entity whatsoever. Developer's right to amend under this Section is to be construed as broadly as possible. In the event that Association shall desire to amend these Articles prior to and including the Turnover Date, Association must first obtain Developer's prior written consent to any proposed amendment. Thereafter, an amendment identical to that approved by Developer may be adopted by Association pursuant to the requirements for amendments from and after the Turnover Date. Thereafter, Developer shall join in such identical amendment so that its consent to the same will be reflected in the Public Records.

12.3. Amendments After the Turnover Date. After the Turnover Date, but subject to the general restrictions on amendments set forth above, these Articles may be amended with the approval of (i) two-thirds (66 2/3%) of the Board and (ii) seventy-five percent (75%) of the votes present (in person or by proxy), represented by the Delegates (as defined in the By-Laws), at a duly called meeting of the Members in which there is a quorum.

13. Limitations.

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

13.2. Rights of Developer. There shall be no amendment to these Articles which shall abridge, reduce, amend, effect or modify the rights of Developer and/or Club Owner.

13.3. By-Laws. These Articles shall not be amended in a manner that conflicts with the By-Laws.

14. Incorporator. The name and address of the Incorporator of this corporation is:

Patricia Kimball Fletcher, Esq.
Patricia Kimball Fletcher, P.A.
Duane Morris LLP
200 South Biscayne Blvd., Suite 3400
Miami, Florida 33131

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

President	Roy Davidson 9700 Reserve Blvd. Port St. Lucie, FL 34986
Vice President	George Fingulin 2160 Reserve Park Trace Port St. Lucie, Fl 34986
Secretary	Larry Ieropoli 9700 Reserve Blvd. Port St. Lucie, FL 34986
Treasurer	Kevin Voller 1601 Forum Place, Suite 805 West Palm Beach, FL 33401

16. Indemnification of Officers and Directors. Association shall and does hereby indemnify and hold harmless every Director and every Officer, their heirs, executors and administrators, against all loss, cost and expenses reasonably incurred in connection with any action, suit or proceeding to which such Director or Officer may be made a party by reason of being or having been a Director or Officer of Association, including reasonable counsel fees and paraprofessional fees at all levels of proceeding. This indemnification shall not apply to matters wherein the Director or Officer shall be finally adjudged in such action, suit or proceeding to be liable for or guilty of gross negligence or willful misconduct. The foregoing rights shall be in addition to, and not exclusive of, all other rights to which such Director or Officers may be entitled.

[ADDITIONAL TEXT AND SIGNATURE APPEAR ON FOLLOWING PAGE]

17. Transactions in Which Directors or Officers are Interested. No contract or transaction between Association and one (1) or more of its Directors or Officers or Developer, or between Association and any other corporation, partnership, association, or other organization in which one (1) or more of its Officers or Directors are officers, directors or employees or otherwise interested 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 Officers' or Directors' votes are counted for such purpose. No Director or Officer of Association shall incur liability by reason of the fact that such Director or Officer may be interested in any such contract or transaction. Interested Directors 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 authorized the contract or transaction.

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of Florida, the undersigned, being the Incorporator of this Association, has executed these Articles of Incorporation as of this 28 day of March, 2006.

WITNESSES:

Print name: Elpidio Padilla

Print name: Jacqueline E. Johnson

Patricia K Fletcher
Patricia Kimball Fletcher, Esq., as President of PATRICIA KIMBALL FLETCHER, P.A.

STATE OF FLORIDA)
) SS.:
COUNTY OF MIAMI-DADE)

The foregoing instrument was acknowledged before me this 28 day of March 2006 by Patricia Kimball Fletcher as President of PATRICIA KIMBALL FLETCHER, P.A. who is personally known to me.

My commission expires:

OFFICIAL NOTARY SEAL
MAXINE C PAPY
NOTARY PUBLIC STATE OF FLORIDA
COMMISSION NO. DD175063
MY COMMISSION EXP. DEC. 30,2006

Maxine C. Papy
NOTARY PUBLIC, State of Florida
at Large
Print name: MAXINE C. PAPY

ACCEPTANCE BY REGISTERED AGENT

The undersigned, having been named to accept service of process for the above-stated corporation at the place designated in this certificate, hereby agrees to act in this capacity, and is familiar with, and accepts, the obligations of this position and further agrees to comply with the provisions of all statutes relative to the proper and complete performance of its duties.

Dated this 28 day of March, 2006.

PATRICIA KIMBALL FLETCHER, P.A.

By: Patricia K Fletcher
PATRICIA KIMBALL FLETCHER, ESQ.
as President

EXHIBIT 3

BY-LAWS

BY-LAWS

OF

VERANO PROPERTY OWNERS ASSOCIATION, INC.

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BY-LAWS

OF

VERANO PROPERTY OWNERS

ASSOCIATION, INC.

1. Name and Location. The name of the corporation is Verano Property Owners Association, Inc. ("**Association**"). The principal office of the corporation shall be located at 9700 Reserve Blvd., Port St. Lucie, FL 34986, or at such other location determined by the Board of Directors (the "**Board**") from time to time.

2. Definitions. The definitions contained in the Declaration for Verano (the "**Declaration**") relating to the residential community known as Verano, recorded, or to be recorded, in the Public Records of St. Lucie County, Florida, are incorporated herein by reference and made a part hereof. In addition to the terms defined in the Declaration, the following terms shall have the meanings set forth below:

"**Annual Members Meeting**" shall have the meaning assigned to such term in Section 3.2 of these By-Laws.

"**Articles**" shall mean the Articles of Incorporation for Association, as amended from time to time.

"**By-Laws**" shall mean these By-Laws, together with all amendments and modifications thereof.

"**Declaration**" shall mean the Declaration as modified from time to time.

"**Delegate**" shall have the meaning set forth in Section 4.6.2.1 hereof. Delegates shall be the only Members entitled to vote the Voting Interests.

"**Developer**" shall mean Verano Development LLC., a Delaware limited liability company, and any of its designees, successors and assigns who receive a written assignment of all or some of the rights of Developer hereunder. Such assignment need not be recorded in the Public Records in order to be effective. In the event of such a partial assignment, the assignee shall not be deemed Developer, but may exercise such rights of Developer specifically assigned to it. Any such assignment may be made on a non-exclusive basis.

"**Member**" shall mean a member of Association.

"**Minutes**" shall mean the minutes of all Member and Board meetings, which shall be in the form required by the Florida Statutes. In the absence of governing Florida Statutes, the Board shall determine the form of the minutes.

"**Official Records**" shall mean all records required to be maintained by Association pursuant to Section 720.303(4) of the Florida Statutes, as amended from time to time.

"**Special Members Meeting**" shall have the meaning assigned to such term in Section 3.3 of these By-Laws.

"**Turnover Date**" shall have the meaning set forth in the Declaration.

"**Voting Interests**" shall mean the voting rights held by the Members and exercised by Delegates.

3. Members.

3.1 Voting Interests. Each Owner and Developer shall be a Member of Association. No person who holds an interest in a Home or Commercial Unit only as security for the performance of an obligation shall be a Member of Association. Membership shall be appurtenant to, and may not be separated from, ownership of any Home or Commercial Unit. Votes by Members shall be exercised as follows:

3.1.1 Home. There shall be one (1) vote for each Home.

3.1.2 Granny Flat. There shall be one-half (1/2) vote for each Granny Flat.

3.1.3 Apartment Unit. There shall be one-quarter (1/4) vote for each Apartment Unit. Immediately after an Apartment Building is converted to condominium form of ownership, each Apartment Unit shall have one (1) vote.

3.1.4 Commercial Unit. Each Commercial Unit other than Institutional Units shall have one (1) vote per Land Point.

3.1.5 Institutional Unit. Institutional Units shall have no votes but shall have all other privileges of Members.

3.1.6 Club Owner. The Club Owner shall have one (1) vote.

3.2 Annual Meetings. The annual meeting of the Delegates (the "**Annual Members Meeting**") shall be held at least once each calendar year on a date, at a time, and at a place to be determined by the Board.

3.3 Special Meetings of the Members. Special meetings of the Delegates (a "**Special Members Meeting**") may be called by the President, a majority of the Board, or upon written request of Delegates entitled to cast ten percent (10%) of the Voting Interests of the Members. The business to be conducted at a Special Members Meeting shall be limited to the extent required by Florida Statutes.

3.4 Notice of Members Meetings. Written notice of each Members meeting shall be given by, or at the direction of, any officer of the Board or any management company retained by Association. A copy of the notice shall be mailed to each Delegate entitled to vote, postage prepaid, not less than ten (10) days before the meeting (provided, however, in the case of an emergency, two (2) days' notice will be deemed sufficient). The notice shall be addressed to the Delegate's address last appearing on the books of Association. 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. Delegates shall be responsible for notifying Members of their respective Village of any Members 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 Delegates of the Annual Members Meeting or a Special Members Meeting. By way of example, and not of limitation, such notice may be included in a newsletter sent to each of the Delegates by Association or via an intranet website for Verano.

3.5 Quorum of Delegates. Until and including the Turnover Date, a quorum shall be established by Developer's presence, in person or by proxy, at any meeting. After the Turnover Date, a quorum shall be established by the presence, in person or by proxy, of the Delegates entitled to cast twenty percent (20%) of the Voting Interests of Members, except as otherwise provided in the Articles, the Declaration, or these By-Laws. Notwithstanding any provision herein to the contrary, in the event that technology permits Delegates to participate in Members Meetings and vote on matters electronically, then the Board shall have authority, without the joinder of any other party, to revise this provision to establish appropriate quorum requirements.

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

3.7 Action of Delegates. Decisions that require a vote of the Delegates must be made by a concurrence of a majority of the Voting Interests present in person or by proxy, represented at a meeting at which a quorum has been obtained unless provided otherwise in the Declaration, the Articles, or these By-Laws.

3.8 Proxies. At all meetings, Delegates may vote the Voting Interests of their respective Village in person or by proxy. All proxies shall comply with the provisions of Section 720.306(6) of the Florida Statutes, as amended form time to time, be in writing, and be filed with the Secretary at, or prior to, the meeting. Every proxy shall be revocable prior to the meeting for which it is given.

4. Board of Directors.

4.1 Number. The affairs of Association shall be managed by a Board consisting of not less than three (3) persons. Board members appointed by Developer need not be Members of Association. Board members elected by Delegates must be Members of Association.

4.2 Term of Office. The election of Directors shall take place after Developer no longer has the authority to appoint the Board and shall take place on the Turnover Date. Directors shall be elected for a term ending upon the election of new Directors at the following Annual Members Meeting (except that the term of the Board appointed by the Developer shall extend until the date designated by Developer, or until the Turnover Date).

4.3 Removal. Any vacancy created by the resignation or removal of a Board member appointed by Developer may be replaced by Developer. Developer may replace or remove any Board member appointed by Developer in Developer's sole and absolute discretion. In the event of death or resignation of a Director elected by the Delegates, the remaining Directors may fill such vacancy. Directors elected by Delegates may be removed with or without cause by the vote or agreement in writing of Delegates holding a majority of the Voting Interests.

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

4.5 Action Taken Without a Meeting. Except to the extent prohibited by law, the Board 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 taken at a meeting of Directors.

4.6 Appointment and Election of Directors.

4.6.1 Prior to the Turnover Date. Prior to the Turnover Date, the Board shall consist of three (3) members. Developer shall have the unrestricted power to appoint all Directors of Association.

4.6.2 After the Turnover Date. From and after the Turnover Date, or such earlier date determined by Developer in its sole and absolute discretion, the number of Directors will be determined by the Board.

4.6.2.1 Each Village and Commercial Unit shall be represented by an individual (the "**Delegate**"). The president of each Village Association shall serve as that Village's Delegate. If a Commercial Unit is converted to condominium form of ownership, then the president of such commercial condominium association shall be the Delegate.

4.6.2.2 Each Village Delegate shall have one (1) vote for each Home located within such Delegate's Village. Each Commercial Unit Delegate shall have one (1) vote for each Land Point. The Delegates shall appoint and/or elect from amongst themselves the Directors of Association on the Turnover Date and thereafter such appointment and/or election shall occur at or in conjunction with the Annual Members Meeting. Directors shall be elected for a term expiring on the date of the next annual meeting.

4.7 Election. Election to the Board shall be by secret written ballot, unless unanimously waived by all Delegates present. The Delegates receiving the largest numbers of votes shall be elected. Cumulative voting of the Voting Interests held by Delegates for purposes of electing Directors is permitted.

4.8 Fiduciary Duty of Directors. Directors shall act in good faith in the performance of all duties.

5. Meeting of Directors.

5.1 Regular Meetings. Regular meetings of the Board shall be held on a schedule adopted by the Board from time to time. Meetings shall be held at such place, hour and date as may be fixed, from time to time, by resolution of the Board.

5.2 Special Meetings. Special meetings of the Board shall be held when called by the President, or by any two (2) Directors. Each Director shall be given not less than two (2) days' notice except in the event of an emergency. Notice may be waived. Attendance shall be a waiver of notice. Telephone conference meetings are permitted.

5.3 Emergencies. 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 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 Association as shall be reasonably required to appropriately respond to the emergency situation, including the expenditure of Association funds in the minimum amount as may reasonably be 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 or a meeting of the Board convened to act in response thereto.

5.4 Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a duly held meeting, at which a quorum is present, or in writing in lieu thereof, shall be action of the Board.

5.5 Open Meetings. Meetings of the Board shall be open to all Members whose participation shall be through their respective Delegate only, and shall be permitted with Board acknowledgement or upon advance request through an item properly placed on the Board meeting agenda.

5.6 Voting. Board Members 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 shall be cast.

5.7 Notice of Board Meetings. Notices of meetings of the Board shall be posted in a conspicuous place on the Common Areas and/or in the Club at least 48 hours in advance, except in an event of an emergency. Alternatively, notice may be given to Delegates in any other manner provided by Florida Statute. By way of example, and not of limitation, notice may be given in any Club newsletter distributed to the Delegates and/or Members. For the purposes of giving notice, the area for notices to be posted within the Club shall be deemed a conspicuous place. Notices of any meetings of the Board at which Assessments against Homes are to be established shall specifically contain a statement that Assessments shall be considered and a statement of the nature of such Assessments.

6. Powers and Duties of the Board.

6.1 Powers. The Board shall, subject to the limitations and reservations set forth in the Declaration and Articles, have the powers reasonably necessary to manage, operate, maintain and discharge the duties of Association, including, but not limited to, the power to cause Association to do the following:

6.1.1 General. Exercise all powers, duties and authority vested in or delegated to Association by law and in these By-Laws, the Articles, the Declaration and the Club Plan, including, without limitation, adopt budgets, levy Assessments, enter into contracts with Telecommunications Providers for Telecommunications Services, and, by a majority vote of the Board, without the consent of any Owner or any other party, exercise the Association's option to acquire the Club.

6.1.2 Rules and Regulations. Adopt, publish, promulgate and enforce rules and regulations governing the use of Verano by the Members, tenants and their guests and invitees, and to establish penalties and/or fines for the infraction thereof subject only to the requirements of the Florida Statutes, if any.

6.1.3 Enforcement. Suspend the right of use of the Common Areas (other than for vehicular and pedestrian ingress and egress and for utilities) of a Member during any period in which such Member shall be in default in the payment of any Assessment or charge levied, or collected, by Association.

6.1.4 Declare Vacancies. Declare the office of a member of the Board to be vacant in the event such Delegate shall be absent from three (3) consecutive regular Board meetings.

6.1.5 Hire Employees. Employ, on behalf of Association, managers, independent contractors, or such other employees as it deems necessary, to prescribe their duties and delegate to such manager, contractor or other person or entity any or all of the duties and functions of Association and/or its officers.

6.1.6 Common Areas. Dedicate, grant, license, lease, concession, 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 an subject to such conditions as it determines and as provided in the declaration; and acquire, sell, operate, lease, manage and otherwise trade and deal with property, real and personal, including the Common Areas, as provided in the Declaration, and with any other matters involving Association or its Members, on behalf of Association or the discharge of its duties, as may be necessary or convenient for the operation and management of Association and in accomplishing the purposes set forth in the Declaration.

6.1.7 Granting of Interest. Grant licenses, easements, permits, leases, or privileges to any individual or entity, which affect Common Areas and to alter, add to, relocate or improve the Common Areas as provided in the Declaration.

6.1.8 Financial Reports. Prepare all financial reports required by the Florida Statutes.

6.1.9 District. To contract with the Verano Center Community Development District, Verano #1 Community Development District, Verano #2 Community Development District, Verano #3 Community Development District, Verano #4 Community Development District, Verano #5 Community Development District, their successors and/or assigns for any legal purpose.

6.2 Vote. The Board shall exercise all powers so granted except where the Declaration, Articles or these By-Laws specifically require a vote of the Members.

6.3 Limitations. Until the Turnover Date, Developer shall have and is hereby granted a right to disapprove or veto any such action, policy, or program proposed or authorized by Association, the Board, the ACC, any committee of Association, or the vote of the Members. This right may be exercised by Developer at any time within ten (10) days following a meeting held pursuant to the terms and provisions hereof. 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 Association, the Board, the ACC or any committee of Association.

7. Obligations of Association. Association, subject to the provisions of the Declaration, Articles, and these By-Laws shall discharge such duties as may be necessary in order to operate Association pursuant to the Declaration, including, but not limited to, the following:

7.1 Official Records. Maintain and make available all Official Records.

7.2 Supervision. Supervise all officers, agents and employees of Association, and to see that their duties are properly performed.

7.3 Assessments and Fines. Fix and collect the amount of the Assessments and fines; take all necessary legal action; and pay, or cause to be paid, all obligations of Association or where Association has agreed to do so, of the Members.

7.4 Enforcement. Enforce the provisions of the Declaration, Articles, these By-Laws, and Rules and Regulations.

8. Officers and Their Duties.

8.1 Officers. The officers of this Association shall be a President, a Vice President, a Secretary, and a Treasurer.

8.2 Election of Officers. Except as set forth below, the election of officers shall be by the Board and shall take place at the first meeting of the Board following each Annual Members Meeting.

8.3 Term. The officers named in the Articles shall serve until their replacement by the Board. The officers of Association shall hold office until their successors are appointed or elected unless such officer shall sooner resign, be removed, or otherwise be disqualified to serve.

8.4 Special Appointment. The Board may elect such other officers as the affairs of Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

8.5 Resignation and Removal. Any officer may be removed from office, with or without cause, by the Board. Any officer may resign at any time by giving written notice to the Board. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein. Acceptance of such resignation shall not be necessary to make it effective.

8.6 Vacancies. A vacancy in any office shall be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the replaced officer.

8.7 Multiple Offices. The office of President and Vice-President shall not be held by the same person. All other offices may be held by the same person.

8.8 Duties. The duties of the officers are as follows:

8.8.1 President. The President shall preside at all meetings of Association and Board, sign all leases, mortgages, deeds and other written instruments and perform such other duties as may be required by the Board. The President shall be a member of the Board.

8.8.2 Vice President. The Vice President shall act in the place and stead of the President in the event of the absence, inability or refusal to act of the President, and perform such other duties as may be required by the Board.

8.8.3 Secretary. The Secretary shall record the votes and keep the Minutes of all meetings and proceedings of Association and the Board; keep the corporate seal of Association and affix it on all papers required to be sealed; serve notice of meetings of the Board and of Association; keep appropriate current records showing the names of the Members of Association together with their addresses; and perform such other duties as required by the Board.

8.8.4 Treasurer. The Treasurer shall cause to be received and deposited in appropriate bank accounts all monies of Association and shall disburse such funds as directed by the Board; sign, or cause to be signed, all checks, and promissory notes of Association; cause to be kept proper books of account and accounting records required pursuant to the provisions of Section 720.303 of the Florida Statutes cause to be prepared in accordance with generally accepted accounting principles all financial reports required by the Florida Statutes; and perform such other duties as required by the Board.

9. Committees.

9.1 General. The Board may appoint such committees as it deems appropriate. The Board may fill any vacancies on all committees.

9.2 ACC. Developer shall have the sole right to appoint the members of the ACC until the Turnover Date. Upon expiration of the right of Developer to appoint members of the ACC, the Board shall appoint the members of the ACC. As provided under the Declaration, Association shall have the authority and standing to seek in courts of competent jurisdiction, enforcement of any decisions of the ACC.

10. Records. The official records of Association shall be available for inspection by any Member at the principal office of Association. Copies may be purchased, by a Member, at a reasonable cost.

11. Corporate Seal. Association shall have an impression seal in circular form.

12. Amendments.

12.1 General Restrictions on Amendments. Notwithstanding any other provision herein to the contrary, no amendment to these By-Laws shall affect the rights of Developer or Club Owner unless such amendment receives the prior written consent of Developer or Club Owner which may be withheld for any reason whatsoever.

12.2 Amendments Prior to and Including the Turnover Date. Prior to and including the Turnover Date, Developer shall have the right to amend these By-Laws as it deems appropriate, without the joinder or consent of any person or entity whatsoever. Developer's right to amend under this provision is to be construed as broadly as possible. In the event that Association shall desire to amend these By-Laws prior to and including the Turnover Date, Association must first obtain Developer's prior written consent to any proposed amendment. Thereafter, an amendment identical to that approved by Developer may be adopted by Association pursuant to the requirements for amendments after the Turnover Date. Thereafter, Developer shall join in such identical amendment so that its consent to the same will be reflected.

12.3 Amendments After the Turnover Date. After the Turnover Date, but subject to the general restrictions on amendments set forth above, these By-Laws may be amended with the approval of (i) two-thirds (66 2/3%) of the Board; and (ii) seventy-five percent (75%) of the votes as calculated by Voting Interests held by Delegates present, in person or by proxy, at a duly noticed meeting of the Members at which there is a quorum. Notwithstanding the foregoing, these By-Laws may be amended after the Turnover Date by two-thirds (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 Delegates. Any change in the number of directors shall not take effect until the next Annual Members Meeting.

13. Conflict. In the case of any conflict between the Articles and these By-Laws, the Articles shall control. In the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

14. Fiscal Year. The first fiscal year shall begin on the date of incorporation and end on June 30th of that year. Thereafter, the fiscal year of Association shall begin on the first day of July and end on the 30th day of June of every year.

15. Miscellaneous.

15.1 Florida Statutes. Whenever these By-Laws refer to the Florida Statutes, they 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.

15.2 Severability. 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.

EXHIBIT 4

CLUB PLAN

ON FILE AT THE VERANO DEVELOPMENT OFFICE

EXHIBIT F

GOLF COURSE PATHWAY AGREEMENT

CLUB VERANO
GOLF COURSE PATHWAY AGREEMENT
(THIS "<u>AGREEMENT</u>")

1. <u>Definitions</u>. Any capitalized terms not defined in this Agreement shall have the meanings set forth in the Declaration for Verano ("**<u>Declaration</u>**") or The Club Verano Membership Plan ("**<u>Club Plan</u>**").

1.1 <u>Right to Use Golf Course Vehicles</u>. The right to use privately owned golf carts or golf cars (collectively, "**<u>Golf Course Vehicle</u>**") on the Golf Course and Golf Course Pathways is currently permitted by the Club on an annual basis. This privilege is non-transferable and non-assignable and may be terminated at any time by the Club. This privilege is only available to current Verano residents who are Members. The Club must approve the Golf Course Vehicle each year as complying with the appearance and other standards as stated in this Agreement and the Golf Course Vehicle Rules, as the same may be amended from time to time. Only Golf Course Vehicles, which display a current decal, will be allowed access to the Golf Course and Golf Course Pathways. All Golf Course Vehicles must be equipped with a global positioning system ("**<u>GPS</u>**"), which must be approved by the Club. While the Golf Course Vehicle is in use, the GPS must be operational and turned on at all times. Any costs, fees or expenses relating to the GPS shall be borne by the Member who owns such Golf Course Vehicle.

2. <u>Annual Trail Fee</u>. The payment of the annual trail fee of $_______ (the "**<u>Trail Fee</u>**") is to be paid in full to the Club at the time this Agreement is submitted. The Trail Fee shall not be prorated, except for the first year Member applies for Golf Course Vehicle privileges. The Trail Fee permits Member to use the Golf Course without payment of the Golf Course Vehicle fees. Trails Fees are for twelve (12) consecutive months beginning November 1 and through October 31. However, all other passengers or guests shall be required to pay the applicable Golf Course Vehicle Fee established by the Club unless they have paid an annual Trail Fee. The Trail Fee is non-refundable and no allowance will be made for non-use of Golf Course Vehicles, including usage restrictions imposed by the Club. THE CLUB DOES NOT ALLOW A MEMBER TO PAY FOR USE OF A GOLF COURSE VEHICLE ON A PER ROUND BASIS.

3. <u>Application and Indemnification</u>. As a Golf Course Vehicle owner, the undersigned hereby makes application to the Club Verano Golf Course Pathway program (the "**<u>Program</u>**"). Upon submitting this Agreement to the Club, the undersigned agrees to abide by all rules and regulations for Golf Course Vehicles as currently described on **<u>Exhibit A</u>** hereto (the "**<u>Golf Course Vehicle Rules</u>**"), and as the Club may amend them from time to time. As a participant in the Program, the undersigned Member further agrees:

3.1 To indemnify and hold Club Manager, Club Owner, and their parent and affiliated companies and their governors, partners, directors, officers, managers, members, employees and agents (collectively, the "**<u>Indemnified Parties</u>**"), harmless as a result of any loss or damage incurred relating to the operation of the Golf Course Vehicle by the undersigned, guests and any other operator, including, without limitation, deductibles, retained limits and any attorneys' and paraprofessional fees that may be incurred including pretrial, trial and upon appeal.

3.2 To be held fully responsible for any and all damages caused by the operation of the Golf Course Vehicle by the undersigned, their guests and any other operator.

3.3 To reimburse the Club for any and all damages the Club or to reimburse Association for any and all damages any portion of Verano may sustain by reason of operation of the Golf Course Vehicle including, without limitation, damage to other Golf Course Vehicles and any property.

3.4 To maintain during the term of this Agreement liability insurance coverage on the operation of the Golf Course Vehicle with policy limits at least equal to $300,000 personal injury coverage per person, $1,000,000 personal injury coverage per occurrence and $250,000 property damage coverage naming the Indemnified Parties as additional insureds. The undersigned acknowledges that such coverage is presently provided by the insurance company and policy number set forth below. Such insurance coverage shall also provide that at least thirty (30) days prior written notice of cancellation will be provided to the Club. Member may not exercise his or her privileges under this Agreement until Member provides a certificate of insurance to Club Owner complying with these requirements. The undersigned further agrees that he/she will not permit the use or operation of the Golf Course Vehicle by any person or in any manner, which would invalidate such insurance coverage.

3.5 To maintain a membership at the Club in good standing during the term of this Agreement.

3.6 That violations of the Golf Course Vehicle Rules regulating use of Golf Course Vehicle may result in the revocation of Program privileges, playing privileges and/or the suspension or termination of membership privileges at the Club.

4. No Waiver. The failure or delay of the Club at any time to require the undersigned's performance of any provision of this Agreement or the Rules, as the same may be amended from time to time, even if known, will not affect the right of the Club to require the undersigned's performance of that provision or to exercise any right, power or remedy under this Agreement or the Rules, and any waiver by the Club of any breach of any provision of this Agreement or the Rules should not be construed as a waiver of any continuing or succeeding breach of such provision, a waiver of the provision itself, or a waiver of any right, power or remedy under this Agreement or the Rules.

5. Non-Transferable/Non-Assignable. The Program privileges are non-transferable and non-assignable.

Signature of Member ________________________________ Date ____________________

Member Name ____________________________ Spouse Name ______________________

Membership #____________________________ Golf Course Vehicle #________________

Insurance Company________________________ Policy #___________________________
(Attach proof of insurance)

CLUB VERANO USE ONLY

Date Agreement Received______________________________ Initials___________________________

Payment Recorded ____________________________________ Initials___________________________

Decal Number ____ Initials___________________________

Notes____

Exhibit A

Golf Course Vehicle Rules

1. Golf Course Vehicles must be approved by the Club. All new and replacement Golf Course Vehicles must comply with the appearance and other standards as stated in this Agreement and the rules and regulations of the Club as the same may be amended from time to time.

2. Golf Course Vehicle owners must store their Golf Course Vehicles on their own property out of sight in an enclosed garage in accordance with the Verano Property Owners Association, Inc. guidelines.

3. Golf Course Vehicle owners, when playing together, or with a non-cart owner, must abide by the rules of one (1) Golf Course Vehicle for every two (2) players.

4. Any person who is not a Golf Course Vehicle owner and who is riding as the second person in a Golf Course Vehicle must pay the applicable Golf Course Vehicle fee in the Pro Shop before beginning play.

5. The Club will establish, from time to time, the safety specifications that all Golf Course Vehicles must satisfy.

6. The Club has no responsibility for the storage, service or repair of Golf Course Vehicles.

7. Golf Course Vehicles cannot be loaned or used by anyone other than Member on the Club Facilities.

8. Golf Course Vehicles must also be operated in accordance with additional rules and regulations established by the Club from time to time for Golf Course Vehicles provided by the Club.

9. Each year a Member with a Golf Course Vehicle shall be required to provide the Club with proof that the operation of the Golf Course Vehicle is covered by a liability insurance policy of Member with policy limits established by the Club and shall require that such policy provide that it can only be cancelled upon thirty (30) days prior written notice to the Club. The Golf Course Vehicle owner must also name the Indemnified Parties (as defined in the Agreement) as additional insureds.

10. Members using a Golf Course Vehicle will be fully responsible for any and all damage caused by the use or misuse of the Golf Course Vehicle by anyone operating it or otherwise, and Members shall, if applicable, reimburse the Club, and shall indemnify and hold harmless the Indemnified Parties for any and all damage the Club may sustain by reason of use or misuse including, without limitation, damage to other Golf Course Vehicles and any other property.

11. An identification number and a yearly decal will be issued for the Golf Course Vehicle when the Agreement, proof of liability insurance, and the annual Trail Fee are received, and the Club has completed a safety inspection. The identification number and yearly decal should be placed on the Golf Course Vehicle in clear view.

12. Members with Golf Course Vehicles must check in at the Pro Shop prior to beginning play. Cart traffic on the Golf Course is restricted to eighteen (18) hole rounds of play, and all rounds must start on hole #1, unless instructed by the Pro Shop to start on any other hole.

13. A maximum of two (2) riders and two (2) golf bags per Golf Course Vehicle is allowed.

14. When a Golf Course Vehicle is no longer used in the Program, all stickers and decals must be removed. Golf Course Vehicles without a trail fee decal will not be allowed access to the Golf Course or Golf Course Pathways.

15. All players operating Golf Course Vehicles are required to be licensed and insured with a valid motor vehicle license.

16. Golf Course Vehicles shall be driven on the Golf Course and Golf Course Pathways only when such facilities or paths are open for play or use as established by the Club.

17. Violations of these rules and regulations and the Rules may result in the revocation of Program privileges, playing privileges and/or the suspension or termination of membership privileges at the Club without reimbursement of any prior paid sums.

EXHIBIT 5

PERMIT

ON FILE AT THE VERANO DEVELOPMENT OFFICE

EXHIBIT 7

CONSERVATION AREA MANAGEMENT PLAN

ON FILE AT THE VERANO DEVELOPMENT OFFICE