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DECLARATION OF RESTRICTIVE COVENANTS
CONDITIONS, RESTRICTIONS AND EASEMENTS FOR
SABAL DUNES

THIS DECLARATION is made on this 12th day of November, 1991, by FIRST TEE DEVELOPERS, LTD., a Florida limited partnership (hereinafter called "Developer") .

BACKGROUND

A. Developer is the owner of a parcel of land located in Lee County, Florida, legally described on Exhibit 1 hereto (the Site") which Developer plans to develop with a cluster-type housing development, together with certain facilities for the common use and enjoyment of the owners of the Homesites (as hereinafter defined) within the Site pursuant to a general plan of development, such development to be known as "Sabal Dunes", and

B. In order to: (i) insure that such general plan of development is adhered to; (ii) establish certain continuing relationships in the form of mutual rights and obligations between Developer and the persons who acquire ownership of Homes developed in Sabal Dunes by Developer, and their respective successors, with respect to use, enjoyment and maintenance of certain areas and facilities (as hereinafter set forth) and; (ii) protect, preserve and enhance the value of Sabal Dunes and the Homes constructed within the Site, Developer has determined that this Declaration, establishing certain easements, servitudes, restrictions, and conditions in the form of covenants running with the land shall be binding upon, enforceable against and inure to the benefit of all such present and future owners of property developed within Sabal Dunes and shall run with title to the land hereby and hereafter subjected to this Declaration; and

C. Developer has developed the Site with certain facilities title which Developer desires to hereby subject to the terms and conditions of this Declaration.

NOW, THEREFORE, Developer hereby declares that title to the Site, including, but not limited to, all Homes and Homesites (as hereinafter defined) now and hereafter existing thereon shall be held, sold, conveyed, encumbered, used and occupied subject to the terms and conditions of this Declaration as covenants running with the land enforceable as aforesaid.

ARTICLE I
DEFINITIONS

Sections 1. The following terms when used in this Declaration shall have the following meanings:

(a) "Articles" means the Articles of Incorporation of the Association, as hereinafter defined.

(b) "Association" shall mean and refer to the SABAL DUNES NEIGHBORHOOD

THIS INSTRUMENT PREPARED BY:
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RECORD VERIFIED : CHARLIE GREEN, CLERK
BY J. TURNER, D.C.

ASSOCIATION, INC., a non-profit corporation organized and existing under the laws of the State of Florida, whose purpose is to administer the Common Properties, as hereinafter defined, in accordance with the provisions of this Declaration and the governing documents of the Association.

- (c) "Board" means the Board of Directors of the Association.
- (d) "By-Laws" means the By-Laws of the Association.
- (e) "Common Properties" shall mean and refer to those portions of the Site other than the Homesites referred to herein.

(f) "First Mortgagee" shall mean and refer to an Institutional Lender, as hereafter defined, which holds a first mortgage encumbering a Homesite and Home, as hereinafter defined, and which has notified the Association in writing that it holds the same.

(g) "Institutional Lender" shall mean and refer to a commercial or savings bank, savings and loan association, mortgage company, life insurance company, licensed mortgage company, pension fund, or business trust, including, but not limited to, a real estate investment trust, or any assignee of a loan made by any such lender, including but not limited to FNMA or FHLMC, or any private or governmental institution which has insured the loan of the lender or any combination of the foregoing entities.

(h) "Home" means each one of the individual residences intended for use by a single family which is constructed on a Homesite.

(i) "Homesite" initially shall mean and refer to each of the 18 areas depicted on Exhibit 2 (Sabal Dunes, Phase I) which are intended to be used as the site of a Home and title to which is to be conveyed to private owners. If and when additional property is added to the Site as additional phase or phases of Sabal Dunes Project, the term "Site" shall also mean and refer to any and all additional property subjected to the terms of this Declaration and the term "Homesite" shall also mean and refer to any additional areas intended to be used as the site of a Home and title to which is to be conveyed to private owners. The term includes both the Homesite and Home built thereon as the context dictates.

(j) "Notice" shall mean and refer to:

(i) Written notice delivered personally or mailed to the last known address of the intended recipient, in the manner set forth herein; or

(ii) Notice published at least once each week for two consecutive weeks in a newspaper having a general circulation in Collier, Florida; or

(iii) Notice given in any other manner provided in the By-Laws of the Association.

(k) "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Homesite within any portion of the Site, but shall not mean or refer to any holder of a mortgage encumbering a Homesite unless and until such holder has acquired title thereto pursuant to foreclosure or any proceeding or conveyance in lieu of foreclosure.

(l) "Drives" shall mean those private driving areas, terraces, cul-de-sacs and courts, including the access easement to the Site as described on Exhibit 1, as from time to time are improved and exist within the Site.

(m) "Common Assessment or Expenses" shall mean the actual and estimated costs of: exterior maintenance, insurance, repair and replacement to the Homes for which the Association is responsible, for maintenance, management, operation, repair and replacements for the Common Properties (including unpaid Special Assessments, as subsequently defined) including those costs not paid by the Owner responsible for payment; the costs of any and all commonly metered utilities, cable or master television charges, and other commonly metered charges for the Common Properties; costs of management and administration of the Association, including, but not limited to, compensation paid by the Association to managers, accountants, attorneys and other employees; the costs of all utilities, landscaping, gardening and other services benefiting the Common Properties, and all facilities thereon; the costs of fire, casualty and liability insurance, workmen's compensation insurance, and other insurance covering the Common Properties; the costs of bonding of the members of the management body; taxes paid by the Association, including any property taxes for the Common Properties; amounts paid by the Association for discharge of any lien or encumbrance levied against the Common Properties, or portions thereof; and the costs of any other expenses incurred by the Association for any reason whatsoever in connection with the Common Properties for the benefit of all of the Owners.

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ARTICLE II OWNER'S PROPERTY RIGHTS

Section 1. Owner's Easements of Enjoyment. Every Owner shall have a right and easement of ingress and egress and of use and enjoyment in, to and over the Common Properties which shall be appurtenant to and shall pass with title to said Owner's Homesite, subject to the following provisions:

(a) The right of the Association to reasonably limit the number of guests of Owners using the Common Properties.

(b) The right of the Association to establish uniform rules and regulations pertaining

to the use of the Common Properties.

(c) The right of the Association in accordance with its Articles of Incorporation and By-Laws and this Declaration, with the vote or written assent of two-thirds (2/3) of each class of Members (excluding therefrom the voting power of Developer) to borrow money for the purpose of improving the Common Properties, subject to the provisions of Article V of this Declaration, to mortgage, pledge, or hypothecate any or all of the real or personal property, respectively owned by it, as security for money borrowed or debts incurred, provided that the Developer consents to same so long as it remains a Member. Provided further that the rights of any such mortgagee shall be subordinated to the use and enjoyment rights of the Owners herein.

(d) The right of the Association to suspend the voting rights and right to use the Common Properties (except to the extent needed as a means of ingress and egress) of an Owner for any period during which any assessment or dues against or due from his Homesite remains unpaid and delinquent and; for a period not to exceed ninety (90) days for any single infraction of published rules and regulations of the Association, provided that any suspension of such voting rights or right to use the Common Properties, shall be made only by the Board of Directors of the Association, after notice and an opportunity for a hearing as provided in the By-Laws of the Association.

(e) Subject to the provisions of Article V of this Declaration, the right of the Association to dedicate, release, alienate or transfer all or any part of the Common Properties to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the Members. No such dedication, release, alienation or transfer shall be effective, without the consent thereto of the Developer so long as it remains a Member.

(f) The right of the Developer (and its sales agents, customers and representatives) to the non-exclusive use of the Common Properties without charge, for sales, display, access, ingress, egress and exhibition purposes.

Section 2. Delegation of Use. Any Owner may extend or delegate, as the case may be, in accordance with the By-Laws, his right of enjoyment to the Common Properties and facilities to the members of his family, or to his guests, tenants and contract purchasers who reside in his Home, subject to reasonable regulation by the Board.

Section 3. Easements for Parking. Temporary guest parking shall be permitted within the Common Properties only within spaces and areas clearly marked for this purpose.

Section 4. Easements for Pedestrian and Vehicular Traffic. In addition to the general easements for use of the Common Properties reserved herein, there shall be, and Developer hereby reserves and covenants for itself with respect to all portions of the Site, whether or not

presently subjected to this Declaration and for and on behalf of all future Owners within Sabal Dunes, that Developer and each and every Owner shall have a nonexclusive easement appurtenant to his Homesite, for pedestrian and vehicular traffic over all drives within the Common Properties, subject to the parking provisions set forth in Section 3 above.

Section 5. Easements for Public Service Use. In addition to the foregoing easements over the Common Properties there shall be and Developer hereby reserves and covenants for itself and all future Owners over all Homesites and through each Home within Sabal Dunes, easements and the right to grant same for support, maintenance, repair and for public services, including, but not limited to, utilities and the right of the police to enter upon any part of the Common Properties for the purpose of enforcing the law.

Section 6. Waiver of Use. No Owner may exempt himself from personal liability for Assessments duly levied by the Association, or release the Homesite owned by him from the liens and charges hereof, by waiver of the use and enjoyment of the Common Properties or by abandonment of his Homesite.

Section 7. Title to the Common Properties. When title to all Homesites which will be developed by Developer within Sabal Dunes have been conveyed by Developer to purchasers thereof, or on December 31, 1997, whichever first occurs, or sooner at the option of the Developer, the Developer shall convey to the Association the fee simple title to the Common Properties and the Association shall accept such conveyance. The Developer, and thereafter the Association, shall hold title to the Common Properties for the benefit of those persons entitled to use same under the provisions hereof. Developer may mortgage the Common Properties to finance the original development and construction thereof, provided that the lender recognizes the rights of the Owners hereunder.

ARTICLE III MEMBERSHIP IN ASSOCIATION

Every Owner of a Homesite, and the Developer, shall be a Member of the Association, and no Owner shall have more than one membership in the Association with respect to each Homesite owned. Membership in the Association shall not be assignable, except to the successor in interest of the Owner's Homesite, and every membership of an owner in the Association shall be appurtenant to and inseparable from ownership of his Homesite. Ownership of such Homesite shall be the sole qualification of an Owner for membership in the Association.

ARTICLE IV VOTING RIGHTS

There shall be such classes of Members in the Association as are from time to time

established by the Articles or By-Laws. The voting rights of such Members and the manner in which such votes shall be cast, shall be as set forth in the Articles and By-Laws of the Association.

Notwithstanding anything to the contrary contained in the Articles, By-Laws or this Declaration, the Developer shall have the right to appoint a majority of the Board of Directors of the Association until the first to occur of the following events: (i) until three (3) months after Developer has delivered and conveyed title to all the Homesites within the Site (including any additional phase or phases of Sabal Dunes from time to time made subject to the provisions of this Declaration); or (ii) at any time that Developer voluntarily permits, or takes action which will permit, Members other than itself to elect a majority. The occurrence of the foregoing is hereafter called "Turnover."

ARTICLE V COVENANTS-FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of Lien and Personal Obligation for Assessments. The Developer hereby covenants and each Owner of a Homesite, by acceptance of a deed thereto, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay the Association the following:

- (a) Common assessments or expenses.
- (b) Special assessments for capital improvements and other special assessments.
- (c) Annual or special additional homesite assessments or charges. Such assessments to be established and collected as hereinafter provided.

All such assessments, together with interest thereon and costs of collection thereof as hereinafter provided shall be a charge on the land and shall be a continuing lien upon the Homesite against which such assessment is made. Each such assessment, together with interest thereon and costs of collection thereof, when delinquent, shall also be the personal obligation of the person or entity who has the owner of such Homesite at the time when the assessment became due.

Section 2. Common Assessment.

(a) Purpose of Assessment. The Common assessment levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the residents of the Site and, in particular, for the maintenance, operation and replacement of the Common Properties or for maintenance, operation and replacement of those portions of each

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Home for which the Association is responsible for maintenance and care.

(b) Basis for Assessment.

(1) Owner Parcels. Each Homesite which has been conveyed to an Owner shall be assessed at a uniform rate. For the purpose of assessment, the term "Owner" shall exclude the Developer.

(2) Developer Owned Homesites. Notwithstanding any provisions herein to the contrary, the Association shall not assess any Developer owned Homesites located within the Site so long as said Homesites are not leased to others and so long as Class B voting rights exist. However, for such time as Class B voting rights exist Developer shall contribute to the Association, directly or indirectly, such amounts as may be necessary to meet any deficit as may be created between the maintenance expense of the Association and the Association's receipts and receivables from owner assessments.

(c) Method of Assessment. By a vote of a majority of the Board of Directors of the Association, said Board shall fix the annual assessment upon the basis provided above, provided however, that the annual assessments shall be sufficient to meet the obligations imposed by the Declaration. The Board shall set the date or dates such assessments shall become due. The Board may provide for collection of assessments annually or in monthly, quarterly or semi-annual installments, provided however, that upon default in the payment of any one or more installments, the entire balance of said assessment may be accelerated at the option of the Board and be declared due and payable in full.

Section 3. Special Assessment for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy in any assessment year a special assessment applicable to that year for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon Homes (which is the Association's responsibility) or the Common Properties, including fixtures and personal property related thereto, provided that any such special assessment shall have the assent of the Class B member and of two-thirds (2/3) of the votes of the Class A Members voting in person or by proxy at a special meeting duly called for such purpose. In addition, the Association may levy a special assessment in the same manner as hereinabove described for the propose of defraying, in whole or in part, the cost of any unusual or emergency matters that affect all of the Members of the Association.

Section 4. Special Homesite Assessments. In addition to the assessments authorized above, the Association may levy in any assessment year a special assessment against a particular Homesite for the purpose of defraying, in whole or in part, the cost of any repair or replacement of a capital improvement upon the specific homesite, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of

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the votes of the Owners of all Homesites who are voting in person or by proxy at a meeting duly called for this purpose.

Section 5. Date of Commencement of Annual Assessments. The annual assessments provided for herein shall commence with respect to the assessable Homesites on the day of conveyance of the first Homesite to an Owner who is not the Developer. The initial annual assessment on any assessable Homesite shall be collected at the time of closing when title to said Homesite is conveyed to the Owner. During the initial year of ownership, each Owner shall be responsible for the full pro rata share of the annual assessment charged to his Homesite.

Section 6. Effect of Nonpayment of Assessments: Remedies of the Association. Any assessment not paid within thirty (30) days after the due date will bear interest from the due date at a percentage rate not to exceed 18% per annum. The Association may bring an action at law against the owner personally obligated to pay the same or foreclose the lien against the Homesite and interest, costs and reasonable attorneys' fees of any such action will be added to the amount of such assessment. Each owner, by his acceptance of a deed to a Homesite, hereby expressly vests in the Association the right and power to bring all actions against such Owner personally for the collection of such assessments as a debt and to enforce the aforesaid lien by all methods available for the enforcement of such lines, including foreclosures by an action brought in the name of the Association in a like manner as a mortgage lien on real property, and such Owner hereby expressly grants to the Association a power of sale in connection with said lien. The lien provided for in this Section shall be in favor of the Association and shall be for the benefit of all Homesite Owners. The Association, acting on behalf of the Owners, shall have the power to bid for an interest foreclosed at such foreclosure sale and to acquire and hold, lease, mortgage and convey the same. No owner may waive or otherwise avoid liability for the assessments provided for herein by nonuse of the Common Properties or abandonment of his Home Unit.

Section 7. Annual Budget. By a majority vote of the Board of Directors of the Association, the Board shall adopt an annual budget for the subsequent fiscal year, which shall provide for allocation of expenses in such a manner that the obligations imposed by this Declaration will be met. Each Homesite subject to assessments will be liable for an equal share of the total of such assessments. Provided, however, so long as Developer is in control of the Board, the assessment due in respect to Homesites not owned by Developer will not exceed 115% of the assessment for the previous year without consent of a majority of Class A Members of the Association.

Section 8. Certificate of Payment. The Treasurer of the Association, upon demand of any Owner liable for an assessment, shall furnish to said owner a certificate in writing signed by a director, setting forth whether such assessment has been paid. Such certificate, when consigned by the Secretary of the Association, shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 9. Real Estate Taxes. In the event the Common Properties are taxed separately

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from Homesites, the Association shall include such taxes as part of the common assessments. In the event the Common Properties are taxed as a component of the value of the Homesite owned by each Owner, it shall be the obligation of each Owner to promptly pay such taxes prior to their becoming a lien on such Owner's Homesite.

Section 10. The Association may, subject to the provisions of Section 4 of this Article, levy Special Assessments against selected Owners who have caused the Association to incur special expenses due to willful or negligent acts of said Owners, their guests or agents. All such Special Assessments shall be collected upon payment by the Association.

Section 11. The Board of Directors shall cause to be prepared an annual balance sheet and operating statement reflecting income and expenditures of the Association for each fiscal year, and shall cause a copy thereof to be distributed to each Member, and to each First Mortgagee which has filed a written request for copies of the same with the Board of Directors, in the manner provided in the By-Laws of the Association. At least sixty (60) days prior to the beginning of each fiscal year, the Board of Directors shall prepare and distribute to the membership of the Association a written, itemized (budget) of the expenses to be incurred by the Association during such year in performing its functions under this Declaration, which may include reasonable provision for contingencies and deposits into a reserve fund for maintenance of the Common Properties. At the end of any fiscal year of the Association, the Owners may determine that all excess funds remaining in the Association's operating account, over and above the amounts used for the operation of the Site, may be returned to the Members proportionately, or may be retained by the Association and used to reduce the following year's Common Assessments.

Section 12. Exempt Property. Common Expenses shall only be assessed against Homesites which are subject to assessment under the provisions hereof, and all other portions of Sabal Dunes shall be exempt therefrom.

Section 13. Notice of Claim of Lien. No action shall be brought to enforce any assessment lien herein, unless at least thirty (30) days have expired following the date of Notice of Claim of Lien was deposited in the United States mail, certified or registered, postage prepaid, to the Owner of the Homesite, and a copy thereof has been recorded by the Association in the office of the Clerk of the Circuit Court of Lee County, Florida; said Notice of Claim of Lien must recite a good and sufficient legal description of any such Homesite, the record Owner or reputed Owner thereof, the amount claimed (which may at the Association's option include interest on the unpaid assessment at eighteen (18%) percent per annum, plus reasonable attorneys' fees and expenses of collection in conjunction with the debt secured by said lien), and the name and address of the claimant. Such Notice of Claim of Lien shall be signed and acknowledged by an officer of the Association. The lien shall continue until fully paid or otherwise satisfied.

Section 14. Foreclosure Sale. The assessment lien set forth herein may be foreclosed

in the same manner as mortgages are foreclosed under Florida law. The Association, through its duly authorized agents, shall have the power to bid on any Homesite at a foreclosure sale, and to acquire and hold, lease, mortgage and convey the same.

Section 15. Cumulative Remedies. The assessment liens and the right to foreclosure and sale thereunder shall be in addition to, and not in substitution for, all other rights and remedies which the Association and its successors and assigns may have hereunder and by law, including a suit to recover a money judgment for unpaid assessments, as above provided.

Section 16. Subordination of the Lien to Mortgages. The lien securing the assessments provided for herein shall be subordinate to the lien of any First Mortgage (meaning any recorded mortgage with first priority or seniority over all other mortgages) made in good faith and for value and recorded prior to the date on which a Notice of Claim, pursuant to such lien, is recorded. The sale or transfer of any Homesite shall not affect the assessment lien. However, the sale or transfer of any Homesite pursuant to the foreclosure or conveyance by deed in lieu thereof of a First Mortgage, shall extinguish the lien of such assessments as to installments which become due prior to such sale or transfer. However, no sale or transfer shall relieve such Homesite from liability for any installments of assessments thereafter becoming due or from the lien thereof or from assessment for a prorated share of the unpaid costs coming due before such date if such unpaid costs are reallocated as common expense.

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ARTICLE VI ARCHITECTURAL CONTROL

Section 1. Purpose. The Architectural Review Board shall be the members of the Board of Directors of the Association. They shall regulate the external design, construction materials, appearance, use, location and maintenance of the Site and of the improvements thereon in such manner as to preserve and enhance values and to maintain a harmonious relationship among structures and the natural vegetation and topography.

Section 2. Conditions. No Homes, or other improvements, alterations, repairs, painting of the exterior of any Home regardless of whether such painting involves the change of paint colors, excavations, changes in grade, or of any other work which in any way alters the exterior of any Homesite or the improvements located thereon from its natural or improved state existing on the date such Homesite was first conveyed in fee simple by the Developer to an Owner shall be made or done without the prior written approval of the Architectural Review Board. No building, fence, wall, landscaping, residence, or other structure or improvement of any kind shall be commenced, erected, maintained, or improved, altered, made or done without the prior written approval of the Architectural Review Board.

Section 3. Procedures. In the event the Architectural Review Board fails to approve, modify or disapprove in writing an application within ninety (90) days after plans and

specifications in writing have been submitted to it, in accordance with adopted procedures, approval will be deemed granted, but notwithstanding such approval, all other conditions and restrictions herein contained or contained in the By-Laws or Articles of the Association shall remain in full force and effect.

ARTICLE VII USE OF PROPERTY

Section 1. Protective Covenants. In order to maintain the Site as a desirable place to live for all Owners, the following protective covenants are made a part of this Declaration and shall be considered as the initial rules and regulations of the Association.

(a) **Home Use.** All Homesites shall be used, improved and devoted exclusively to residential use by a single family. Nothing herein shall be deemed to prevent the Owner from leasing a Home to a single family, subject to all of the provisions of this Declaration, Articles of Incorporation, and By-Laws, as the same may be amended from time to time.

(b) **Nuisances.** No nuisance shall be permitted to exist or operate on a Homesite or Common Properties so as to be detrimental to any other property in the vicinity thereof, or to its occupants.

(c) **Restrictions on Further Subdivision.** No Homesite upon which a Home has been constructed shall be further subdivided or separated into smaller parcels by any Owner, and no portion less than all of any such Homesite, nor any easement or other interest therein shall be conveyed or transferred by an Owner, provided that this shall not prohibit corrective deeds, or similar corrective instruments.

(d) **Pets.** Dogs and cats may be kept by an owner in a Home but only if such pet does not cause a disturbance or annoyance on the Site. All pets must be held, or kept leashed at all times that they are in the Common Properties and all owners of pets shall be held strictly responsible to immediately collect and properly dispose of the wastes and litter of such pets. The Association reserves the right to designate specific areas within the Common Properties where pets may be walked on leashes by their Owners. The Association further reserves the right to demand that an owner permanently remove from the Site any and all pets which create disturbances and annoyances which are to the reasonable displeasure of neighbors or other Owners.

(e) **Signs.** No sign, advertising or notice of any type or nature whatsoever shall be erected or displayed upon any Homesite or Home or the Common Properties within the Site, except where express prior written approval of the size, shape, content and location thereof has been obtained from the Board of Directors, which approval may be arbitrarily withheld;

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provided, however, the Developer and its construction lender, if any, shall be permitted to post and display advertising signs on the Site.

(f) **Vehicles and Boats.** Only vehicles which can be kept in the garage of a Home shall be permitted on the Site except for those vehicles of an Owner's guests and invitees and repairmen and maintenance personnel whose vehicles are on the Site temporarily. No boats or boat trailer may be kept or stored on the Site except that owners or authorized occupants may keep boats or boat trailers in garages providing that the boats or boat trailers are of such size as will permit the garage door to be closed with the boat or boat trailer inside the garage. The parking of any vehicle upon any other part of the Site is prohibited except in spaces expressly provided for guests or as may be approved in writing by the Board of Directors. Only vehicles bearing current license and registration tags and inspection certificates, as required pursuant to state law, shall be permitted to be parked on the Site. Designated parking spaces within the Common Properties are intended only for the temporary parking of vehicles belonging to owners or their guests and are not to be used for long term parking unless authorized by the Board of Directors.

(g) **No clothesline, clothes drying, or other clothes-drying facility shall be permitted in any area of the Site or recreational area.**

(h) **Garbage and Trash Containers.** All garbage and trash containers must be placed and maintained so as to render the same and the contents thereof hidden from view from streets and adjoining properties. No garbage or trash shall be placed anywhere except in containers as aforesaid.

(i) **Antennas.** Unless otherwise approved in writing by the Architectural Review Committee, no exterior radio, television or other electronic antenna or aerial may be erected or maintained anywhere within the Site, except for any master antenna which may be installed by the Developer.

(j) **Structures.** No building, fence, wall, shed or other structure of any type or nature shall be commenced, erected or maintained on the Site, nor shall any exterior addition to or change or alteration therein or thereon (including awnings and shutters) be made unless and until the plans and specifications showing the nature, kind, shape, type, materials and location of the same shall have been submitted to and approved in writing by the Architectural Review Board. No owner shall be permitted to make any change or modification to the exterior walls of his Home (including painting of the same) nor shall any Owner be permitted to materially alter or change the landscaping or grading within his Homesite without the prior written consent of the Architectural Review Board.

(k) **Temporary Structures.** No structure of a temporary character, trailer, tent, shack, barn, shed, or other out building shall be permitted on any Homesite at any time.

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(l) **Oil and Mining Operation.** No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in any Homesite, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in any Homesite. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any Homesite or the Common Properties.

(m) **Water Supply.** No individual well will be permitted on any Homesite.

(n) **Visibility of Street Intersections.** No obstruction to visibility at street intersections shall be permitted. The Architectural Review Board reserves the right to adopt additional restrictions concerning the height and type of trees and shrubs within any of the Homesites.

(o) **Fuel Storage Tanks.** No fuel or gas storage tanks may be permitted on any Homesite. Notwithstanding the foregoing, an owner may keep and maintain a small propane gas tank for gas barbecues and fireplaces.

(p) **Garage Sales.** No yard or garage sales or other similar commercial activities will be permitted to be held on a Homesite.

(q) **Compliance.** It shall be the responsibility of each Owner, family members of Owners, and their authorized guests and tenants, to conform and abide by the rules and regulations in regard to the use of the Site which may be adopted in writing from time to time by the Board of Directors of the Association and the Architectural Review Board, and to see that all persons using Owner's Home by, through and under him do likewise.

(r) **No soliciting** will be allowed at any time within the Site.

(s) **Owners shall allow the Board of Directors of the agents and employees of the Association to enter the exterior portion of any Homesite or Home for the purpose of maintenance, inspection and repair, or in the case of emergency, for any purpose, or to determine compliance with this Declaration.**

(t) **Amendments and Modifications.** The Board of Directors and the Architectural Review Board may from time to time adopt rules or amend previously adopted rules and regulations governing the details of the operation, use, maintenance and control of the Homesites and Home, and any facilities or services made available to the Owners. A copy of the Rules and Regulations adopted from time to time as herein provided shall, from time to time, be posted in a conspicuous place.

(u) **Violation.** Upon violation of any of the Rules or Regulations, adopted as herein provided, or upon violations of any of the provisions of this Declaration by an Owner, or his family, tenants, or guests, the Association or any Owner, may bring an action for specific

performance, declaratory decree or injunction. The successful party may recover costs and attorneys' fees in such suit.

(v) Employees of the Association and employees, agents, and workmen of the Developer shall not be required to attend to any personal matters or business of Owners, nor shall they be permitted to leave the Site of any private business of owners. The uses and functions of the employees of the Association shall be governed by the Board of Directors. In the event services are provided to Owners by any of the employees, agents or workmen of the Developer or the Association, neither the Developer nor the Association will assume any responsibility or be liable for, in any manner, the quality of such services or work provided, nor do they warranty such services or work. In addition, neither the Developer nor the Association shall be liable for any injury to persons or damage to property resulting from any act or omission by those performing such works or services to Owners.

(w) If a Homesite is owned by multiple individuals who belong to more than one family, by a fiduciary, a corporation, partnership or other entity, membership in the Association and the rights therein, including voting rights, shall be exercised by only one individual designated in writing by said persons as the one entitled to vote for and occupy said Home.

(x) Additional Rules and Regulations. The Developer, until it conveys the Common Properties, and thereafter the Board of Directors of the Association, may establish such additional rules and regulations as may be deemed for the best interests of the Association and its Members for purposes of enforcing the provisions of this Article.

(y) Exterior Improvements. No owner of a Homesite shall cause anything to be affixed or attached to, hung, displayed or placed on the exterior walls, doors or windows of any Home or buildings (including awnings, antennae, signs, storm shutters, screens, furniture, fixtures and equipment), or to any parking areas without the prior written consent of the Board of Directors of the Association.

(z) Nuisances. No nuisances shall be allowed upon the Site nor shall any use or practice be permitted which is the source of annoyance to residents or which interferes with the peaceful possession and proper use of the Common Properties by residents. All parts of the Site shall be kept in clean and sanitary condition, and no rubbish, refuse or garbage shall be allowed to accumulate nor shall any fire hazard be allowed to exist. No use shall be made of any Homesite or Home or of the Common Properties which would increase the rate of insurance upon the Site.

(aa) Lawful Use. No immoral, improper, offensive or unlawful use shall be made of the Site or any part thereof; and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction over the Site shall be observed. The responsibility of meeting the requirements of governmental bodies pertaining to maintenance, replacement,

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modification or repair of the Site shall be the same as is elsewhere herein specified with respect to other maintenance, repair and replacement.

(bb) Developer Exemption. Developer or its successors or assigns will undertake the work of constructing Homesites and improvements. The completion of that work and the sale, rental and other disposal of Homesites is essential to the establishment and welfare of the Site. Therefore, the Developer shall be exempt from such of the above restrictions in its use of the Site as is reasonably necessary to permit it to develop and sell Homes including but not limited to using the Home for sales models, offices, entertainment, etc.

(cc) Common Properties. The Common Properties shall be used only for the purposes for which they are intended to be used in the furnishing of services and facilities for the enjoyment of the Homesites.

ARTICLE VIII MAINTENANCE, REPAIRS AND REPLACEMENTS

Responsibility for maintenance, repairs and replacements of the improvements located on the Site and property of Home owners located or situated within the Site shall be as follows:

Section 1. Home Owners.

Except as otherwise provided herein, each Home, and the fixtures, equipment and appliances comprising a part thereof, located therein or exclusively serving the same (including air conditioning compressors serving same wherever located) shall be maintained, kept in good repair and replaced by and at the expense of the owner(s) thereof. All maintenance, repairs and/or replacements for which Home owners are responsible and obligated to perform, which, if not performed or omitted, would affect other Homes or the appearance of the Owner's Home, shall be performed promptly as the need arises, and if such home Owner(s) fails to promptly perform these, the Association shall have the right to perform these obligations and to assess such Home Owner(s) for the charges therefor. The cost of any such work performed by the Association shall be secured by a lien upon the Home in which the work was performed.

Section 2. Association.

The Association shall be responsible for and shall assess against and collect from the Owners of all Homes on the site, the costs of maintaining, repairing, replacing and keeping in clean and orderly condition, all of the Common Properties and utility installations located within the Site but serving more than one Home. The Association shall, at the expense of the Owners of all Homes on the Site, repair any and all incidental damage to Homes resulting from maintenance, repairs and/or replacements of or to Common Properties.

**ARTICLE IX
RESERVATIONS TO THE ASSOCIATION**

Section 1. There is hereby reserved to the Association the exclusive right, which shall also be its duty and responsibility, to maintain the Common Properties to the extent contained in this Declaration and in accordance with the Articles of Incorporation and By-Laws of the Association.

Section 2. The Association shall have the duty to insure all of the Common Properties with fire and extended coverage insurance, and such other insurance as it may deem necessary, the fire and extended coverage insurance to be sufficient for full replacement costs, and name the Association and any lien holders as insureds, as their respective interests may appear, and the proceeds of such fire and extended coverage insurance shall be used exclusively for repair or replacement purposes. The Association shall also maintain adequate liability insurance in force with respect to the Common Properties.

**ARTICLE X
INSURANCE AND CASUALTY DAMAGE**

Each Owner shall be required to obtain and maintain in force and effect a policy of fire and other casualty insurance in an amount acceptable to the Association and with coverage adequate to cover the full replacement cost or any repair or reconstruction work on the Owner's Homesite, and the Association shall be named as additional insured.

In the event of damage or destruction by fire or other casualty to the Owner's Home or to any property within the Owner's Homesite the Owner shall, upon receipt of the insurance proceeds, repair or rebuild such damaged or destroyed portions thereof in a good, workmanlike manner substantially the same as the original plans and specifications of said property. If the Owner refuses or fails to commence repairs or to commence the rebuilding of such property within thirty (30) days, the Association may repair or rebuild such property. The owner shall be obligated to reimburse the Association for the amount actually expended for such repairs or reconstruction, and the Association shall have a lien securing such payment in the same manner provided herein for annual assessments. All such repairs or reconstruction must proceed in a diligent manner and be completed within ninety (90) days from the commencement of work.

**ARTICLE XI
MORTGAGEE PROTECTION CLAUSES**

The following provisions are for the benefit of First Mortgagees and to the extent these provisions conflict with any other provisions of the Declaration, these provisions shall control:

(a) Each holder of a First Mortgage encumbering any Homesite, at its written request, is entitled to written notification from the Association of any default by the Mortgagor of such Homesite in the performance of such Mortgagor's obligations under this Declaration, or the Articles of Incorporation of the Association which default is not cured within thirty (30) days after the Association learns of such default.

(b) Any holder of a First Mortgage encumbering any Homesite which obtains title to such Homesite pursuant to the remedies provided in such Mortgage or by deed in lieu of foreclosure, shall take title to such Homesite free and clear of any claims of unpaid assessments or charges due to the Association against such Homesite which accrued prior to the acquisition of title to such Homesite by the Mortgagee except to the extent a Notice of Claim therefor was filed prior to recording of said mortgage.

(c) Unless at least seventy-five percent (75%) of First Mortgagees (based upon one vote for each Mortgage owned), and 75% of the Owners (other than Developer) have given their prior written approval, neither the Association nor the Owners shall:

(1) By act or omission seek to sell or transfer the Common Properties and the improvements thereon which are owned by the Association; provided, however, the granting of easements for public utilities or for other purposes consistent with the intended use of such property by the Association or the Developer or the transfer of the Common Properties to an unincorporated association of the Owners in accordance with the Articles of Incorporation of the Association shall not be deemed a transfer within the meaning of this clause.

(2) Change the method of determining the obligations, assessments, dues or other charges which may be levied against a Homesite.

(3) By act or omission waive or abandon any scheme of regulations, or enforcement thereof, pertaining to the exterior appearance of residential buildings.

(4) Fail to maintain fire and extended coverage on insurable Common Properties on a current replacement cost basis in an amount not less than one hundred percent (100%) of the insurable value (based on current replacement cost) less such reasonable deductions as the Board may deem appropriate.

(5) Use hazard insurance proceeds for losses to the Common Properties for other than the repair, replacement or reconstruction of such improvements.

(6) Except as otherwise provided herein by reservation to Developer herein, amend this Declaration or the Articles of Incorporation or By-Laws of the Association in such a manner that the rights of any First Mortgagee will be adversely affected or the value of Homesites reduced.

(d) First Mortgagees shall have the right to examine the books and records of the Association during normal business hours.

(e) All First Mortgagees who have registered their names with the Association shall be given: (i) thirty (30) days written notice prior to the effective date of any proposed, material amendment to this Declaration or the Articles of Incorporation or By-Laws of the Association and prior to the effective date of any termination of any agreement for professional management of the Common Properties following a decision of the Owners to assume self-management of the Common Properties; and (ii) immediate notice following any damage to the Common Properties whenever the cost of reconstruction exceeds Ten Thousand Dollars (\$10,000.00), and as soon as the Board learn of any threatened condemnation proceeding or proposed acquisition of any portion of the Common Properties.

(f) First Mortgagees may, jointly or singly, pay taxes or other charges which are in default and which may or have become a charge against any Common Properties facilities and may pay any overdue premiums on hazard insurance policies, or secure new hazard insurance coverage on the lapse of a policy, for such property, and First Mortgagees making such payments shall be owed immediate reimbursement therefor from the Association.

ARTICLE XII ENCROACHMENTS - EASEMENTS

Section 1. Pipes, Wires, Ducts, Cables, Conduits, Public Utility Lines, etc. Each portion of the Site shall have an easement in Common with all other portions thereof to use, maintain, repair, alter and replace all party walls, structural supports,, roofs, pipes, wires, ducts, vents, cables, conduits, public utility lines, and similar or related facilities located on the Site and serving such portion thereof. Each portion of the Site shall be subject to an easement in favor of all other portions thereof to locate utilities and provide drainage and support and to use, maintain, repair, alter and replace the party walls, structural supports, roofs, pipes, wires, ducts, vents, cables, conduits, public utility lines and other similar or related facilities located in such portion of the Site and serving other portions thereof.

Section 2. Construction and Sales. The Developer (and its agents, employees, contractors, subcontractors and suppliers) shall have an easement of ingress and egress over and across the Common Properties for construction purposes. The Developer (and its agents, employees and designees) shall have an easement to erect, maintain, repair and replace, from

time to time, one or more signs on the Common Properties for the purposes of advertising the sale of Homesites.

**ARTICLE XIII
GENERAL PROVISIONS**

Section 1. Enforcement. This Declaration, and the Articles of Incorporation and the By-Laws of the Association may be enforced as follows:

(a) Breach of any of the covenants in the Declaration or the Articles or By-Laws and the continuation of any such breach may be enjoined, abated or remedied by appropriate legal proceedings brought by any Owner, the Developer, or the Association. Any judgment rendered in any action or proceeding pursuant hereto shall include a sum for attorneys' fees in an amount as the court may deem reasonable, in favor of the prevailing party as well as the amount of any delinquent payment, interest thereon, costs of collection and court costs.

(b) The remedies herein provided for breach of the covenants contained in the Declaration or in the Articles or Bylaws shall be deemed cumulative, and none of such remedies shall be deemed exclusive.

(c) The failure of the Association to enforce any of the covenants contained in this Declaration or in its Articles or By-Laws shall not constitute a waiver of the right to enforce the same thereafter.

(d) A breach of the covenants, conditions or restrictions contained in this Declaration or in the Articles or By-Laws, shall not affect or impair the lien or charge of any Mortgage made in good faith and for value on any Homesite, provided, however, that any subsequent Owner of such Homesite shall be bound by said covenants, whether such Owner's title was acquired by foreclosure sale or otherwise.

Section 2. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

Section 3. Term. The covenants and restrictions of this Declaration shall run with title to and bind the property hereby encumbered" and shall inure to the benefit of and be enforceable by the Association, the Developer and the Owners of Homesites subject to this Declaration, their respective legal representatives, heirs, successors and assigns, for so long as the Site continues to exist and be used as it has been designed and developed by the Developer unless terminated

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as provided herein.

Section 4. Interpretation. The provisions of this Declaration shall be liberally construed to effectuate its purpose or creating a uniform plan for the development of the Site as a residential community. The article and section headings have been inserted for convenience only, and shall not be considered or referred to in resolving questions of interpretation or construction. Unless the context requires a contrary construction, the singular shall include the plural and the plural the singular; and the masculine, feminine, and neuter shall each include the masculine, feminine and neuter.

Section 5. Amendments - Termination. This Declaration may be amended or terminated by: (i) the affirmative vote or written consent of the Owners holding not less than 75% of the voting power of the Class "A" Membership of the Association together with the affirmative vote of the Class "B" Member (so long as the Class "B" Membership exists); or (ii) amended solely by the unilateral affirmative action of the Class "B" Member; provided, however, that no amendment adopted solely by the Class "B" Member shall be permitted which has a material adverse effect on the value of any part of the Site subject hereto. Nothing contained in this Section shall affect the right of the Developer to make such amendments as may otherwise be permitted herein.

Section 6. No Public Right or Dedication. Nothing contained in this Declaration shall be deemed to be a gift or dedication of all or any part of the Common Properties to the public, or for any public use.

Section 7. Constructive Notice and Acceptance. Every person who owns, occupies or acquires any right, title, estate or interest in or to any Homesite or other portion of the Site does and shall be conclusively deemed to have consented and agreed to every limitation, restriction, easement, reservation, condition and covenant contained herein, whether or not any reference to these restrictions is contained in the instrument by which such person acquired an interest in such property.

Section 8. Notices. Any notice permitted or required to be delivered as provided herein shall be in writing and may be delivered either personally or by mail. If delivery is made by mail, it shall be deemed to have been delivered seventy-two (72) hours after a copy of the same has been deposited in the United States mail, postage prepaid, addressed to any person at the address given by such person to the Association for the purpose of service of such notice, or to the residence of such person if no address has been given to the Association. Such address may be changed from time to time by notice in writing to the Association.

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IN WITNESS WHEREOF, Developer has executed this Declaration on the date first above written.

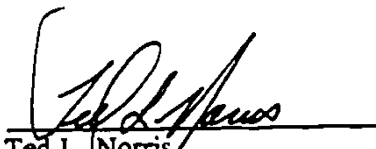
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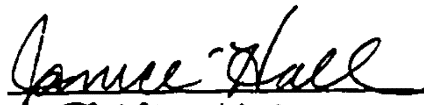
FIRST TEE DEVELOPERS, LTD.,
a Florida limited partnership

By: CHRISTIAN-LLOYD DEVELOPMENT
CORPORATION, a Florida corporation

Its: General Partner



JOHN B. SWANSON

By: 
Ted L. Norris
President


JANICE HALL

STATE OF FLORIDA
COUNTY OF COLLIER

The foregoing instrument was acknowledged before me this 12th day of Nov., 1991, by TED L. NORRIS, as President of CHRISTIAN-LLOYD DEVELOPMENT CORPORATION, a Florida corporation, as the general partner of FIRST TEE DEVELOPERS, LTD., a Florida limited partnership, on behalf of the corporation and the partnership.


Notary Public
State of Florida at Large
My Commission Expires:

(Notary Seal)

NOTARY PUBLIC STATE OF FLORIDA
MY COMMISSION EXP. APR. 16, 1994
BONDED THRU GENERAL INS. UND.

Exhibit 1
REVISED DESCRIPTION
PARCEL 20
SECTION 7, T. 45 S., R. 26 E.
LEE COUNTY, FLORIDA

A tract or parcel of land lying in the west half (W-1/2) of Section 7, Township 45 South, Range 26 East, Lee County, Florida which tract or parcel is more particularly described as follows:

From the northwest corner of the southwest quarter (SW-1/4) of said Section 7 run S 00° 57' 26" E along the westerly line of said fraction for 280.38 feet; thence run N 89° 02' 34" E perpendicular to said west line for 70.00 feet to the Point of Beginning.

From said Point of Beginning run N 04° 43' 19" E along the westerly line of a drainage and utility easement (being 10.00 feet wide for 130.03 feet and 6.00 feet wide for 72.08 feet) for 202.11 feet; thence run along the westerly and northerly line of a drainage and utility easement (6.00 feet wide) the following courses: N 00° 57' 26" W for 57.42 feet to a point of curvature; thence run northerly, northeasterly and easterly along the arc of a curve to the right of radius 30.00 feet (chord bearing N 44° 28' 53" E) (chord 42.75 feet) (delta 90° 52' 38") for 47.58 feet to a point of tangency; thence run N 89° 55' 12" E for 42.82 feet to a point of curvature; thence run easterly along the arc of a curve to the right of radius 965.00 feet (chord bearing S 87° 44' 57" E) (chord 78.49 feet) (delta 04° 39' 42") for 78.51 feet to a point of tangency; thence run S 85° 25' 06" E for 269.55 feet; thence run along the northeasterly, easterly and southeasterly line of a drainage and utility easement (20.00 feet wide) the following courses: S 35° 45' 00" E for 94.00 feet; thence run S 05° 41' 00" E for 103.00 feet; thence run S 09° 39' 00" W for 96.00 feet; thence run S 35° 00' 00" W for 75.71 feet; thence run along the easterly, southerly, easterly, southerly and westerly line of a drainage and utility easement (10.00 feet wide) the following courses: S 00° 57' 26" E for 999.90 feet; thence run S 89° 02' 34" W for 275.09 feet; thence run S 00° 57' 26" E for 94.33 feet; thence run S 89° 02' 34" W for 164.85 feet; thence run N 00° 57' 26" W for 1172.24 feet to the Point of Beginning.

Containing 14.28 acres more or less.

SUBJECT TO the hereinabove described drainage and utility easements.

Bearings hereinabove mentioned are Plane Coordinate for the Florida West Zone (1979 Adjustment).

Exhibit 2
(Sabal Dunes Site Plan)

See Plat of GATEWAY PHASE 8, a subdivision located in a portion of the West 1/2 of Section 7, Township 45 South, Range 26 East and a portion of the Northeast 1/4 of Section 12, Township 45 South, Range 25 East, Lee County Florida, as recorded in Plat Book 47, at Pags 93 through 98, inclusive, of the Public Records of Lee County, Florida.

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State of Florida



Department of State

I certify the attached is a true and correct copy of the Articles of Incorporation of SABAL DUNES NEIGHBORHOOD ASSOCIATION, INC., a Florida corporation, filed on November 12, 1991, as shown by the records of this office.

I further certify the document was electronically received under FAX audit number H91000004643. 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 N45958.

Given under my hand and the
Great Seal of the State of Florida,
at Tallahassee, the Capital, this the
Twelfth day of November, 1991.

Authentication 91A000100494-11/12/91-N45958-01/02

Given under my hand and the
Great Seal of the State of Florida,
at Tallahassee, the Capital, this the
day of



Jim Smith

Jim Smith
Secretary of State

DR2262 PG2169

ARTICLES OF INCORPORATION OF
SABAL DUNES NEIGHBORHOOD ASSOCIATION, INC.
A CORPORATION NOT FOR PROFIT

The undersigned by these Articles associate themselves for the purpose of forming a corporation not for profit pursuant to the provisions of Chapter 617, Florida Statutes, and certify as follows:

ARTICLE I
NAME AND PRINCIPAL OFFICE

The name of the corporation shall be and is SABAL DUNES NEIGHBORHOOD ASSOCIATION, INC. For convenience the corporation shall be referred to in these Articles as the "Association." The initial principal office of the Association shall be located at 3174 East Tamiami Trail, Naples, Florida 33962.

ARTICLE II
DEFINITIONS

Unless a contrary intent is apparent, terms used in these Articles of Incorporation shall have the same meaning as set forth in the DECLARATION OF RESTRICTIVE COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS FOR SABAL DUNES NEIGHBORHOOD (the Declaration") to be recorded in the Public records of Lee County, Florida, with respect to the land described in Exhibit 1 hereto, being known as "Sabal Dunes."

ARTICLE III
PURPOSE

This corporation is organized to establish an association of the owners of Homesites in Sabal Dunes. This organization shall have the following specific purposes.

1. To provide for maintenance of areas and structures as may be placed under the jurisdiction of this corporation by means of the Declaration.
2. To regulate the use of areas and structures as may be placed under the jurisdiction of this corporation by means of the Declaration.
3. To promote the health, safety and welfare of the residents of Sabal Dunes.
4. To enforce the provisions of the Declaration which the Association has the responsibility to enforce.

THIS INSTRUMENT PREPARED BY:
KENNETH R. JOHNSON, ESQ.
ASBELL, HAINS, DOYLE & PICKWORTH, P.A.
3174 EAST TAMAMIAMI TRAIL
NAPLES, FLORIDA 33962
FLORIDA BAR # 333451

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5. The purpose of this corporation will not include or permit pecuniary gain, profit or distribution of its income to its members, officers or Directors.

ARTICLES IV
POWERS AND DUTIES

This Association shall have and exercise all rights and powers conferred upon corporations under the laws of the State of Florida consistent with these Articles and the Declaration. The corporation shall also have all of the powers and authority reasonably necessary or appropriate to carry out duties imposed upon it by the Declaration, including, but not limited to, the following:

1. To exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as defined in the Declaration.

2. To fix, levy, collect and enforce payment by any lawful means, of all charges or assessments and assessment liens pursuant to the terms of the Declaration, to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the corporation, including all licenses, taxes for governmental charges levied or imposed against the property of the corporation.

3. To acquire (by gift, purchase or lease), to own, hold, improve, insure, build upon, operate, maintain, replace and to repair, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association, and to contract improvements and to repair, remodel and demolish the same, on any property that is owned or lease by the Association.

4. To borrow money, and with the consent of two-thirds (2/3) of all of its Members, mortgage, pledge, deed and trust, or hypothecate any and all of its real or personal property, including any lien rights it may have, as security for money borrowed or debts incurred.

5. To participate in mergers and consolidations with other non-profit corporations organized for the same or similar purposes or to annex additional property and common areas, provided that such mergers, consolidation or organization shall have the consent of two-thirds (2/3) of all of its Members.

6. To make and amend reasonable regulations and By-Laws respecting the use of any property or facilities over which the Association may have control, jurisdiction for administrative responsibilities, and to provide the penalties for the violation of any such regulation.

7. To contract for the maintenance of such recreational facilities, and other areas in improvements as may be placed under the jurisdiction of this Association either by the

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Declaration or by resolution adopted by the Association's Board of Directors.

8. To employ such legal counsel, accountants and other agents or employees as may be deemed necessary for the protection and furtherance of the interest of the Association and of its members and to carry out the purpose of the Association.

ARTICLE V
MEMBERSHIP

Every person or entity who is the record owner of a Homesite in Sabal Dunes, as defined in the Declaration, shall be a member of this Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any Homesite. Membership rights and duties shall be subject to and controlled by the Declaration, which is in the form of a covenant running with the land. The Developer shall also be a member.

ARTICLE VI
VOTING RIGHTS

This Association shall have two (2) classes of voting memberships;

Class A: Class A Members shall be all of those owners as defined in Article V. Except as hereinafter provided, the Developer, as subsequently identified, will not be a Class A member. There shall be one (1) vote appurtenant to each Homesite owned by a Class A Member. When more than one (1) person holds an interest in any Homesite, all such persons shall be Members, and the vote for such Homesites shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any such Homesite. The ByLaws may establish procedures for voting when title to a Homesite is held in the name of a corporation or more than one person or entity.

Class B: There shall be one (1) Class B Member, the Developer, First Tee Developers, a Florida limited partnership. The Class B Member shall have 116 votes in the affairs of the Association.

Notwithstanding any provision to the contrary herein, the Developer as the Class B Member, shall have the right to elect or appoint at least a majority of the Board of Directors of the Association until the occurrence of the first to occur of the following events:

- (1) Three (3) months after the Developer has conveyed title to all of the Homesites in Sabal Dunes; or

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(2) At the earlier time that the Developer, in its sole discretion, voluntarily converts its Class B membership to Class A membership; or

(3) December 31, 1997.

Upon the occurrence of the earliest of the foregoing events to occur, the then existing Class A members shall be obligated to elect the Board and assume control of the Association. The Class B membership shall also cease and convert to a Class A membership (to the extent of Homesites then owned by the Developer) at such time.

ARTICLE VII
DIRECTORS

The affairs of the Association shall be managed by a Board of Directors, who need not be members of the Association. The initial Board of Directors shall consist of three (3) Directors. The number of Directors may be increased by the ByLaws, but shall never be less than three (3) Directors. The names and addresses of the persons who are to initially act in the capacity of Directors until the selection of their successors are:

<u>Name</u>	<u>Address</u>
Ted L. Norris	c/o 3174 East Tamiami Trail Naples, Florida 33962
John C. Swanson	c/o 3174 East Tamiami Trail Naples, Florida 33962
Lester Persky	c/o 15 Bluebill Avenue Naples, Florida 33963

Except as otherwise provided in these Articles of Incorporation, the Directors may, by law, fix the terms of office for all Directors. However, unless contrary provisions are made by law, each Director's term of office shall be for one (1) year, provided that all Directors shall continue in office until their successors are duly elected and installed. There shall be at each annual meeting of the Association an election of Directors. Directors may serve successive annual terms without limitation.

A majority of the Directors currently serving as such shall constitute a quorum at meetings of the Board. Except as herein otherwise specified, the decision of a majority of the Directors present at a meeting at which a quorum is present shall be required and shall be sufficient to authorize any action on behalf of the Board. Each Director shall be entitled to one

(1) vote on every matter presented by the Board of Directors.

Any meeting of the members of the Board of Directors of the Association may be held within or without the State of Florida.

ARTICLE VIII
OFFICERS

The affairs of this Association shall be administered by the officers designated herein. The officers shall be elected by the Board of Directors and shall serve at the pleasure of the Board of Directors. The names and addresses of the officers who shall serve until their successors are designated by the Board of Directors are as follows:

Office	Name	Address
President	Ted L. Norris	c/o 3174 East Tamiami Trail Naples, Florida 33962
Vice President, Treasurer and Secretary	John C. Swanson	c/o 3174 East Tamiami Trail Naples, Florida 33962

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ARTICLE IX
DISSOLUTION

This Association may be dissolved with the assent given in writing and signed by the affirmative vote of not less than seventy-five (75) percent of votes of the Members of the Association. Upon dissolution of this Association, other than incident to a merger or consolidation, its assets, both real and personal, shall be distributed in equal shares to the then existing members.

ARTICLE X
SUBSCRIBERS

The names and residence addresses of the subscribing incorporators of these Articles of Incorporation are:

Name	Address
Ted L. Norris	3174 East Tamiami Trail Naples, Florida 33962

John C. Swanson 3174 East Tamiami Trail
Naples, Florida 33962

ARTICLE XI
INDEMNIFICATION

Every director and every officer of the Association shall be indemnified by the Association against all expenses and liabilities, including counsel fees, reasonably incurred by or imposed upon him in connection with any proceeding or any settlement of any proceeding to which he may be a part or in which he may become involved by reason of his being or having been a director or officer of the Association, whether or not he is a director or officer at the time such expenses are incurred, except when the director or officer is guilty of willful misfeasance or malfeasance in the performance of his duties; provided that in the event of a settlement the indemnification shall apply only when the Board of Directors approves such settlement and reimbursement as being for the best interests in of the Association. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such director or officer may be entitled.

ARTICLE XII
REGISTERED OFFICE

The address of the corporation's initial registered office is: 3174 East Tamiami Trail, Naples, Florida 33962.

The name of this corporation's initial registered agent at the above address is: Kenneth R. Johnson.

ARTICLE XIII
BY-LAWS

The first By-Laws of this corporation shall be adopted by the Board of Directors and may be altered, amended or rescinded by the Members in the manner provided by the By-Laws.

ARTICLE XIV
AMENDMENTS

Amendments to these Articles may be made and adopted upon the following conditions:

1. A notice of the proposed amendment shall be included in the notice of the

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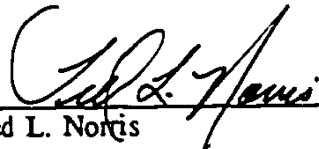
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Member's meeting which shall consider the amendment. The meeting may be the annual meeting or a special meeting.

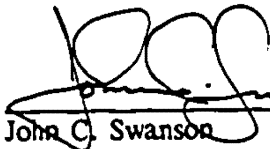
2. There is an affirmative vote of two-thirds (2/3) of the membership of the Association.

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of Florida, we, the undersigned, constituting the subscribing incorporators of this corporation, have executed this Articles of Incorporation, this 12th day of NOVEMBER, 1991.

SUBSCRIBERS:



Ted L. Norris



John C. Swanson

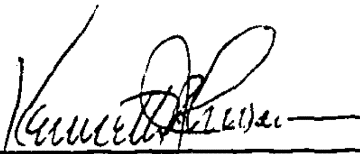
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STATE OF FLORIDA
COUNTY OF COLLIER

The foregoing instrument was acknowledged before me on this 12th day of NOVEMBER,
1991, by TED L. NORRIS AND JOHN C. SWANSON.

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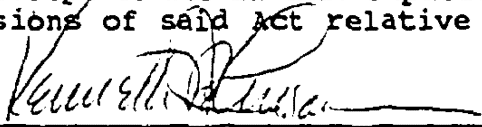
Notary Public
My Commission Expires:
State of Florida at Large

(Notary Seal)

NOTARY PUBLIC STATE OF FLORIDA
MY COMMISSION EXP. APR. 10, 1994
BONDED THRU GENERAL INS. LTD.

ACCEPTANCE OF REGISTERED AGENT

Having been named as Registered Agent for SABAL DUNES NEIGHBORHOOD ASSOCIATION, INC., at the place designated in the Articles of Incorporation, I hereby accept to act in this capacity, and agree to comply with the provisions of said act relative to keeping open said office.

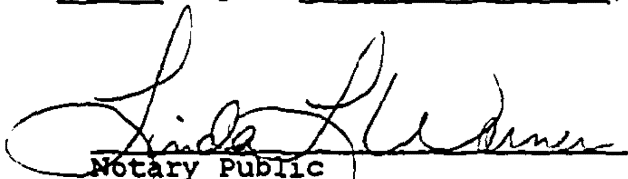


Kenneth R. Johnson

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STATE OF FLORIDA
COUNTY OF COLLIER

Acknowledged before me this 12th day of November, 1991, by KENNETH R. JOHNSON.



Notary Public
State of Florida at Large
My Commission Expires:

NOTARY PUBLIC STATE OF FLORIDA
MY COMMISSION EXP. AUG. 30, 1994
(Notary Seal) ED THRU GENERAL LES. NO.

**BY-LAWS
OF
SABAL DUNES NEIGHBORHOOD ASSOCIATION, INC.**

I. IDENTITY.

A. These are the By-Laws of SABAL DUNES NEIGHBORHOOD ASSOCIATION, INC., a non-profit Florida corporation. The Association has been organized for the purpose of administering the operation and Management of the Common Properties and improvements of SABAL DUNES in accordance with the Declaration of Restrictive Covenants, Conditions, Restrictions and Easements for Sabal Dunes (the "Declaration") to be recorded in the Public Records of Lee County, Florida, subjecting the land described in Exhibit 1 thereto to the terms thereof.

B. The provisions of these By-Laws are subject to the provisions of the Articles. A copy of the Articles and a copy of these By-Laws will be annexed, as Exhibits, to the Declaration which will be recorded in the Public Records of Lee County, Florida. The terms and provisions used in the Articles and Declaration shall control wherever the same may conflict herewith and bear the same meaning herein as is given to them in such documents.

C. All Members of the Association and their invitees, including, without limitation, all present or future owners and tenants of Homesites and Homes in the Site or any of the facilities thereof in any manner, are subject to these By-Laws, and the Articles and the Declaration.

D. The office of the Association initially shall be at c/o 3174 East Tamiami Trail, Naples, Florida 33962, or at such place as may be established by resolution of the Board of Directors.

E. The fiscal year of the Association shall be the calendar year.

F. The seal of the Association shall bear the name of the Association, the word "Florida," the words "Corporation Not For Profit," and the year of incorporation.

II. MEMBERSHIP, VOTING QUORUM, PROXIES.

A. The qualification of Members of the Association (the "Members"), the manner of their admission to Membership and the termination of such Membership, and voting by Members, shall be as set forth in the Articles, the provisions of which are incorporated herein by reference.

B. A quorum at meetings of Members shall consist of persons present in person or by proxy entitled to cast a majority of the votes of the entire Membership. The joinder of a Member in the action of a meeting by signing and concurring in the minutes thereof shall

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constitute the presence of such person for the purpose of determining a quorum.

C. The vote of the owner(s) of a Homesite owned by more than one (1) natural person, as tenants in common, joint tenants (except a husband and wife as tenants by the entirety), a partnership, or any other association of natural persons, or by a corporation, a trust, or any other entity shall be cast or otherwise exercised, by one (1) natural person designated by the Owner(s) of such Homesite as the "Primary Occupant" thereof. In each instance where title to a Homesite is proposed to be conveyed or is otherwise to become vested in more than one (1) natural person (except a husband and wife as tenants by the entirety), or a corporation, a trust, or any other entity, the prospective Owner(s) shall, by written instrument signed by all persons and entities who will hold title to the Homesite, designate one (1) natural person as the Primary Occupant. The instrument designating the Primary occupant shall be filed with the Association. The Primary Occupant of the Homesite shall be the only person entitled to cast or exercise, in person or by proxy, the vote of the Owner(s) of such Homesite at any meeting of Members or in connection with any action concerning which Members of the Association shall be required or allowed to vote or otherwise act.

D. Evidence of the approval or disapproval of the Owner(s) of a Homesite upon any matter, whether or not the subject of an Association meeting, shall be given to the Association by the same person who would cast the vote of such owner as if in an Association meeting.

E. Except where otherwise required under the provisions of the Articles, these By-Laws or the Declaration, or where the same may otherwise be required by law, the affirmative vote of a majority of the votes of the Members represented in person or by proxy at any meeting of the Members duly called and at which a quorum is present, voting the number of votes which each has shall be binding upon the Members.

F. Votes may be cast in person or by proxy. Proxies may be made by any person entitled to vote and shall be valid only for the particular meeting designated therein and must be filed with the Secretary before the appointed time of the meeting.

III. ANNUAL AND SPECIAL MEETINGS OF MEMBERSHIP.

A. The annual meeting of Members shall be held, at the office of the Association or such other place in Lee or Collier County, Florida as may be specified in the notice of the meeting, at 2:00 P.M. on the first Tuesday in February of each year for the purpose of electing Directors and of transacting any other business authorized to be transacted by the Members; provided, however, that if that day is a legal holiday, the meeting shall be held at the same hour on the next day succeeding business day.

B. Special meetings of Members shall be held wherever called by the President or Vice President or by a majority of the Board of Directors, and must be called by such Officers upon receipt of a written request from Members owning a majority of the Homesites, and must be called by such officers upon written petition calling for recall of one (1) or more Directors by the Owners of at least twenty percent (20%) of the Homesites in the Site.

C. Notice of all meetings of Members shall be given by the Secretary or, in the absence of the Secretary, another officer of the Association, to each Member (unless waived in writing). Each notice shall be in writing and shall state the time and place of and purpose for which the meeting is called. Each notice shall be given to each Member not less than thirty (30) days nor more than sixty (60) days prior to the date set for the meeting, and shall be mailed by first class mail or delivered personally to each Member. If delivered personally, receipt of the notice shall be signed by the Member, indicating the date received. If mailed, such notice shall be deemed properly given when deposited in the United States mail addressed to the Member at his Post Office address as it appears on the records of the Association, with postage thereon prepaid. Proof of mailing shall be given by the affidavit of the person giving the notice. Any Member may, in writing signed by such Member, waive such notice, and such waiver, when filed in the records of the Association, whether before, at, or after the holding of the meeting, shall be deemed equivalent to the giving of such notice to such Member. If any meeting of Members cannot be held because a quorum is not present, or because a greater percentage of the Membership required to constitute a quorum for particular purposes is not present, wherever the latter percentage of attendance may be required as set forth in the Articles, the By-Laws or the Declaration, the Members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum or the required percentage of attendance if greater than a quorum, is present. When a meeting is adjourned to another date, time or place and the date, time and place to which the meeting is adjourned is announced at the meeting at which the adjournment is taken, no further notice shall be necessary. At any adjourned meeting, any business which may have been transacted at the meeting as originally called may be transacted without further notice.

D. At meetings of Members, the Chairman of the Board, or in his absence, the President, shall preside, or in the absence of both, the Members present shall select a chairman of the meeting.

E. The order of business at annual meetings of Members, and, as far as practical, at other meetings of Members, shall be:

1. Calling of the roll and certifying of proxies;
2. Proof of notice of meeting or waiver of notice;
3. Reading or waiver of reading of minutes of previous meeting of Members;
4. Reports of Officers;
5. Reports of Committees;
6. Appointment by Chairman of inspectors of election;
7. Election of Directors;
8. Unfinished business;

9. New business;
10. Adjournment.

IV. BOARD OF DIRECTORS.

A. The Articles of Incorporation control the election, number and qualification of the Board of Directors.

B. The organizational meeting of a newly elected or designated Board shall be held within a reasonable time after their election or designation, at such time and place as shall be fixed at the meeting at which they were elected, and no further notice of the organizational meeting shall be necessary; provided, that a quorum shall be present.

C. Regular meetings of the Board may be held at such time and place as shall be determined from time to time by a majority of the Directors. Notice of regular meetings shall be given to each Director, personally or by mail, telephone or telegram, at least seven (7) days prior to the day named for such meeting, unless notice is waived. owners shall have the right to attend all meetings of the Board, but no Owner shall have the right to speak or otherwise participate in the meetings without the permission of the Board.

D. Special meetings of the Board may be called by the President,, and must be called by the Secretary at the written request of one-third (1/3) of the Directors. Not less than three (3) days notice of a special meeting shall be given to each Director,, personally or by mail, telephone or telegram, which notice shall state the time, place and purpose of the meeting.

E. Adequate notice of all meetings of the Board shall be placed conspicuously on the Common Properties at least forty-eight (48) hours in advance of such meeting except in an emergency. Notice of meetings of the Board may be waived only in the event of emergency where circumstances exist which pose such a danger to person or property that prompt action is required. In such event, such notice shall be given as is practical under the circumstances. Any Director may waive notice of a meeting before, at or after the meeting, and such waiver shall be deemed equivalent to the giving of notice.

F. A quorum at meetings of the Board shall consist of the Directors entitled to cast a majority of the votes of the entire Board. The acts of the Board approved by a majority of the votes present at a meeting at which a quorum is present shall constitute the acts of the Board of Directors, except as may be specifically otherwise provided in the Articles, these By-Laws or the Declaration. If any meeting of the Board cannot be held because a quorum is not present, or because the greater percentage of the Directors required to constitute a quorum for particular purposes is not present, wherever the latter percentage of attendance may be required as set forth in the Articles, these By-Laws or the Declaration, the Directors who are present may adjourn the meeting from time to time until a quorum, or the required percentage of attendance if greater than a quorum is present. At any adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice. No

member of the Board may vote by proxy or secret ballot at a meeting of the Board, nor may a Director abstain from voting except in cases of conflict of interest. The Board may not act by telephone conference or by written agreement.

G. The presiding Officer of meetings of the Board shall be the Chairman of the Board, if such officer has been elected, or, if not, the President of the Association. In the absence of the presiding Officer, the Directors present shall designate one of their number to preside.

H. All of the powers and duties of the Association shall be exercised by the Board, including those existing under the laws of Florida, the Articles, these By-Laws and the Declaration.

I. The first Board of Directors of the Association shall be comprised of three (3) persons designated as such in the Articles, who shall serve until their successors are designated by Developer or elected at the first annual meeting of the Members. Should any member of the first Board be unable to serve for any reason, Developer shall have the right to select and designate a successor to act and serve for the unexpired term of the Director who is unable to serve.

J. Directors who have been elected by Owners other than Developer may be removed from office with or without cause in the following manner:

1. The Owners of twenty percent (20%) of the Homesites upon a written petition calling for the recall or removal of one (1) or more of the members of the Board of Directors, may call a special meeting of the Owners for that purpose.

2. The first order of business at the meeting shall be the election of a person to preside over the meeting. The election shall be by vote of the majority of the Owners present at the meeting.

3. If the petition calls for the recall or removal of more than one (1) member of the Board of Directors, the questions of removal shall be divided as to each recalled member of the Board of Directors upon the request of any one Owner present at the meeting and eligible to vote.

4. Any member of the Board of Directors who is the subject of the recall petition shall be given a reasonable opportunity to speak at the meeting prior to the vote on the question of removal.

5. The vote necessary for removal shall be majority of all Owners, including those voting by proxy or absentee ballot.

6. If any member or members of the Board of Directors is removed at the special meeting, the vacancies shall be filled by the remaining Directors in the manner provided herein. If all Directors are removed at the special meeting, an election shall be held at the

special meeting to fill the vacancies for the remainder of the terms or terms of office. The Members may for such purpose recess or adjourn the meeting for a period not to exceed thirty (30) days with a call to reconvene for the purpose of the election at a specific date, time and place.

V. ADDITIONAL PROVISIONS - MEETINGS OF MEMBERS AND DIRECTORS.

Notwithstanding anything contained in these By-Laws to the contrary, any meeting of Members or the Board may be held at any place, within or without the State of Florida, designated in the notice of any such meeting, or notice of which is properly waived.

VI. OFFICERS

A. The Board shall elect a President, Secretary, Treasurer, and as many Vice Presidents, Assistant Secretaries and Assistant Treasurers as the Board shall deem advisable from time to time. The President shall be elected from the membership of the Board, but no other Officer need be a Director. The same person may hold two (2) offices, the duties of which are not incompatible; provided, however, that the office of President and Vice President shall not be held by the same person, nor shall the office of President and Secretary of Assistant Secretary be held by the same person. The Board may from time to time elect such other Officers, and designate their powers and duties, as the Board may deem necessary to properly manage the affairs of the Association. Officers may be removed from office by the Board.

B. The President shall be the chief executive officer of the Association. He shall have all of the powers and duties which are usually vested in the office of President of a corporation not for profit, including but not limited to the power to appoint committees from among the Members from time to time, as he may in his discretion determine appropriate, to assist in the conduct of the affairs of the Association. He shall have such additional powers as the Board may designate.

C. The Vice President shall, in the absence or disability of the President, exercise the powers and perform the duties of President. He shall also generally assist the President and exercise such other powers and perform such other duties as shall be prescribed by the Board.

D. The Secretary shall keep the minutes of all proceedings of the Board and the Members. He shall attend to the giving and serving of all notices to the Members and Board, and such other notices as may be required by law. He shall have custody of the seal of the Association and affix the same to instruments requiring a seal when duly signed. He shall keep the records of the Association, except those of the Treasurer, and shall perform all other duties incident to the office of the Secretary of a corporation not for profit and as may be required by the Board and the President. The Assistant Secretary shall perform the duties of Secretary when the Secretary is absent.

E. The Treasurer shall have custody of all of the property of the Association,

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including funds, securities and evidences of indebtedness. He shall keep the assessment rolls and accounts of the Members; he shall keep the books of the Association in accordance with good accounting practices; and he shall perform all other duties incident to the office of Treasurer.

F. The compensation of all Officers and employees of the Association shall be fixed by the Board. This provision shall not preclude the Board from employing a Director as an employee of the Association,, nor preclude contracting with a Director for the management of the Site.

VII. FISCAL MANAGEMENT.

The provisions for fiscal management of the Association set forth in the Declaration and Articles shall be supplemented by the following provisions:

A. The assessment roll shall be maintained in a set of accounting books in which there shall be an account for each Homesite. Such account shall designate the name and mailing address of the Owner(s) of each Homesite, the amount of each assessment against the Owner(s) of each Homesite, the due dates thereof, all amounts paid, and the balance due upon each assessment.

B. The Board shall adopt for, and in advance of, each calendar year, a budget showing the estimated costs of performing all of the functions of the Association for the year. Each budget shall show the total estimated expenses of the Association for that year and shall contain an itemized breakdown of the Common Expenses. Each budget shall also show the proportionate share of the total estimated expenses to be assessed against and collected from the Owner(s) of each Homesite and the due date(s) and amounts of installments thereof. Copies of the proposed budget and proposed assessments shall be transmitted to each Member on or before January 1 of the year for which the budget is made. If any budget is subsequently amended, a copy shall be furnished each affected Member. Delivery of a copy of any budget or amended budget to a Member shall not affect the liability of any Member for any such assessment, nor shall delivery of a copy of such budget or amended budget be considered as a condition precedent to the effectiveness of the budget and assessments levied pursuant thereto. Nothing herein contained shall be construed as a limitation upon an additional assessment in the event that any budget originally adopted shall appear to be insufficient to pay costs and expenses of operation and management, or in the event of emergencies.

C. A copy of the proposed annual budget of the Association shall be mailed to the Owners of Homesites not less than thirty (30) days prior to the meeting of the Board at which the budget will be considered, together with a notice of the time and place of the meeting. Such meeting of the Board shall be open to such Owners. If a budget is adopted by the Board which requires assessment of the of the Owners in any budget year exceeding 115% of such assessments for the preceding year, upon written application of twenty percent (20%) of the Owners, a special meeting of the Owners shall be held upon not less than ten (10) days written notice to each Owner, but within thirty (30) days of the delivery of such application to the Board or any member thereof, at which special meeting owners may consider only and enact only a

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revision of the budget. Any such revision of the budget shall require a vote of not less than two-thirds (2/3) of the whole number of votes of all Members of the Association.

The Board may in any event first propose a budget to the Owners at any such meeting of Members or by writing, and if such budget or proposed budget be approved by a majority of the whole number of votes of all Members, such budget may not thereafter be reexamined by the Owner in the manner hereinabove set forth.

D. In determining whether assessments exceed 115% of similar assessments in the prior budget year, there shall be excluded from the computation reasonable reserves made by the Board in respect to repair and replacement of Common Properties, or in respect of anticipated expenses by the Association which are not anticipated to be incurred on a regular or annual basis; and there shall be excluded from such computation, assessments or betterments to the Common Properties. Provided, however, that so long as Developer is in control of the Board of Directors the Board shall not impose an assessment for a budget year greater than 115% of the prior budget year's assessments without approval of a majority of the whole number of votes of all members, other than the Developer.

E. Upon adopting of budgets, the Board shall cause a written copy thereof to be delivered to each Homesite owner. Assessments shall be made against Homesite owners pursuant to procedures established by the Board, and in accordance with terms of the Declaration of the Articles. Homesite owners shall be liable to pay assessments not less often than quarterly. Provided, however, that the lien or lien rights of the Association shall not be impaired by failure to comply with procedures established pursuant to these By-Laws.

F. The depository of the Association shall be such bank or banks as shall be designated from time to time by the Board, in which all monies of the Association shall be deposited. Withdrawal of monies from such bank(s) shall be only by checks signed by such persons as are designated by the Board.

G. A review of the accounts of the Association shall be made annually by a Certified Public Accountant, and a copy of the report shall be mailed or furnished by personal delivery to each member not later than April 1 of the year following the year for which the report is made. The report shall show the amounts of receipts by accounts and receipt classifications and shall show the amounts of expenses by accounts and expense classifications.

VIII. PARLIAMENTARY RULES.

Roberts' Rules of order (latest edition) shall govern the conduct of Association proceedings when not in conflict with the Articles, these By-Laws or the laws of Florida.

IX. AMENDMENT TO BY-LAWS.

A. Amendments to these By-Laws may be proposed by the Board, acting upon vote

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of a majority of the Directors, or by Members owning a majority of the Homesites subject to the Declaration whether meeting as Members or by instrument in writing signed by them.

B. Upon any amendment or amendments to these By-Laws being proposed by the Board or Members, such proposed amendment or amendments shall be transmitted to the President of the Association, or acting Chief Executive Officer in the absence of the President, who shall thereupon call a special meeting of the Members for a date not sooner than thirty (30) days or later than sixty (60) days from receipt by such officer of the proposed amendment or amendments, and it shall be the duty of the Secretary to give each member written or printed notice of such meeting in the same form and in the same manner as notice of the call of a special meeting of the Members is required as herein set forth; provided, that proposed amendments to the By-Laws may be considered and voted upon at annual meetings of the Members.

C. In order for such amendment or amendments to become effective, the same must be approved by an affirmative vote of Members holding two-thirds (2/3) of the votes in the Association. Thereupon, such amendment or amendments to these By-Laws shall be transcribed, certified by the President and Secretary of the Association, and a copy thereof shall be recorded in the Public Records of Collier County, Florida, within thirty (30) days from the date on which any amendment or amendments have been affirmatively approved by the Members.

D. At any meeting held to consider such amendment or amendments to these By-Laws, the written vote of a Member shall be recognized if such Member is not present at such meeting in person or by proxy, provided such written vote is delivered to the Secretary at or prior to such meeting.

E. Notwithstanding the foregoing provisions of this Article IX, no amendment to these By-Laws which shall abridge, amend and/or alter the right of the Developer to designate a majority of the members of each Board of Directors of the Association, as provided in the Articles, may be adopted or become effective without the prior written consent of Developer.

X. RULES AND REGULATIONS.

Rules and Regulations governing the use of the Homesites and the Common Properties of the Association and the conduct of the Owners,, occupants and guest shall be adopted in the following manner:

A. Initial Rules and Regulations. At its first meeting, the Board of Directors of the Association (all of whom shall have been designated by Developer in accordance with the Articles of Incorporation and these By-Laws) may adopt an initial set of Rules and Regulations, which, after adoption, shall be annexed to these By-Laws in the form of an Exhibit.

B. Amendment to Rules and Regulations. The Board of Directors may from time to time, by majority vote at a duly called meeting of the Board, adopt, modify, amend, add to, or detract from the Rules and Regulations; provided, however, a majority of the Members present and voting at a meeting of the Members at which a quorum is present may override the

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Board with respect to any such changes. All changes to the Rules and Regulations made by the Board shall be mailed by first class mail to each Member not less than thirty (30) days prior to the effective date of the change. No modification, amendment, addition or detracton to the Rules and Regulations may be adopted by the Board if it would conflict with a provision of the Declaration.

C. Enforcement of Rules and Regulations. All violations of Rules and Regulations or of any provisions of the Declaration, Articles and/or By-Laws shall be reported immediately to a member of the Board of Directors, an Association officer and/or the management agent. Disagreements concerning violations, including, without limitation, disagreements regarding the proper interpretation and effect of Rules and Regulations or other provisions of the Declaration shall be presented to and determined by the Board of Directors of the Association, whose interpretation and/or whose remedial action shall be dispositive. In the event that any person, firm or entity subject to the Rules and Regulations, or other provisions of the Declaration, fails to abide by them, as they are interpreted by the Board of Directors, they shall be liable to be fined by the Association for each such failure to comply or other violation. Such fine shall be collected by the Association and shall be an asset of the Association. If the Board of Directors of the Association deems it necessary, it may seek all available remedies and may bring action at law or in equity to enforce the Rules and Regulations, or other provisions of the Declaration including the provision herein for fines. In the event any such action is instituted, and reduced to judgment in favor of the Association, the Association shall in addition be entitled to recover its costs and attorneys' fees (at the trial level and at all levels of appeal).

Adopted as the ByLaws of SABAL DUNES NEIGHBORHOOD ASSOCIATION, INC., a corporation not for profit under the laws of the State of Florida, at the first meeting of the Board of Directors on the 12th day of November, 1991.

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CHARLIE GREEN LEE CIV FL
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