

COMPOSITE EXHIBIT "5"

Prepared by and
when recorded, return to:
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**DECLARATION OF COVENANTS AND RESTRICTIONS FOR BEACH CLUB AT
HAMMOCK DUNES**

THIS DECLARATION OF COVENANTS AND RESTRICTIONS FOR BEACH CLUB AT HAMMOCK DUNES (the "Declaration") is made this ____ day of _____, 2006 by WCI COMMUNITIES, INC., a Delaware corporation, having a mailing address at 24301 Walden Center Drive, Suite 300, Bonita Springs, Florida 34134 (the "Declarant").

RECITALS

A. Declarant is the owner of certain lands located in Flagler County, Florida, more particularly described on Exhibit "A" attached to and made a part of this Declaration (the "Properties").

B. It is the Declarant's intention (although the Declarant does not obligate itself to do so) to develop a neighborhood (the "Neighborhood") comprised of various condominiums that may include (without any obligation) up to 200 residential condominiums units and associated condominium improvements, together with certain improvements that Declarant may, but shall not be obligated to, construct upon the "Common Areas," as such term is defined below. Expenses of the operation and maintenance of the "Common Areas," as such term is defined below, will be shared by all "Owners," as such term is defined below.

C. The Declarant may unilaterally in the future elect to: (a) subject additional properties to this Declaration or withdraw portions of the properties from this Declaration; (b) amend this Declaration; and/or (c) impose additional protective covenants, conditions and restrictions not set forth in this Declaration on such additional portions of property.

D. In order to facilitate the objectives described in this Declaration, Beach Club at Hammock Dunes, Inc., a Florida not-for-profit corporation (the "Association") will be responsible for the administration, enforcement and performance of certain duties under this Declaration.

TERMS

The Declarant declares that the Properties, together with such additions to the Properties as are hereafter made pursuant to Section 2 of this Declaration, shall be owned, held, transferred, sold, conveyed, demised, leased, encumbered, mortgaged, used, occupied and improved subject to the easements, covenants, conditions, restrictions, servitudes, charges and liens created or provided for by this Declaration, which shall run with the Properties or any part thereof.

1. DEFINITIONS.

When used hereinafter, the words set forth below shall have the following meanings unless the context requires otherwise:

1.1. "Assessments" collectively means and refers to periodic, special and personal assessments as set forth and described in Section 9 of this Declaration.

1.2. "Association" means and refers to the Beach Club at Hammock Dunes, Inc., a nonprofit Florida corporation, its successors and assigns. The Articles of Incorporation of the Association and the By-Laws of the Association are attached to this Declaration as Exhibit "B" and Exhibit "C" respectively.

1.3. "Board" or "Board of Directors" means and refers to the Board of Directors of the Association as it exists from time to time.

1.4. "Common Areas" means the General Common Areas and the Exclusive Common Areas, as designated by the Declarant in its sole discretion. Common Areas may include, without limitation and without any obligation on the part of the Declarant to construct, a pool and recreation facility, drainage systems, utility systems, lighting fixtures, signage, driveways, roads, walkways, dune walkovers, parking areas, preservation areas and landscaped areas, including properties in or over which the Association or the owners have easements as well as those to which it has a fee interest, but excluding any public utility installations thereon and any other property of the Declarant not intended to be made Common Areas. NOTWITHSTANDING ANYTHING CONTAINED IN THIS DECLARATION TO THE CONTRARY, THE DEFINITION OF "COMMON AREAS" AS SET FORTH IN THIS DECLARATION IS FOR DESCRIPTION PURPOSES ONLY AND SHALL IN NO WAY BIND OR OBLIGATE THE DECLARANT TO CONSTRUCT OR SUPPLY ANY SUCH ITEM AS SET FORTH IN SUCH DESCRIPTION. FURTHER, NO PARTY SHALL BE ENTITLED TO RELY UPON SUCH DESCRIPTION AS A REPRESENTATION OR WARRANTY AS TO THE EXTENT OF THE COMMON AREAS TO BE OWNED, LEASED BY OR DEDICATED TO THE ASSOCIATION, EXCEPT AFTER CONSTRUCTION AND DECISION OR CONVEYANCE OF ANY SUCH ITEM.

1.5. "Common Expenses" means the actual and estimated expenses of ownership, maintenance, management, operation, insurance, repair and replacement of the Common Areas, including, without limitation, unpaid Assessments and including those expenses not paid by the Owner responsible for payment; the 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, gardening and other landscape maintenance services benefiting the Common Areas; the costs of fire, casualty and liability insurance, workmen's compensation insurance, and other insurance covering or connected with the Common Areas or the Association; costs of administration of the Association in the performance of its functions and duties under the Declaration, Articles and By-Laws; taxes paid by the Association, including real property taxes for the Common Areas; fees, costs, charges and assessments payable by the Association and related or due pursuant to the Master Declaration; indemnification (to the extent permitted by law) made or given to any member of the Board of

Directors and officers of the Association; amounts paid by the Association for the discharge of any lien or encumbrance levied against the Common Areas or any portion thereof; costs not paid by the Owners responsible for payment; and the costs of any other item or items so designated by, or in accordance with other expenses incurred by, the Association for any reason whatsoever in connection with the Common Areas, the Association or for the benefit of Owners.

1.6. "Condominium Association" means a condominium association administering a condominium upon Condominium Property.

1.7. "Condominium Property" means all parcels of property within the Properties that are now or subsequently (or are intended by Declarant to be) submitted to condominium ownership.

1.8. "DCDD" means the uniform community development district established pursuant to Chapter 190, Florida Statutes, and known as the Dunes Community Development District, which administers a portion of Hammock Dunes, including the Properties.

1.9. "Declarant" means WCI Communities, Inc., a Delaware corporation, its successors and those assignees to which the Declarant may assign all or a portion of its rights under this Declaration. Any of the Declarant's rights set forth herein may be assigned by the Declarant whether or not such right contains a specific statement that it is assignable. In the event of a partial assignment, the assignee shall not be deemed the Declarant, but may exercise such rights (including the right to make further assignments if granted by the Declarant) of the Declarant specifically assigned to it. Any such assignment may be made on a nonexclusive basis.

1.10. "Exclusive Common Areas" means and refers to those certain portions of the Common Areas that are for the primary use and benefit of certain Owners, but less than all of the Owners.

1.11. "General Common Areas" means the portions of the Properties and together with the improvements, landscaping and personal property thereon designed and intended for the common, non-exclusive use of the Owners, their respective Lessees, Guests and invitees, and declared to be General Common Areas in this Declaration or any Supplement to this Declaration, provided that the Declarant shall have the right to provide in any Supplement to this Declaration that certain portions of the General Common Areas shall not be available for use by Owners of any or all of the Units.

1.12. "Guest" means any customer, agent, employee, officer, director, visitor, licensee, guest or invitee of an Owner, Lessee, Member, the Association, a Condominium Association or the Declarant, as the case may be.

1.13. "Hammock Dunes" means the lands in the City of Palm Coast, Flagler County, Florida identified in the Master Declaration.

1.14. "Institutional Lender" means and refers to a bank, savings and loan association, insurance company, mortgage company, credit union or pension fund authorized to do business in the United States of America, an agency of the United States Government, Fannie Mae,

Freddie Mac, a real estate investment trust, a lender generally recognized in the community as an institutional lender, and if the Declarant holds a mortgage on one or more of the Units, the Declarant.

1.15. "Lessee" means and refers to the person or persons, entity or entities, who are the lessees under a Lease of a Unit. All such leased property is referred to as the "Leased Premises." Lessees shall not be Members of the Association, but shall, through the Owner, be entitled to certain rights and undertake certain obligations with respect to the Unit. Such rights and obligations are appurtenant to the Lessee's lease of the Leased Premises.

1.16. "Master Association" means and refers to Hammock Dunes Owners' Association, Inc., a Florida not-for-profit corporation, formed for the purposes stated in the Master Declaration, and which administers the Hammock Dunes development. Unit Owners are automatically members of the Master Association.

1.17. "Master Declaration" means and refers to the Declaration of Protective Covenants, Conditions and Restrictions for Hammock Dunes recorded in Official Records Book 392, at Page 343, of the Public Records of Flagler County, Florida, covering the development of Hammock Dunes as described in the Master Declaration, as supplemented and amended from time to time.

1.18. "Member" means the persons and entities entitled to membership in the Association as provided in this Declaration.

1.19. "Owner" means and refers to the record owner (whether one or more than one person or entity) of a Unit.

1.20. "Properties" means and refers to the lands legally described in Exhibit "A" hereto.

1.21. "Unit" means and refers to a constructed dwelling unit located upon any portion of the Condominium Property (together with any interests in commonly or individually owned real property appurtenant thereto) which is intended to be and may be used and occupied only as a single family residence.

1.22. "Turnover Date" means the date upon which the Class A Members shall assume control of the Association and elect the Board of Directors, as more particularly described in Section 4.3.

2. DECLARATION.

2.1. General. The initial real property which shall be held, transferred, sold, conveyed and occupied subject to this Declaration is more particularly described in Exhibit "E" attached hereto and shall initially constitute the "Properties." The real property and Improvements thereto described in Exhibit "D" attached to and made a part of this Declaration are hereby declared to be "Common Areas." The Properties, including all Units, the Condominium Property and the Common Areas (including, without limitation, the Exclusive Common Areas) shall be held, conveyed, leased, mortgaged, used, occupied and improved subject to the covenants, restrictions, easements and servitudes set forth in this Declaration and the Articles of Incorporation, By-Laws

and Rules and Regulations of the Association, all of which are for the purpose of enhancing and protecting the value and desirability of the Units, and which shall run with the land.

2.2. Annexation and Withdrawal of Property.

2.2.1. The Declarant shall have the unilateral right, privilege and option, from time to time for so long as the Declarant owns any portion of the Properties, to: (i) subject to the provisions of this Declaration and the jurisdiction of the Association and to designate as "Properties" other land in Hammock Dunes or any adjacent or nearby property (including the improvements thereon); and (ii) withdraw, remove or exempt any portion of the Properties then owned by the Declarant or its affiliates or the Association from any or all of the provisions of this Declaration. Such annexation or withdrawal shall be accomplished by recording an amendment or supplemental declaration in the Public Records of Flagler County, Florida and shall be effective upon such filing unless provided otherwise therein. Such amendments or supplemental declarations shall not require the consent or joinder of any person or entity, including, without limitation, any Owner, the Association and/or its respective Members, any Condominium Association and/or its respective members, any mortgagee, lessee, licensee, guest or invitee, but shall require the consent of the owner of such property, if other than Declarant.

2.2.2. The Declarant may from time to time declare all or part of any such additional property (including the improvements thereon) to be General Common Areas or Exclusive Common Areas. The Declarant reserves the right to plat, replat, replan, and revise plans for any portion of the Properties owned by the Declarant. Once so added, any such additional land shall be deemed a part of the Properties for all purposes of this Declaration. Nothing in this Declaration shall, however, obligate the Declarant to develop future property (adjacent or otherwise) under any general scheme under this Declaration or otherwise, nor to prohibit the Declarant from changing the development plans with respect to such annexed property.

2.2.3. Some of the effects of annexing land into or withdrawing land from the Neighborhood may be to increase or decrease the size of the Neighborhood, the number of Units, the number of buildings, the number of Members, the size of the General Common Areas, the number of persons using the General Common Areas, the size of the Association budget and the total number of votes that may be cast by Members and increases in public uses and noises. All Owners by acceptance of their deeds to or other conveyances of their portion of the Properties and/or any other portion of the Properties thereby and hereby automatically consent to any such change, addition, deletion, plat, replat, replan, rezoning, covenant in lieu of unity of title or plan thereafter made by the Declarant and shall evidence such consent in writing if requested to do so by the Declarant at any time (provided, however, that the refusal to give such written consent shall not obviate the general effect of this provision). By acceptance of their deeds all Owners hereby grant to the Declarant an irrevocable power of attorney, accompanied by an interest to act on their behalf and stead and to take all such reasonable actions and to execute and all such documents on their behalf as may be reasonably required by the Declarant to accomplish or carry out such changes, additions, deletions, plats, replats, rezoning, covenant in lieu of unity of title or plans; provided, however that such power is deemed not to be granted to the extent that any such change, addition, deletion, plat, replat or plans materially and adversely impair physical access to such portion of the Properties (or improvements thereon) and will not have the effect of

prohibiting a previously permitted material use of the respective Owner's portion of the Properties.

2.2.4. Any supplemental declaration may submit the additional Properties to such changes to and modifications of the provisions contained in the Declaration as may be necessary or convenient in the Declarant's judgment to reflect or adapt to any changes in circumstances or difference in the character of the added properties.

2.3. Effect and Duration. The covenants, restrictions, easements and servitudes shall run with, bind, benefit and burden all properties subject hereto, and shall benefit, burden and be enforceable by and against the Declarant, the Association, the Owner of any Unit, and the respective legal representatives, heirs, successors and assigns of each for a term of 30 years from their recordation in the Public Records, after which time said covenants shall be automatically extended for successive periods of ten years unless an instrument signed by the then Owners of two-thirds of the Units has been recorded, agreeing to terminate said covenants and restrictions in whole or in part; provided, however, that no such agreement shall be effective unless made and recorded three years in advance of the effective date of such termination and unless written notice of the proposed agreement is sent to every Owner at least ninety (90) days in advance of any action taken. Termination will cause the then Owners of Units to become tenants in common of an equal fractional interest in the Common Areas of the then existing Neighborhood an appurtenance to their ownership of a Unit.

2.4. No Condominium. The Association is not a condominium association and therefore shall not be governed by the provisions of Chapter 718, Florida Statutes. This Declaration is not a declaration of condominium. No portion of the Properties is submitted by this Declaration to the condominium form of ownership. The Declarant does not intend that any portion of the Properties be submitted to the condominium form of ownership except that property legally described in a declaration of condominium specifically prepared in accordance with Chapter 718, Florida Statutes, executed by or with the consent of the Declarant. Further, the expressed intent of the Declaration is that the substantive rights hereunder shall not retroactively be affected by legislation subsequent to the date of the execution of the Declaration.

2.5. No Amendment. The provisions of this Section 2 shall not be amended without the prior written consent of the Declarant, so long as Declarant owns any portion of the Properties.

3. COMMON AREAS.

3.1. General. The Declarant may, from time to time, by recording appropriate Supplemental Declarations in the public records of Flagler County, Florida, designate portions of the then existing Properties to be General Common Areas or Exclusive Common Areas, provided the Supplemental Declaration is executed or joined by the Owner or Owners of the Properties being so designated, as well as by the Declarant. In the event that the Declarant determines that a particular portion of the Properties is or is not Common Areas under this Declaration, such determination shall be binding and conclusive. The Declarant shall have the right, in its sole and absolute discretion, to alter the boundaries of the Common Areas or any Exclusive Common Areas, and to construct, develop or modify the Common Areas, and any improvements,

easements and use rights thereon or appurtenant thereto in a manner determined appropriate by Declarant to be in the best interests of the Properties, without the consent or joinder of any entity or person, including, without limitation, the Association and its respective Members, any Condominium Association and its respective members, any Owner, mortgagee, lessee, licensee, guest, invitee or any other person, for so long as the Declarant shall have any interest in any portion of the Properties.

3.2. Common Areas. The Declarant shall have the right, subject to obtaining all required governmental approvals and permits, to construct on the Common Areas such facilities as the Declarant deems appropriate. The timing and phasing of all such construction shall be solely within the discretion of the Declarant. It is specifically contemplated that the Common Areas may change from time to time in connection with changes in development plans and other factors not now known (including, without limitation, by adding to, withdrawing or transferring to the Master Association, the DCDD or a Condominium Association). Accordingly, references in this Declaration to the Common Areas shall be deemed to refer to same as they may exist as of the relevant time.

3.3. Exclusive Common Areas. Certain portions of the Common Areas may be designated by the Declarant as Exclusive Common Areas and reserved for the exclusive use or benefit of some but not all of the Owners. There is hereby created in favor of every Owner that is entitled to the use or benefit of particular Exclusive Common Areas, a non-exclusive easement of use, access and enjoyment in and to such Exclusive Common Areas. The Association shall maintain, repair, replace, operate and insure all Exclusive Common Areas and all expenses associated therewith shall be assessed against the Owners that are benefitted thereby as a personal assessment pursuant to this Declaration.

Any Supplemental Declaration may declare any part or all of any properties added by it to be Exclusive Common Areas for the specific use of only certain of the Owners, which Owners may either be specifically designated in the Supplemental Declaration or may be designated later by the Declarant pursuant to provisions set forth in the Supplemental Declaration. Any Supplemental Declaration may subject Exclusive Common Areas to specific rules, regulations or provisions with respect to their use and with respect to the payment of expenses relating to them, including provisions that require only those persons who are entitled to use the Exclusive Common Areas to pay for their operation and maintenance.

Except as otherwise provided in this Declaration or any Supplement to this Declaration, neither the use of any Exclusive Common Areas nor any undivided interest in Exclusive Common Areas may be transferred, conveyed, devised or encumbered separately from the Units to which it is appurtenant. Subject to amendment by any Supplemental Declaration, rights to the Exclusive Common Areas may be reassigned, by the Declarant, or, with the consent of the Declarant upon the vote of a majority of the total Association vote.

3.4. Conveyance of Common Areas. If the Declarant determines, subject to any governmental requirements, that any portion(s) of the Common Areas should be administered by the DCDD, the Master Association, any Condominium Association or any other neighborhood association rather than the Association, then such portion(s) of the Common Areas shall cease to be Common Areas, even if no such Common Areas has been conveyed to the Association, and

shall thereafter be property of the DCDD, the Master Association, any such Condominium Association or any such other neighborhood association. Upon such portions of the Common Areas becoming property of the DCDD, the Master Association, any such Condominium Association or any such other neighborhood association, the expenses pertaining to administering and maintaining such portions of the Common Areas shall cease to be Common Expenses. If required by law, or if deemed by the Declarant to be in the best interests of the Neighborhood or the Declarant's plan of development, the Neighborhood Association shall convey to the DCDD, the Master Association, any such Condominium Association or any such other neighborhood association any Common Areas which are to become property of such entity or association.

3.5. The provisions of this Section 3 shall not be amended without the prior written consent of the Declarant, so long as Declarant owns any portion of the Properties.

4. THE ASSOCIATION.

4.1. Duties. The Association shall be responsible for the exclusive management, operation and maintenance of the Common Areas in accordance with its Articles of Incorporation, its Bylaws and this Declaration.

4.2. Membership. The Declarant and every Owner as defined in Subsection 1.18 of this Declaration shall be a member of the Association. Notwithstanding the foregoing, any such person or entity who merely holds record ownership as security for the performance of an obligation shall not be a Member of the Association. No Owner shall have more than one (1) membership in the Association (the "Membership"), although a Member may have more or less than one (1) vote in the Association. Memberships in the Association shall not be assignable, except to a successor in interest of the Owner, and every Membership of an Owner in the Association shall be appurtenant to and may not be separated from fee ownership of such Owner's portion of the Properties. Change of Membership in the Association shall be established by recording in the Public Records of Flagler County, Florida, a deed or other instrument establishing a record title to a Unit and the delivery to the Association of a photocopy of such recorded instrument. The Association may charge the new owner an administrative fee established from time to time by the Board of Directors to cover the costs of changing its records and providing a set of the Documents to such owner, the payment of which shall be secured by a lien as an assessment. Membership in the Association shall be appurtenant to and inseparable from the ownership of a Unit.

4.3. Classes of Membership. The Association shall have two (2) classes of Members: (i) Class A Members shall be all Owners who are Members of the Association, with the exception of the Declarant; and (ii) the Class B Member shall be the Declarant. The Class B membership shall cease and be converted to Class A membership on the first to occur of the following events:

4.3.1. in December 31, 2031;

4.3.2. three months after ninety (90%) percent of the Properties in all phases of the Properties that will ultimately be operated by the Association have been conveyed to Class A Members; or

4.3.3. when the Declarant records a notice in the Public Records of Flagler County, Florida expressly terminating its Class B membership.

From and after the happening of these events, whichever occurs first, the Class B Members shall be deemed Class A Members entitled to the votes specified in this Section 4. The Declarant may exercise the right to amend this Declaration, the Articles and Bylaws to provide for additional types of Members with such number of votes and rights as the Declarant may in its sole reasonable discretion determine. Such right of the Declarant shall expire or terminate upon the Declarant no longer being a Member.

4.4. Voting. Each Class A Member shall have one full, indivisible vote in all matters. The Class B Member shall have four (4) votes for every vote of the Class A Members. All votes shall be cast or exercised in the manner provided in the Bylaws of the Association. When more than one person holds title to a Unit, all such persons shall be Members, the vote for such Unit being exercisable as they among themselves determine, but in no event shall more than one vote be cast with respect to any such Unit.

5. PROPERTY RIGHTS IN THE COMMON AREAS.

5.1. Easements. The Declarant hereby reserves and grants the following perpetual, non-exclusive easements over and across the Properties as covenants running with the Properties and portions thereof for the benefit of the Owners, the Declarant and others as specified:

5.1.1. Easement of Enjoyment. All Members of the Association shall, subject to the provisions herein, have a right and easement of enjoyment in and to the Common Areas which shall be appurtenant and shall pass with title to every Unit.

5.1.2. Maintenance Easements. The Association is granted a blanket easement over Common Areas, Condominium Property and Units for repair and maintenance and for carrying out its responsibilities.

5.1.3. Other Persons Entitled to Use. Subject to reasonable regulations by the Association, the foregoing rights and easements of each Owner may be extended to the members of such Owner's immediate family, Lessees, invitees and his social guests residing in the Unit.

5.1.4. Public Service. Fire, law enforcement, health, sanitation and other public service personnel and their vehicles shall have a perpetual non-exclusive easement into, out of and over the Common Areas for the purpose of performing their lawful functions.

5.1.5. Blanket Easements. The Declarant and the Association shall have the right to grant and use general ("blanket") and specific easements, licenses and rights-of-way on, over, under and through the Common Areas. Easements over the Common Areas for drainage and public utilities may be granted from time to time by the Association.

5.1.6. Signage. There is hereby reserved to the Declarant, its successors and assigns, a perpetual, non-exclusive easement to access all signage for the Neighborhood to install the phrase "A WCI Community" or words of similar import directly below, or in close proximity, to the name of the Neighborhood or install additional signage identifying WCI Communities, Inc. in close proximity of the signage containing the Neighborhood name. Further, Declarant shall have the right, but not the obligation, to maintain, modify or remove said signage in its sole and absolute discretion, without the consent of the Association.

5.1.7. Easements for Pedestrian and Vehicular Traffic. In addition to the general easements for use of the Common Areas reserved herein, there shall be, and the Declarant hereby reserves, grants and covenants for itself and all future Owners and their family members, Lessees, Guests and mortgagees of the Properties, or any portion thereof, and to the Association, that all of the foregoing shall have a perpetual, non-exclusive easement for: (i) vehicular traffic over all streets dedicated to the public use, if any, and private streets, drives and roadways within or upon the Common Areas; (ii) pedestrian traffic over, upon and across all walkways, paths and boardwalks within or upon the Common Areas; and (iii) vehicular parking on such portions of the Common Areas as from time to time may be intended and designated for general parking purposes by the Board of Directors. All rights of use and enjoyment of the Common Areas are subject to reasonable regulation and restriction by the Association. The Declarant expressly reserves the right to construct, erect and build any buildings and other improvements over such streets, drives, roadways, sidewalks, paths, walks and parking areas within or upon the Common Area. The Declarant, by supplemental declaration or other written instrument, may limit or restrict access to certain private streets, drives, roadways, walkways, paths and parking areas within or upon the Common Area.

5.1.8. Declarant's Easements. The Declarant hereby reserves non-exclusive easements of ingress and egress over and across: (i) any and all streets dedicated to the public use, if any, and (ii) private streets, drives, roads and/or roadways and driveways within or upon the Properties, and any portion thereof, which are necessary or convenient for enabling the Declarant to carry on the work referred to in this Declaration, which easements shall be for the use of the Declarant.

5.1.9. Utility and System Easements. The Declarant hereby reserves unto itself, so long as Declarant owns any property in the Properties and on behalf of the Association and their respective designees, and each shall have a perpetual easement over, upon and under the Common Areas and the unimproved other portions of the Properties for the installation, operation, maintenance, repair, replacement, alteration and expansion of the surface water management and drainage systems, roads, driveways, walkways, dune walkovers, preservation areas, landscaped areas, street lights, signage, mailboxes and all utilities, including, without limitation, equipment required to provide power, lights, telephone, gas, water and sewer.

5.1.10. Pedestrian Walkways. The Declarant may, but shall not be obligated to, construct paved walkways and dune walkovers (collectively, the "Walkways") upon portions of the Common Areas that will provide pedestrian access for owners and residents of adjoining condominiums and neighborhoods within Hammock Dunes. If from time to time the Declarant constructs Walkways upon the Common Areas, the Declarant shall have the unilateral right (but not the obligation), from time to time until the Turnover Date, to grant, without the joinder or

consent of the Association or any of its Members, or to cause the Association to grant, exclusive or non-exclusive easements (under such terms and conditions as the Declarant in its sole discretion deems appropriate) in favor of any Condominium Association or other property owners association administering real property in Hammock Dunes and/or any the owners, residents and users, and their respective family members, guests and invitees, of any condominium units and/or any other mixed use developments within Hammock Dunes, to use any one or more of the Walkways, or any portions thereof, for pedestrian access, ingress and egress.

5.1.11. Surface Water Management System. The Declarant and its affiliates, the Association and their respective designees and the DCDD shall have a perpetual easement for drainage, flowage and irrigation, and reasonable rights of access for persons and equipment, over, upon and under the Common Areas and the unimproved portions of the Properties for the installation, operation, maintenance, repair, replacement, alteration and expansion of any surface water management system.

5.1.12. Encroachments; Easements. If (a) any portion of the Common Areas (or improvements constructed thereon) encroaches upon any other portion of the Properties or upon any improvement; (b) any portion of the Properties (or improvements constructed thereon) encroaches upon the Common Areas; or (c) any encroachment shall hereafter occur as a result of (i) construction of any improvements; (ii) settling or shifting of any improvement; (iii) any alteration or repair to the Common Areas (or improvements thereon) after damage by fire or other casualty or any taking by condemnation or eminent domain proceedings of all or any portion of any improvement of the Common Areas, then, in any event, a valid easement is granted and shall exist for such encroachment and for the maintenance of the same so long as the improvements causing said encroachment shall stand. In the event that any structure is partially or totally destroyed, then rebuilt, the Owners and the Association agree that minor encroachments on Common Areas due to construction shall be permitted and that an easement for such encroachments and the maintenance of the structure shall exist. This provision shall not entitle any Owner to intentionally construct improvements which encroach upon any other portion of the Properties and no easement for encroachment shall exist if such encroachment occurred due to the willful and knowing conduct on the part of, or with the knowledge and consent of, an Owner, occupant, or the Association. The provisions of this Subsection 5.1.12 shall not be in derogation or limitation of any other rights of the Declarant.

5.1.13. Pipes, Wires, Ducts, Cables, Conduits, Public Utility Lines, etc. Each portion of the Properties shall have an easement in common with all other portions thereof to use, maintain, repair, alter and replace all pipes, wires, ducts, vents, cables, conduits, utility lines and similar and related facilities now or hereafter located in the and serving such portions thereof. Each portion of the Properties shall be subject to an easement in favor of all other portions thereof to use, maintain, repair, alter and replace all pipes, wires, ducts, vents, cables, conduits, utility lines and similar and related facilities now or hereafter located in the Properties and serving such portions thereof.

5.1.14. Easements of Support. Whenever any structure included in the Common Areas adjoins any structure included in any other portion of the Properties, each said structure shall have and be subject to an easement of support and necessity in favor of the other structure.

5.1.15. Storage Room. Declarant may, but shall not be obligated to, pursuant to the Declaration of Condominium for Tuscany at Hammock Dunes, a Condominium, recorded or to be recorded in the Public Records of Flagler County, Florida, grant or cause to be granted under such terms and conditions as the Declarant in its sole discretion deems appropriate, without the joinder or consent of the Association or any of its Members, an easement in favor of the Association over and upon a storage room located within the Tuscany Condominium Property, for the purpose of installing, maintaining, operating and storing equipment, materials, supplies and furnishings. If Declarant elects, in its sole and absolute discretion, to grant such an easement, the Association agrees to accept such grant of easement and shall execute such written easement agreement as may be requested by the Declarant containing such terms and conditions as the Declarant in its sole discretion deems appropriate.

5.2. Easements Appurtenant. The easements provided in this Section 5 shall be appurtenant to and shall pass with the title to each portion of the Properties.

6. MAINTENANCE.

The Association shall be responsible for maintaining and replacing, when necessary, all of the Common Areas. All of the maintenance shall be ordered by the vote of a majority of the Association's Directors, who may delegate the responsibility of ordering and/or performing the maintenance to one or more management companies. So long as the Declarant is a member of the Association, the Association shall at all times maintain, without material alteration thereto, the Common Areas in a condition as least as good as that developed by the Declarant and the Association shall take no action which is adverse to the interest of the Declarant. If the Association shall fail to so maintain the Common Areas or cure such failure within, after ten (10) days' written notice by the Declarant to the Association, then, the Declarant may so maintain such Common Areas and/or cure the Association's failure. In such a case the Association shall upon demand reimburse the Declarant from all costs and expenses of any kind (including, without limitation, attorneys' fees and costs of any kind) incurred directly or indirectly by the Declarant as the result of the Association's failure to so maintain the Common Areas or as a result of the Association taking an action which is adverse to the interests of the Declarant. All sums outstanding and unpaid which are owed to the Declarant shall accrue interest at the highest rate permitted by law and the Declarant shall be entitled to lien rights against the Common Areas and upon the property of each of the Owners located within the Properties. Such lien rights may be enforced by the Declarant in the same manner as the lien rights of the Association as set forth in this Declaration.

7. INSURANCE.

7.1. Coverage. The Association shall at all times use its best efforts to obtain and maintain adequate insurance to protect the Association and the Common Areas.

7.2. Casualty. The coverage shall afford protection as may be appropriate against:

7.2.1. Loss or damage by fire or other hazards covered by a standard extended coverage endorsement.

7.2.2. Such other risks as from time to time are customarily covered with respect to improvements similar in construction, location and use to the improvements on the Common Areas including, but not limited to, flood, vandalism and malicious mischief. All or any part of such coverage may be extended to include personal property of the Association as the Board may deem desirable. The coverage shall be written in the name of, and the proceeds shall be payable to, the Association. The premiums shall be included as part of the periodic assessments provided for in Section 9.

7.3. Association's Public Liability. The Association shall at all times maintain policies of comprehensive liability insurance, including officers and directors liability insurance, insuring the Association and its agents, the Board and the Owners against liability in connection with the Common Areas in such amounts as the Board may deem desirable, which policy shall include, if obtainable, a cross-liability endorsement. The premiums for such insurance shall be included as part of the periodic assessments provided for in Section 9.

7.4. Other Insurance. The Association shall maintain such other additional insurance as the Board of Directors determines advisable.

8. DAMAGE TO THE COMMON AREAS.

The repair and reconstruction of the Common Areas after casualty shall be governed by the provisions of this Section 8.

8.1. If in the event of damage or destruction to the Common Areas, the insurance proceeds are sufficient to effect total restoration, then the Association shall cause the damaged Common Areas to be repaired and reconstructed substantially as they previously existed.

8.2. If the insurance proceeds are within \$100,000.00 of being sufficient to effect total restoration to the Common Areas, then the Association shall cause the damaged Common Areas to be repaired and reconstructed substantially as they previously existed, and the difference between the insurance proceeds and the actual cost shall be levied as an assessment against each of the Owners in accordance with the formula set forth in Subsection 9.5.

8.3. If the insurance proceeds are insufficient by more than \$100,000.00 to effect total restoration to the Common Areas, then by written consent or vote of a plurality of the Owners, they shall determine whether (1) to rebuild and restore damaged Common Areas in substantially the same manner as they existed prior to damage and to raise the necessary funds in excess of insurance proceeds by levying special assessments against all the Owners pursuant to the formula set forth in Subsection 9.5; (2) to rebuild and restore the damaged Common Areas in a manner which utilizes all available insurance proceeds, as well as an additional amount, not in excess of \$100,000.00, assessable to all the Owners as aforesaid but which is less expensive than replacing the damaged Common Areas in substantially the same manner as they existed prior to being damaged; or (3) not to restore the damaged Common Areas and to distribute the available insurance proceeds to the Owners of the Units in proportion to their assessment shares as provided in Subsection 9.5.

8.4. Each Owner (on Owner's behalf and on behalf of Owner's family members, Lessees, contractors, subcontractors, licensees, officers, employees, guests and invitees) shall be liable to the Association for any damage to the Common Areas which may be sustained by reason of the negligence or willful misconduct of such Owner or such Owner's family members, Lessees, contractors, subcontractors, licensees, officers, employees, guests and invitees. Such liability may be collectible by the Association in the manner provided in Section 9 for the collection of assessments, including, but not limited to, the lien and foreclosure procedures. The Association reserves the right to charge a personal assessment equal to the increase, if any, in insurance premiums directly attributable to the practices and damage caused by such Owner.

9. ASSESSMENTS.

9.1. Covenant to Pay. Each Owner of a Unit by accepting a deed, covenants to pay to the Association, Assessments as hereinafter provided. The obligation to pay Assessments shall commence initially as of the date the Declaration of each proposed condominium is recorded in the Public Records of Flagler County, Florida. For the purpose of securing the payment of such Assessments, the Association shall have a continuing lien on each Unit. Provided that such liens upon Units shall be inferior to a first mortgage to an Institutional Lender on the Unit which was made in good faith and for value and which was recorded prior to the Association's filing a claim of lien against the Unit. Each Assessment levied upon an Owner shall also constitute a personal obligation of that Owner and, except as otherwise provided herein, an obligation of his successors and assigns.

9.2. Purpose. The Assessments imposed pursuant to Subsection 9.1 shall be used exclusively for the operation of the Association as provided in this Declaration and the operation, maintenance, restoration and improvement of the Common Areas as provided in this Declaration and the Association's Articles of Incorporation and Bylaws, provided that said purpose shall be liberally construed to promote effectively the welfare, safety and recreational opportunities of the Owners.

9.3. Periodic Assessments. Prior to the beginning of the fiscal year of the Association, the Board shall adopt a budget for such fiscal year that shall estimate all of the Common Expenses to be incurred by the Association during such calendar year. The Board of Directors shall then fix the amount of the periodic assessments for each fiscal year of the Association (or part thereof if assessments commence on other than the first day of such fiscal year) to be levied against each Owner subject to assessment at least 30 days in advance of such period. The Board may provide in its absolute discretion that the periodic assessments be payable either quarterly or monthly. From time to time during the fiscal year, the Board may modify the budget. Pursuant to the revised budget or otherwise, the Board may, upon written notice to the Owners, change the amount, frequency or due dates of the periodic assessments. In no event shall any such assessments be due less than 10 days from the date of the notification of such assessments.

9.4. Special Assessments. Special assessments may at any time be levied by the Board upon all Owners subject to periodic assessments for the following described purposes and subject to the following conditions:

9.4.1. For restoration of the Common Areas after casualty, in accordance with Section 8.

9.4.2. For capital improvements upon the Common Areas (including appurtenant or related fixtures and personalty) provided that, except as provided in Subsection 8.3, any such assessment that is in the aggregate in excess of \$50,000.00 shall also require the vote or written consent of a plurality of the Owners subject to such assessment.

9.4.3. To make up deficits in operating and maintenance accounts resulting from inadequate or uncollectible periodic assessments.

A special assessment may be levied against any Unit Owner to reimburse the Association for any expense incurred by it as a result of maintenance, repairs or replacements which were made or performed by it with respect to the Common Areas and which were caused or arose from the willful or negligent act or neglect of such Owner, his family, his tenants, guests or his invitees.

9.5. Share of Assessments. The periodic assessments provided for in Subsection 9.3 and the special assessments provided for in Subsections 9.4.1 through 9.4.3 shall be allocated to and assessed against each Unit in equal shares of the whole.

9.6. Personal Assessments. The Board of Directors shall have the power to assess certain Units entitled to use of Exclusive Common Areas or receiving benefits, items, or services not provided to all other Units. Expenses incurred by the Association pursuant to this Declaration or a Supplemental Declaration for the maintenance, repair, replacement, operation and insurance of Exclusive Common Areas and for providing specific items or services relating to or benefitting certain Units shall be specifically assessed against the Units entitled to such benefits and/or entitled to use of such Exclusive Common Areas. At the time that the budget is prepared by the Board as required by Section 9.3, the Board shall determine the amount of the personal assessments that are applicable to the Units benefitting for that calendar year. The Board may provide in its absolute discretion that the personal assessments be payable either quarterly or monthly.

The personal assessment amount (and applicable installments) may be changed at any time by the Board from that originally stipulated or from any other assessment that is in the future adopted. The original personal assessment for any year shall be levied for the calendar year (to be reconsidered and amended, if necessary, more frequently, but the amount of any revised personal assessment to be levied during any period shorter than a full calendar year shall be in proportion to the number of months (or other appropriate installments) remaining in such calendar year.

9.7. Non-Use. No Owner may exempt himself from personal liability for Assessments levied by the Association or release his Unit from the liens imposed hereby, by his failure to use the Common Areas or abandonment of his Unit.

9.8. Association's Remedies for Non-Payment. In addition to imposing liens and bringing actions, if any Owner is in default in the payment of any Assessment owed to the Association for more than thirty (30) days after written demand by the Association, the

Association shall have the right to accelerate Assessments of an owner delinquent in the payment of Association expenses. Accelerated Assessments shall be due and payable on the date a claim of lien is filed against the Owner's Unit in the Public Records of Flagler County, Florida and may include the amounts due for the remainder of the fiscal year for which the claim of lien was filed. The Association may also impose fines and/or suspend use rights in the Common Areas and facilities pursuant to Section 4.14 of the Association By-Laws, and a member's voting rights in the Association may be suspended for a delinquency of assessments in excess of ninety (90) days.

9.9. Interest. Assessments that are unpaid for more than ten days after the date they are due shall bear interest at the highest lawful rate (now 18% per annum) from the due date until paid.

9.10. Enforcement of Lien.

9.10.1. Reasonable attorneys' fees incurred by the Association or its agent incident to the collection of an unpaid Assessment or the enforcement of any lien provided for herein (including attorneys' fees in connection with any review of a judicial or administrative proceeding by appeal or otherwise), together with all sums advanced and paid by the Association or its agent for costs, taxes and payments on account of superior liens or encumbrances which may be required to be advanced by the Association or its agent in order to preserve and protect its lien, shall be payable by the Owner liable for the Assessment and secured by said lien.

9.10.2. In addition, the Owner of any Unit with respect to which an Assessment is overdue by more than thirty (30) days may be required by the Board to pay the Association an administrative late fee of \$25.00 or 5% of the amount of the delinquent installment, whichever is greater.

9.10.3. The Association may bring an action in its name to foreclose any lien on a Unit in the manner in which mortgages of real property are foreclosed in Florida and may also bring an action to recover a money judgment for unpaid Assessments without waiving any claim of lien, provided that in either case the Association must give the delinquent Owner at least 30 days' written notice of its intentions, and in case of a foreclosure, must file in the Public Records of Flagler County, Florida, a claim of lien containing the information required by Section 718.116, Florida Statutes. Upon the timely curing of any default (including the payment of fees and costs secured by the Association's lien) for which a claim of lien was filed, the Owner curing the default is entitled to have a satisfaction of lien recorded in the Official Records of Flagler County, Florida.

9.10.4. The Institutional Lender of a first mortgage lien recorded prior to the Association's claim of lien who acquires title to a Unit by purchase at a foreclosure sale, or by deed in lieu of foreclosure is liable for the unpaid Assessments that became due prior to the mortgagee's receipt of the deed, but in no event shall the mortgagee be liable for more than 6 months of the Unit's unpaid Assessments accrued before the acquisition of the title to the Unit by the mortgagee or one percent (1%) of the original mortgage debt, whichever amount is less. This provision shall not apply unless the first mortgagee joined the Association as a defendant in the foreclosure action. Any such Assessments for which the new Owner is not liable shall be

collectible by Assessments from all the Owners, including the new Owner of the Unit in question. Except as expressly provided hereinabove, every grantee in a voluntary conveyance of a Unit shall be jointly and severally liable for all unpaid Assessments against the grantor for his share of the Assessments including purchasers at a judicial sale, shall be liable for all Assessments coming due while he is the Owner of a Unit regardless of how his title was acquired.

9.11. Delegation of Collection of Assessments. Unless delegated to a Condominium Association, it shall be the legal duty and responsibility of the Association to collect assessments and enforce payment of the Assessments under this Declaration. Subject to the right of the Association to settle and negotiate such claims, the Association shall have the right upon thirty (30) days written notice to require a Condominium Association to collect Assessments from its respective Unit Owners or enforce payment of the Assessments against its respective Unit Owners on behalf of the Association. Failure of a collecting entity to send or deliver bills or notices of Assessments shall not, however, relieve Owners from their obligations under this Declaration. All Assessments, late charges, interest, penalties, fines, attorneys' fees and other sums provided for in this Declaration shall accrue to the benefit of the Association.

9.12. Remedies Cumulative. The remedies provided in this Section 9 shall be cumulative and not mutually exclusive.

9.13. Association's Certificate. Each Owner of a Unit and every holder of a mortgage thereon shall have the right to require from the Association a certificate showing the amount of unpaid Assessments against the Owner with respect to the Owner's Unit upon payment to the Association of a reasonable fee not exceeding \$25.00. Any person other than the Owner of the Unit in question who relies upon such certificate shall be protected thereby.

9.14. Effect on Declarant. Notwithstanding any provision that may be contained to the contrary in this Declaration, for so long as the Declarant (or any of its affiliates) is the owner of any portion of the Properties, the Declarant shall have the option, in its sole discretion, to (i) pay Assessments for which it is liable on those portions of the Units owned by it, or (ii) not to pay Assessments on any Units owned by it and in lieu thereof fund any resulting deficit for Assessments in the Association's operating expenses not produced by Assessments receivable from Owners other than the Declarant. The deficit to be paid under option (ii), above, shall be the difference between (i) actual operating expenses of the Association (exclusive of capital improvement costs, reserves and management fees) and (ii) the sum of all monies receivable by the Association (including, without limitation, Assessments, interest, late charges, fines, rents and incidental income) and any surplus carried forward from the preceding year(s). The Declarant may from time to time change the option stated above under which the Declarant is making payments to the Association by written notice to such effect to the Association. When all Units owned by the Declarant are sold and conveyed to purchasers, neither the Declarant, nor its affiliates, shall have further liability of any kind to the Association for the payment of Assessments, deficits or contributions.

9.15. Master Association Assessments. The Association shall have the right and power, on behalf and at the request of the Master Association, to collect assessments coming due from the Owners to the Master Association pursuant to the Master Declaration and to remit the same to the Master Association.

10. AMENDMENTS.

10.1. Amendments Prior to Turnover. Prior to the Turnover Date, the Declarant may amend this Declaration, the Articles of Incorporation, the By-Laws and the Rules and Regulations of the Association without the joinder of the Association, any Unit Owner or any other entity or person so long as such amendments or modifications do not materially and adversely impair the general plan of development of the Properties; provided, however, the Association shall, forthwith upon request of the Declarant, join in any such amendments or modifications and execute such instruments to evidence such joinder and consent as the Declarant shall, from time to time, request.

10.2. Amendments After Turnover. After the Turnover Date, this Declaration may be amended by the Association by the affirmative vote or written consent of the Members holding not less than two-thirds of the Class A voting interests and, to the extent not prohibited by law, the affirmative vote or written approval of the Declarant so long as the Declarant is a Member

10.3. Surface Water Management System. Any amendment which would affect the surface water management system must have the prior approval of the DCDD or other applicable water management district that may own and/or operate the surface water management system.

10.4. Declarant's Rights. So long as the Declarant is a Member, (a) there shall be no amendment to the Declaration, or the Articles of Incorporation, the Bylaws or the Rules and Regulations of the Association which adversely affects, or which may adversely affect the Declarant or any affiliate of the Declarant or that changes the rights, privileges and obligations of the Declarant or any affiliate of the Declarant, respectively, without the prior written consent of whichever of them is affected, and (b) the provisions of this Section 10 may not be amended without the consent of the Declarant in its sole and absolute discretion. Nothing contained herein shall affect the right of the Declarant to make whatever amendments or Supplemental Declarations are otherwise expressly permitted hereby without the consent or approval of any Owner or mortgagee.

10.5. Correction of Errors. Amendments for correction of scrivener's errors or other nonmaterial changes may be made by the Declarant alone until the Turnover Date and by the Board of Directors of the Association thereafter and without the need of consent of the Owners.

10.6. Declarant's Amendments. Notwithstanding anything herein to the contrary, the Declarant may (but shall not be obligated to), without the consent of the Association or any Owners, make any amendments to this Declaration (without any other party's consent or joinder) that are requested or required by the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Government National Mortgage Association, Federal Housing Administration, Veterans Administration or any other governmental, quasi-governmental or government-chartered entity which owns or expects to own one or more mortgages within the

Properties or to insure the payment of one or more such mortgages or that are requested or required by any Institutional Lender to enhance the salability of its mortgages to one or more of the foregoing.

11. RESTRICTIONS.

11.1. Boats and Motor Vehicles. Passenger automobiles and vans and mini-trucks (used for personal transportation and not commercially) are permitted. No boats, boat trailers, commercial vehicles or full sized trucks (other than those temporarily parked for the purpose of servicing a Unit), campers, motor homes, trailers, motorcycles or other non-passenger motor vehicles shall be placed, parked, or stored upon any portion of the Condominium Property or the Common Areas except where totally isolated from public view, such as in a garage.

11.2. Signs. No sign of any kind shall be displayed to the public view on any portion of the Common Areas, any building or any Unit (whether displayed from the inside of the Building or the Unit or from the outside walls of such Building or Unit), except as authorized in writing by the Declarant prior to the Turnover Date, and thereafter the Association, or as may be required by legal proceedings. The provisions of this Section 11.2 shall not be applicable to the Declarant during the time it owns one (1) or more Units.

11.3. Building Exterior. All windows, terraces, balconies, and exteriors of all buildings shall at all times be maintained in a neat and orderly manner.

12. INCENTIVE PROGRAMS.

At various times, Declarant adopts incentive programs with its affiliated brokerage entity, Prudential Florida WCI Realty under which the agents of such affiliated brokerage entity receive bonuses in addition to commissions for sales of single family residences constructed by Declarant or for sales of residences in condominiums constructed and/or developed by Declarant.

13. ADDITIONAL RIGHTS OF THE DECLARANT.

13.1. General. Anything to the contrary in this Declaration notwithstanding, so long as the Declarant, the Declarant's assign(s), successor(s) or designee(s) is a member of the Association (the term "Declarant" as used in this Declaration shall include, without limitation, any such assign(s), successor(s) or designee(s)), the Declarant shall have, in addition to its other rights, the rights described in this Section 13. This Section shall not limit or be in derogation of any other rights of the Declarant. There is hereby created and reserved a right and blanket easement for the Declarant to enable Declarant to exercise those rights free of any interference by the Association, by any Condominium Association or by any Owner:

13.1.1. Effectuation of General Plan of Development. The right to execute all documents and take all actions affecting any portion of the Properties owned or controlled by it which, in its sole discretion, are desirable or necessary to effectuate or facilitate the development of the Neighborhood.

13.1.2. Platting. The right to plat, re-plat, subdivide and re-subdivide any portion or portions of the Properties owned or controlled by it.

13.1.3. Development Planning. The right to determine, in its sole discretion, the type of improvements and facilities, if any, to be constructed on any portion of the Common Areas, the Exclusive Common Areas and any portion of the Properties owned or controlled by it and the right to revise, expand, alter, change, modify and add to any such improvements and facilities.

13.1.4. Construction. The right to construct and maintain, on any portion of the Properties or the Common Areas owned or controlled by it, any improvements it considers desirable (which right shall include but not be limited to a right of ingress and egress by any and all types of vehicles and equipment to, through, over and about the Common Areas during whatever period of time the Declarant or the Declarant's designees are engaged in any construction or improvement work on or within Hammock Dunes as well as an easement for the parking and storage of materials, vehicles, tools, equipment and the like which are being utilized in such work), and the right to construct walks, drives, ramps and parking facilities flush against and as a continuance of similar improvements located on portions of the Properties not owned or controlled by it even if doing so entails an encroachment upon the latter property.

13.1.5. Marketing. The right to enter into and transact on the Properties, or any portion thereof, any business necessary to sell, lease, encumber and otherwise dispose of existing and planned portions of the Properties which right shall include (though not be limited to) the right to construct and maintain sales and leasing offices and models and construction offices on any portion of the Common Areas, Exclusive Common Areas and any portion of the Properties owned or controlled by it, to employ sales, leasing, construction and service personnel, to solicit and receive the visits of unlimited numbers of prospective purchasers and tenants (all of whom shall have the right while visiting to use parking spaces on the Common Areas), to hold promotional events and to place signs and other promotional devices on any portion or portions of the Common Areas, Exclusive Common Areas and any portion of the Properties owned or controlled by it without regard to the size or aesthetic appeal of such signs or devices. Any such models, sales, and/or leasing office, construction office, service office, signs and any other items pertaining to such sales, leasing, construction or service efforts shall not be considered a part of Association Property and shall remain the property of the Declarant.

13.1.6. Assignment. The right to assign the foregoing rights, in whole or in part, to any one or more Declarants or the Declarant's assignees.

13.2. Injunctive Relief for Interference. The Declarant and each affiliate or assignee of the Declarant shall be entitled to injunctive relief for any actual or threatened interference with its or their rights under this Section 13, in addition to whatever remedies at law it or they might be entitled to.

13.3. No Modification without the Declarant's Consent. The rights of the Declarant under this Section 13 may not be suspended, superseded or modified in any manner by any amendment or modification to this Declaration unless such amendment is consented to in writing by the Declarant.

14. LEASING OF UNITS. No Owner other than the Declarant may lease such Owner's Unit, except by complying with the following provisions:

14.1. Any Owner may lease his, her or its Unit provided that any tenancy shall be by a written agreement which shall provide (or be automatically deemed to provide) that the Association shall have the right to terminate the lease in the name of and as agent for the lessor upon default by Lessee in observing any of the provisions of this Declaration, the Articles of Incorporation and By-Laws of the Master Association and its applicable rules and regulations, as promulgated and amended from time to time or other applicable provisions of any agreement, document or instrument governing the Properties or administered by the Association. A violation of any of the terms of any of the foregoing documents shall constitute a material breach of the Lease and shall constitute grounds for damages, termination and eviction. The Lessee(s) and the Owner agree that the Association may proceed directly against such Lessee(s) and that the Lessee(s) and the Owner shall be jointly and severally responsible for all of the Association's costs and expenses (including, without limitation, attorneys' fees and costs of any kind, whether at trial or appellate levels or otherwise). If such costs and fees are not immediately paid by the Lessee(s), the Owner shall pay them and such funds shall be secured as a charge. Each Owner irrevocably appoints the Association as the Owner's agent authorized to bring actions in such Owner's name and at such Owner's expense including injunction, damages, termination and eviction.

14.2. All rights and obligations of a Lessee under this Declaration are and shall be appurtenant to the lease of the Leased Premises by such Lessee, and may not, except as provided in this Declaration, be transferred, conveyed, devised, bequeathed, encumbered or otherwise disposed of separately or apart from the lease to the Leased Premises.

14.3. During any period an Owner(s) has leased his, her or its Unit, the Owner(s) of such Unit shall not have the right to use the Common Areas or any facilities located thereon, except as a guest of another Owner or the Lessee(s), or as a landlord to enforce its rights (including access to the Unit) as landlord pursuant to the Chapter 83 of the Florida Statutes.

14.4. No later than ten (10) days after the date any lease with a Lessee is entered into or terminated, the Owner shall notify the Association in writing, and state, in the event a lease is entered into, the name and address of the Lessee, the effective date and term of the lease, and in the event of a lease termination, the name and address of the Lessee and the effective date of termination. As of the effective date of any lease, the Lessee under such lease shall become subject to the obligations and shall be entitled to the rights of a Lessee under this Declaration; provided, however, the Association shall not be required to recognize any Lessee under this Declaration until thirty (30) days after the notice of tenancy is received by the Association. As of the effective date of any lease termination, the Lessee thereunder shall have no further rights and obligations under this Declaration, other than obligations incurred prior to the date of lease termination.

14.5. The provisions of this Article 14 shall not be applicable to the Declarant or Units or other Properties owned by the Declarant.

15. MISCELLANEOUS PROVISIONS.

15.1. Notice. Any notice required to be sent to any Owner under the provisions of this Declaration shall be deemed to have been properly sent when personally delivered or mailed, first class postpaid, to the last known address of the person who appears as the Owner on the records of the Association at the time of such mailing.

15.2. Enforcement. These covenants and restrictions may be enforced by the Declarant, for so long as the Declarant owns any Unit, and by the Association by any proceeding at law or in equity against any person or persons including Lessees and Guests violating or attempting to violate any covenant or restriction, either to restrain the violation, to enjoin compliance, or to recover damages, and against the Units to enforce any lien created by these covenants; and failure by the Declarant or the Association to enforce any covenant or restriction contained in this Declaration shall in no event be deemed a waiver of the right to do so thereafter. The prevailing party shall recover costs and reasonable attorneys' fees at all trial and appellate levels. In addition to all other remedies and to the maximum extent lawful, in the sole discretion of the Board of Directors, the Association may impose fines and/or suspend use rights in the Common Areas and facilities pursuant to Section 4.14 of the Association By-Laws.

15.3. Exculpation. No personal liability is assumed by nor shall at any time be asserted or enforceable against the Declarant on account of any representation, covenant, undertaking or agreement of the Declarant contained in this Declaration either expressed or implied. All such personal liability, if any, is expressly waived and released by the Association, any condominium association, the Owners and by all persons claiming by, through or under the Owners.

15.4. Easements. If any easement provided for in this Declaration fails because at the time of creation there may be no grantee having the capacity to take and hold such easement, then any such grant of easement shall nevertheless be considered as having been granted directly to the Association as agent for such intended grantees for the purpose of allowing the original parties to whom the easements were originally to have been granted the benefit of such easement. The Owners hereby designate the Declarant and the Association (or either of them) as their lawful attorney-in-fact to execute any instrument on such Owners' behalf as may hereafter be required or deemed necessary for the purpose of later creating such easement as it was intended to have been created in this Declaration.

15.5. Non-Liability. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS DECLARATION, THE ARTICLES OF INCORPORATION, BY-LAWS OR RULES AND REGULATIONS OF THE ASSOCIATION OR OTHERWISE, NEITHER THE DECLARANT, THE ASSOCIATION OR ANY CONDOMINIUM ASSOCIATION SHALL BE LIABLE OR RESPONSIBLE FOR, OR IN ANY MANNER A GUARANTOR OR INSURER OF, THE HEALTH, SAFETY OR WELFARE OF ANY OWNER, OCCUPANT OR USER OF ANY PORTION OF THE PROPERTIES OR THE DEVELOPMENT OF HAMMOCK DUNES, INCLUDING, WITHOUT LIMITATION, RESIDENTS AND THEIR FAMILIES, GUESTS, LESSEES, LICENSEES, INVITEES, AGENTS, CUSTOMERS, SERVANTS, EMPLOYEES, CONTRACTORS, AND/OR SUBCONTRACTORS OR FOR ANY PROPERTY OF ANY SUCH PERSONS, INCLUDING, WITHOUT LIMITATION, THE DEATH OF OR INJURY TO ANY SUCH PERSONS, AND ANY DAMAGE TO OR LOSS

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

15.6. Construction Activities. All Owners, occupants, and users of the Properties and Hammock Dunes are hereby placed on notice that the Declarant and/or its agents, contractors, subcontractors, licensees and other designees will be, from time to time, conducting excavation, construction and other activities within or in proximity to the Properties and within the development of Hammock Dunes. By the acceptance of their deed or other conveyance or mortgage, leasehold, license or other interest, and by using any portion of the Common Areas, each such Owner, occupant and user automatically acknowledges, stipulates and agrees (i) that none of the aforesaid activities shall be deemed nuisances or noxious or offensive activities, under this Declaration or at law generally, (ii) not to enter upon, or allow their children or other persons under their control or direction to enter upon (regardless of whether such entry is a trespass or otherwise) any property within or in proximity to area where such activity is being conducted (even if not being actively conducted at the time of entry, such as at night or otherwise during non-working hours), (iii) the Declarant and the other aforesaid related parties shall not be liable for any and all losses, damages (compensatory, consequential, punitive or otherwise) injuries or deaths arising from or relating to the aforesaid activities, except resulting directly from the Declarant's gross negligence or willful misconduct, and (iv) any purchase or use of any portion of the Properties has been and will be made with full knowledge of the foregoing.

15.7. Neighborhood Association and the Declarant as Attorney-in-Fact. Each Owner, by reason of acceptance of ownership of a portion of the Properties, whether by purchase, gift, operation or law or otherwise, and each Lessee and any other occupant of any portion of the Properties, by reason of his or her occupancy, and each mortgagee, by reason of acceptance of a lien upon any portion of the Properties, is hereby declared to have acknowledged and agreed to his or her automatic consent to any rezoning, replatting, covenant in lieu of unity of title, change, addition, or deletion made in, on or to the Properties by the Declarant (hereinafter, collectively, "Modifications") and, in respect thereto, each Owner, Lessee, other occupant and mortgagee

hereby designates the Declarant, until the Turnover Date, and thereafter the Association to act as agent and attorney-in-fact on behalf of said Owner, Lessee, other occupant and mortgagee to consent to and join in any such Modification. If requested by the Declarant, each Owner, Lessee, other occupant and mortgagee shall evidence his or her consent to a Modification in writing (provided, however, that any refusal to give such written consent shall not obviate the automatic effect of this provision). Further, each Owner, by reason of acceptance of ownership of a portion of the Properties, whether by purchase, gift, operation or law or otherwise, and each Lessee and any other occupant of any portion of the Properties, by reason of his or her occupancy, and each mortgagee, by reason of acceptance of a lien upon any portion of the Properties, agrees to execute, at the request of the Declarant, any document and/or consent which may be required by any government agency to allow the Declarant and/or its affiliates to complete the plan of development of the Properties, as such plan may be hereafter amended, and each such Owner, Lessee, other occupant and mortgagee hereby designates the Association to act as agent and attorney-in-fact on behalf of said Owner, Lessee, other occupant and mortgagee to execute, on behalf of and in the name of each such Owner, Lessee, other occupant and mortgagee, any and all of such documents and/or consents. This power of attorney is irrevocable and is coupled with an interest. During the period in which the Declarant is a Class B Member, the provisions of this Section 14.7 may not be amended without the Declarant's prior written consent.

15.8. Constructive Notice and Acceptance. Every person who owns, occupies or acquires any right, title, estate or interest in or to any Unit 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.

15.9. Topical Headings. The topical headings of the provisions herein are not a part of this Declaration, but are for convenience only, and do not define, enlarge, limit or construe any of the provisions hereof.

15.10. Invalid Provisions. The invalidity of one or more provisions of this Declaration shall not affect the remaining portions hereof.

15.11. Binding Effect. This Declaration and any amendments shall be binding upon the Owners, their successors and assigns, whether immediate or remote.

15.12. Dunes Community Development District. The Declarant discloses that the DCDD has been established to administer a portion of the Properties. The DCDD will impose taxes and/or assessments on the Properties, including, without limitation, the Units, through a special taxing district. These taxes and assessments pay the construction, operation and maintenance costs of certain public facilities of the DCDD and are set annually by the governing board of the district. These taxes and assessments are in addition to county and all other taxes and assessments provided for by law. Each Owner agrees, by acceptance of a deed or other instrument conveying title to a Unit or other portion of the Properties, to pay any and all fees, rates, charges, taxes and assessments imposed by the DCDD with respect to such Owner's Unit or other portion of the Properties, and to abide by all rules and regulations of the DCDD, as they may be enacted and amended from time to time.

Executed this _____ day of _____, 2006.

Witnesses:

WCI COMMUNITIES, INC., a Delaware corporation

Print Name: _____

By: _____

Title: _____

Print Name: _____

Print Name: _____

Address: 24301 Walden Center Drive
Bonita Springs, Florida 34134

STATE OF FLORIDA)
)
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 2006, by _____, as _____ of WCI Communities, Inc., a Delaware corporation, on behalf of the corporation. He/She is personally known to me or has produced _____ as identification.

NOTARY PUBLIC
Name: _____
My Commission Expires: _____
Commission Number, if any: _____

JOINDER

BEACH CLUB AT HAMMOCK DUNES, INC., a not-for-profit Florida corporation (the "Association"), hereby joins in and agrees to accept all of the benefits and duties, responsibilities, obligations and burdens imposed upon it by the provisions of this Declaration and Exhibits attached hereto.

IN WITNESS WHEREOF, the Association has caused these presents to be signed by its proper officer and its corporate seal to be affixed this ____ day of _____, 2006.

Witnesses:

BEACH CLUB AT HAMMOCK DUNES,
INC., a Florida not-for-profit corporation

_____	By: _____
Print Name: _____	Title: _____
_____	Print Name: _____
Print Name: _____	Address: _____
_____	_____
_____	_____

STATE OF FLORIDA)
) ss:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 2006, by _____, as _____ of BEACH CLUB AT HAMMOCK DUNES, INC., a Florida corporation not for profit, on behalf of the corporation. He/She is personally known to me or has produced _____ as identification.

NOTARY PUBLIC
Name: _____
My Commission Expires: _____
Commission Number, if any: _____

APPROVAL AND CONSENT

HD ASSOCIATES, L.P., a Delaware limited partnership ("Master Declarant"), as the declarant under that certain Declaration of Protective Covenants, Conditions and Restrictions for Hammock Dunes recorded in Official Records Book 392, at Page 343, of the Public Records of Flagler County, Florida, as supplemented and amended from time to time (the "Master Declaration"), hereby approves of the foregoing Declaration of Covenants and Restrictions for Beach Club at Hammock Dunes (the "Declaration") and consents to WCI Communities, Inc. subjecting the Properties to the provisions of the Declaration.

IN WITNESS WHEREOF, the Master Declarant has caused these presents to be signed by its proper officer and its corporate seal to be affixed this ____ day of _____, 2006.

Witnesses:

HD ASSOCIATES, L.P., a Delaware limited partnership

By: Dunes Operating Company, L.P., a Delaware limited partnership, its sole general partner

By: 2M Dunes, L.L.C., a Texas limited liability company, its general partner

By: 2M Real Estate, Inc., a Texas corporation

Print Name: _____

By: _____

Title: _____

Print Name: _____

Print Name: _____

Address: _____

EXHIBITS

- EXHIBIT A LEGAL DESCRIPTION OF BEACH CLUB AT HAMMOCK DUNES
- EXHIBIT B ARTICLES OF INCORPORATION OF NEIGHBORHOOD ASSOCIATION
- EXHIBIT C BYLAWS OF NEIGHBORHOOD ASSOCIATION
- EXHIBIT D GENERAL COMMON AREA
- EXHIBIT E LEGAL DESCRIPTION OF INITIAL PROPERTIES

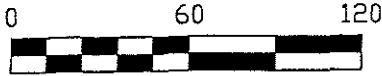
SKETCH AND DESCRIPTION

EXHIBIT "A"

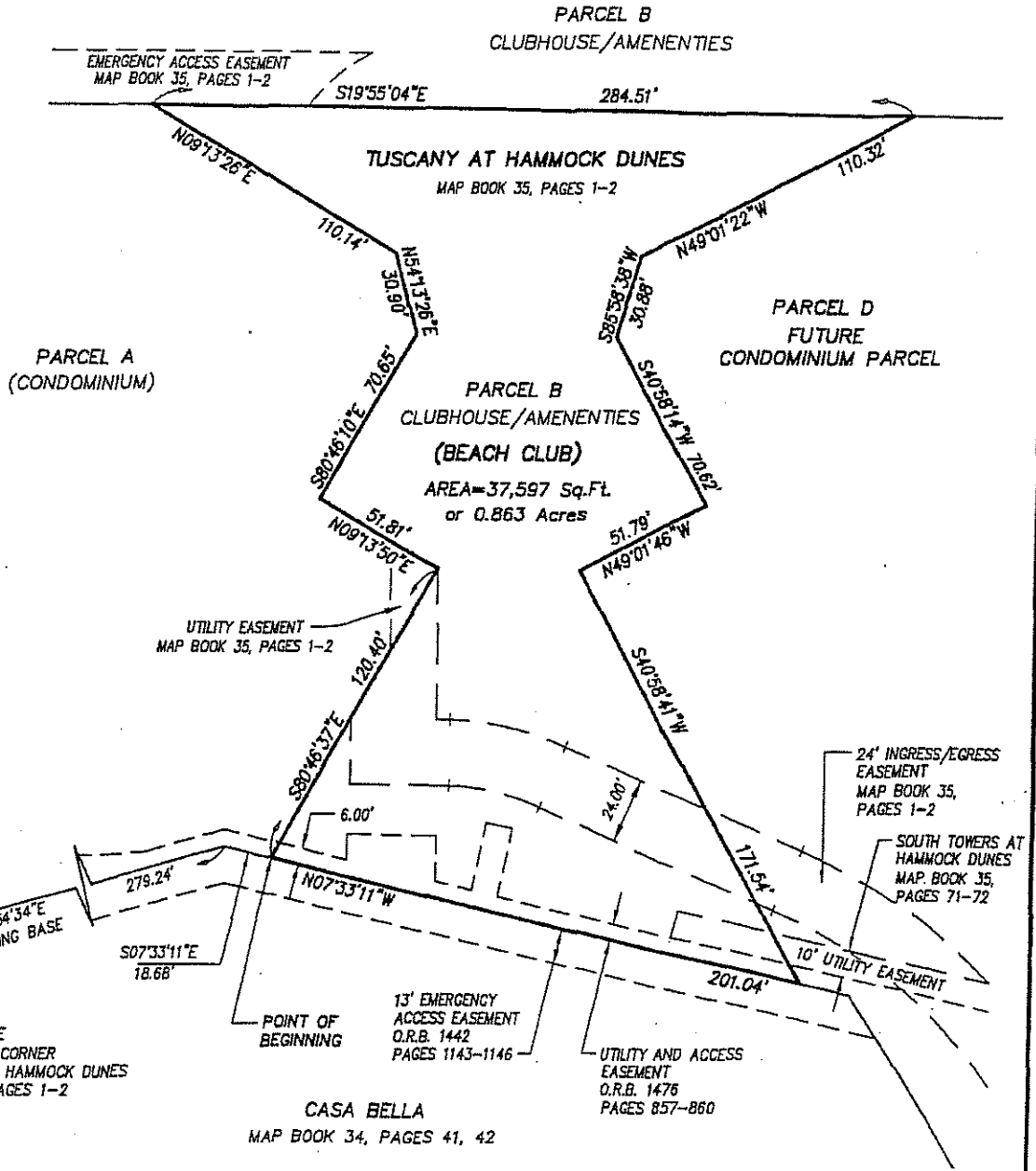
RESERVED FOR RECORDING INFORMATION



NORTH ARROW



SCALE 1" = 60'



SEE SHEET 2 FOR DESCRIPTION, NOTES, ABBREVIATIONS AND SYMBOLS

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 H:\land projects\T2004AT4053WC1\ndwg\4053-SL1.dwg 12/16/2006 2:50:53 PM EST



TOMOKA ENGINEERING

CIVIL ENGINEERING & LAND SURVEYING SINCE 1976
 DAYTONA BEACH FLAGLER/PALM COAST

Main Office: 1410 LPGA Blvd, Suite 148, Daytona Beach, FL 32117
 Phone: 386-274-1600 Fax: 386-274-1602
 email: tomoka@tomoka-eng.com website: www.tomoka-eng.com

SKETCH
AND
DESCRIPTION

PROJECT NO.	T4053WC1
DRAWING REFERENCE NO.	4053-SL1
DATE	12/06/2006
SHEET NO.	1 OF 2

SKETCH AND DESCRIPTION

EXHIBIT "A" cont'd

RESERVED FOR RECORDING INFORMATION

LEGAL DESCRIPTION:

A PARCEL OF LAND LOCATED IN SECTION 3, TOWNSHIP 11 SOUTH, RANGE 31 EAST, FLAGLER COUNTY, FLORIDA. BEING A PORTION OF PARCEL B, TUSCANY AT HAMMOCK DUNES, AS RECORDED IN MAP BOOK 35, PAGES 1 AND 2 AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE NORTHWEST CORNER OF SAID TUSCANY AT HAMMOCK DUNES AS A POINT OF REFERENCE; THENCE RUN ALONG THE WESTERLY LINE OF SAID TUSCANY AT HAMMOCK DUNES S35°54'34"E FOR A DISTANCE OF 279.24 FEET; THENCE S07°33'11"E FOR A DISTANCE OF 18.68 FEET TO THE POINT OF BEGINNING OF THIS DESCRIPTION; THENCE DEPARTING SAID WESTERLY LINE S80°46'37"E FOR A DISTANCE OF 120.40 FEET; THENCE N09°13'50"E FOR A DISTANCE OF 51.81 FEET; THENCE S80°46'10"E FOR A DISTANCE OF 70.65 FEET; THENCE N54°13'26"E FOR A DISTANCE OF 30.90 FEET; THENCE N09°13'26"E FOR A DISTANCE OF 110.14 FEET; THENCE S19°55'04"E FOR A DISTANCE OF 284.51 FEET; THENCE N49°01'22"W FOR A DISTANCE OF 110.32 FEET; THENCE S85°58'38"W FOR A DISTANCE OF 30.88 FEET; THENCE S40°58'14"W FOR A DISTANCE OF 70.62 FEET; THENCE N49°01'46"W FOR A DISTANCE OF 51.79 FEET; THENCE S40°58'41"W FOR A DISTANCE OF 171.54 FEET TO THE AFOREMENTIONED WESTERLY LINE OF TUSCANY AT HAMMOCK DUNES; THENCE RUN ALONG SAID WESTERLY LINE N07°33'11"W FOR A DISTANCE OF 201.04 FEET TO THE POINT OF BEGINNING OF THIS DESCRIPTION.

THE ABOVE DESCRIBED PARCEL OF LAND CONTAINING 0.863 ACRES OR 37,597 SQ. FT., MORE OR LESS.

W:\Tomoka\D\4053-DOC\14253WC1 Tuscany @ Hammock Dunes\BEACH CLUB LEGAL DESCRIPTION.doc

\land projects T2004\T4053\CT\dwg\4053-SL.dwg 12/6/2006 2:00:53 PM EST

SURVEYOR'S NOTES:

1. BEARINGS BASED ON THE WESTERLY LINE OF TUSCANY AT HAMMOCK DUNES, BOOK 35, PAGES 1-2, BEING S35°54'34"E.
2. THERE MAY BE ADDITIONAL EASEMENTS, RESTRICTIONS AND/OR OTHER MATTERS NOT SHOWN ON THIS SKETCH WHICH MAY BE FOUND IN THE COUNTY PUBLIC RECORDS.
3. THIS IS NOT A BOUNDARY SURVEY.

ABBREVIATIONS

C=CURVE
 D=DELTA
 R=RADIUS
 L=LENGTH
 Ch=CHORD
 Cb=CHORD BEARING
 R/W=RIGHT OF WAY
 C=CENTER LINE

S/SECT=SECTION
 R/RNG=RANGE
 T/TWP=TOWNSHIP
 I.D=IDENTIFICATION
 CONC=CONCRETE
 (R)=RECORD
 (F)=FIELD MEASURED
 N/F = NOW OR FORMERLY

PCP=PERMANENT CONTROL POINT
 PC=POINT OF CURVE
 PT=POINT OF TANGENCY
 PI=POINT OF INTERSECTION
 PB=PLAT BOOK
 PG=PAGE
 POB=POINT OF BEGINNING
 POC=POINT OF COMMENCEMENT
 MB=MAP BOOK

DB=DEED BOOK
 FDOT=FLORIDA DEPARTMENT OF TRANSPORTATION
 PRM=PERMANENT REFERENCE MONUMENT
 PLS=PROFESSIONAL LAND SURVEYOR
 PE=PROFESSIONAL ENGINEER
 ORB=OFFICIAL RECORD BOOK
 FFE=FINISH FLOOR ELEVATION
 (NR)=NON-RADIAL
 (RAD)=RADIAL
 A/C=AIR CONDITIONER UNIT



TOMOKA ENGINEERING

CIVIL ENGINEERING & LAND SURVEYING SINCE 1976
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 email: tomoka@tomoka-srp.com website: www.tomoka-srp.com

SKETCH AND DESCRIPTION

PROJECT NO.	T4053WC1
DRAWING REFERENCE NO.	4053-SL
DATE	12/06/2006
SHEET NO.	2 OF 2

State of Florida



Department of State

I certify the attached is a true and correct copy of the Articles of Incorporation of BEACH CLUB AT HAMMOCK DUNES, INC., a Florida corporation, filed on October 16, 2006, as shown by the records of this office.

I further certify the document was electronically received under FAX audit number H06000252942. 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 N06000010825.

Authentication Code: 706A00061669-101706-N06000010825-1/1

Given under my hand and the
Great Seal of the State of Florida,
at Tallahassee, the Capital, this the
Seventeenth day of October, 2006



Sue M. Cobb

Sue M. Cobb
Secretary of State

ARTICLES OF INCORPORATION

OF

BEACH CLUB AT HAMMOCK DUNES, INC.
(A Non-Profit Florida Corporation)

ARTICLE I

The name of this corporation is Beach Club at Hammock Dunes, Inc. (the "Association").

ARTICLE II

The purpose for which this corporation is organized is to administer, operate, maintain (and when deeded by the Declarant) hold record title to the Common Areas (as that term is defined in the Declaration of Covenants and Restrictions for Beach Club at Hammock Dunes to be recorded in the Public Records of Flagler County, Florida (the "Declaration"). The initial principal office of the Association is 24301 Walden Center Drive, Suite 300, Bonita Springs, Florida.

ARTICLE III

The qualification of members shall be as follows: Any person or persons, entity or entities who are the record owners of legal title to any residential unit ("Unit") in the Neighborhood (as defined in the Declaration), and the Declarant; shall by virtue of such ownership, be a member of the Association. No other person, persons, entity or entities shall be members. Change of membership in the Association shall be established by recording in the Public Records of Flagler County, Florida, a deed or other instrument establishing record legal title to a Unit in the Neighborhood.

ARTICLE IV

The Association shall exist perpetually.

ARTICLE V

The name and address of the Incorporator is as follows:

Vivien N. Hastings
WCI Communities, Inc.
24301 Walden Center Drive
Suite 300
Bonita Springs, Florida 34134

The rights and interests of the Incorporator shall automatically terminate when these Articles are filed with the Secretary of State.

ARTICLE VI

The affairs of the Association are to be managed initially by a Board of three Directors (which may be expanded to five) who will be appointed by the Declarant as provided for in the By-Laws of the Association. After relinquishment of Declarant control (turnover), the Board may be composed of either three, five or seven Directors.

ARTICLE VII

Amendments to these Articles of Incorporation may be proposed and adopted as follows:

After turnover, an amendment may be proposed by either the Board of Directors or by twenty-five percent (25%) of the voting interests and may be considered at any meeting of the owners, regular or special, of which due notice has been given according to the By-Laws, which includes a notice of the substance of the proposed amendment; prior to turnover, by a majority of the Directors alone.

After turnover, the amendment must be approved by a vote of two-thirds of the voting interests of the Association; prior to turnover, by the Board of Directors alone.

ARTICLE IX

The voting rights of each Member are set forth in the Declaration. All votes shall be exercised or cast in the manner provided by the By-Laws. Any person or entity owning more than one Unit shall be entitled to cast the aggregate number of votes attributable to all Units owned.

ARTICLE X

The Association reserves the right to amend or repeal any provisions contained in these Articles of Incorporation.

ARTICLE XI

The Association shall have all powers not prohibited to it by law together with such additional powers as are contained in the Declaration and the By-Laws.

ARTICLE XII

No part of the net earnings of the Association shall inure to the benefit of any member or individual, except through the acquisition, construction, management, maintenance or care of Association property or through the rebate of the excess membership dues, fees or assessments.

ARTICLE XIII

The name of the registered agent and place for service of process shall be Vivien N. Hastings, whose address is: 24301 Walden Center Drive, Suite 300, Bonita Springs, Florida 34134.

ARTICLE IX

The Association shall indemnify its directors, officers and committee members and may indemnify its employees and agents, to the fullest extent permitted by law against any and all expenses or liabilities incurred in defending civil, criminal or administrative proceedings resulting from the performance or attempted performance in good faith of their offices on behalf of the Association or its members. Such indemnification shall include advancement of expenses prior to the final disposition of any such proceedings and amounts paid in settlement of such proceedings, and such indemnification shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any document other than these Articles, by vote of the members or disinterested directors, or otherwise. This indemnification shall continue as to a person who has ceased to be a director, officer, committee member, employee or agent, and shall inure to the benefit of his or her heirs and personal representatives.

IN WITNESS WHEREOF, the undersigned subscriber has executed these Articles of Incorporation this 6th day of October, 2006.



VIVIEN N. HASTINGS

ACCEPTANCE OF REGISTERED AGENT

Having been named to accept service of process for the above stated corporation, at the place designated in these Articles of Incorporation, I hereby agree to act in this capacity, and I further agree to comply with the provisions of all statutes relative to the proper and complete performance of my duties.



VIVIEN N. HASTINGS

EXHIBIT "C"

BY-LAWS

OF THE

BEACH CLUB AT HAMMOCK DUNES, INC.

1. GENERAL.

1.1. **IDENTITY.** These are the By-laws of Beach Club at Hammock Dunes, Inc. (the "Association"), a nonprofit Florida corporation formed for the purpose of administering the common areas of Beach Club at Hammock Dunes (the "Neighborhood") within the development of Hammock Dunes which will be located in Flagler County, Florida, upon the land described in Exhibit "A" to the Declaration of Covenants and Restrictions for Beach Club at Hammock Dunes (the "Declaration").

1.2. **DEFINITIONS.** For convenience, these By-Laws shall be referred to as the "By-Laws" and the Articles of Incorporation of the Association as the "Articles". Capitalized terms not otherwise defined in these By-Laws shall have the definitions and meanings ascribed to such terms in the Declaration. The term "Governing Documents" means the Declaration, the Articles of Incorporation of the Association, these By-laws, the rules and regulations of the Association and all duly authorized and recorded amendments, supplements, and recorded exhibits to any of the foregoing.

1.3. **OFFICE.** The principal office of the Association is 24301 Walden Center Drive, Suite 300, Bonita Springs, Florida or such other location within Flagler or (prior to turnover) Lee County, Florida as may from time to time be determined by the Board of Directors.

1.4. **FISCAL YEAR.** The fiscal year of the Association shall be determined by the Board of Directors and having been so determined, is subject to change from time to time as the Board of Directors shall determine. In the absence of a specific determination, the fiscal year shall be the calendar year.

1.5. **SEAL.** The seal of the Association shall be circular in shape, bear the abbreviated name of the Association, the word Florida," and the year of establishment, 20__.

1.6. **QUALIFICATION FOR MEMBERSHIP.** All Owners of record of a Unit shall be Members of the Association. Accordingly, membership in the Association may be transferred only as an incident to the transfer of the transferor's Unit. Transfer of ownership of a Unit, either voluntarily or by operation of law, shall automatically terminate membership, and the transferee shall automatically become a Member of the Association.

2. MEMBERS' MEETINGS.

2.1. **ANNUAL MEETINGS.** Annual meetings of the Members shall be held at a convenient location determined by the Board of Directors, from time to time, no later than the month of April each year, in conjunction with the election of Directors and for transacting any business authorized to be transacted by the Members.

2.2. SPECIAL MEETINGS. Special meetings of the Members shall be held whenever called by the President, Vice President or by a majority of the Board of Directors and when requested by written petition signed and dated from at least 25% of the Association voting interests. Such petition shall state the purpose(s) of the meeting. The business at a special meeting requested by petition shall be limited to the items specified in the petition and contained in the notice of the meeting.

2.3. NOTICE OF MEMBERSHIP MEETINGS. The Association shall give all Members actual notice of all membership meetings, which shall be mailed, delivered or electronically transmitted to each Member not less than 14 days prior to the meeting. Evidence of compliance with this 14 day notice shall be made by an affidavit executed by the person providing the notice and filed upon execution in the official records of the Association. The Association may also adopt a procedure for conspicuously posting and repeated broadcasting the notice and agenda on a closed-circuit cable television system serving the Association. When broadcast notice is provided, the notice and agenda must be broadcast in a manner and for a sufficient continuous length of time so as to allow an average reader to observe the notice and read and comprehend the entire content of the notice and the agenda.

2.4. OWNER PARTICIPATION. Members have the right to attend all membership meetings. Subject to the written reasonable rules of the Association governing the frequency, duration and other manner of Member statements (which rules must be consistent with Florida Statutes Section 720.306(6)), Members have the right to speak for at least 3 minutes at any membership meeting with reference to all items opened for discussion or included on the agenda, provided that the Member submits a written request to speak prior to the meeting.

2.5. BOARD ELECTION MEETINGS; NOTICE AND PROCEDURE. The regular or general election shall occur at the time and place at which the annual meeting is scheduled to occur, regardless of whether a quorum is present.

2.5.1. Not less than 60 days before a scheduled election, the Association shall mail or deliver, whether by separate Association mailing or included in another Association mailing or delivery, including regularly published newsletters, to each Member entitled to vote, the first notice of the date of the election. It must contain the name and correct mailing address of the Association. Any Member or other eligible person desiring to be a candidate for the board of administration may nominate himself or herself and must give written notice to the Association not less than 40 days before a scheduled election. The Association shall then mail or deliver a second notice of the election to all Members entitled to vote therein not less than 14 days before the scheduled election, together with a limited proxy which shall list all candidates. The Director voting portion of the proxy shall be a limited proxy directing the proxy holder which candidate or candidates to vote for. Upon request of a candidate, the Association shall include an information sheet which must be furnished by the candidate not less than 35 days before the election, on one side of a sheet, no larger than 8½ inches by 11 inches, with the costs of copying and mailing to be borne by the Association. The Association shall not edit, alter, or otherwise modify the content of the information sheet and shall have no liability for its contents.

2.5.2. At least 20 percent of the eligible voting interests must be present in person or by proxy and must cast a valid ballot to have a valid election and elections shall be decided by a plurality of those votes cast.

2.5.3. An election and balloting are not required unless more candidates file notices of intent to run or are nominated than vacancies exist on the Board.

2.6. **NOTICES SPECIFIC.** All notices of meetings shall state clearly and particularly the time, place, and purpose or purposes of the meeting and shall incorporate an identification of agenda items.

2.7. **ORDER OF BUSINESS.** The order of business at annual Members' meetings and, as far as applicable at all other Members' meetings, may be:

- (a) Election of a Chairman of the meeting, unless the President or Vice President of the Association is present, in which case he (or she) shall preside.
- (b) Checking of proxies and signatures and unit identifications against the eligible voter lists.
- (c) Registering proxies and counting votes.
- (d) Proof of Notice of meeting or waiver of notice.
- (e) Calling of the roll.
- (f) Reading and disposal of any unapproved minutes.
- (g) Reports of Directors.
- (h) Reports of Committees.
- (i) Announcement of the results of the election of Directors.
- (j) Unfinished business.
- (k) New business.
- (l) Adjournment.

3. **VOTING RIGHTS; QUORUM; MAJORITY, PROXIES.**

3.1. **VOTING RIGHTS.** The Association shall have two (2) classes of Members. The voting rights of each Member are set forth in the Declaration.

3.2. **QUORUM.** Except as otherwise provided in these By-laws, a quorum of Members shall be attained by the presence, either in person or by proxy (limited or general), of Voting Members entitled to cast at least 30% of the total votes of the Members at a duly called

meeting of the Members. As long as there is a Class "B" Member, no quorum can exist or be attained unless the Class "B" Member is present or the Class "B" Member has waived, in writing, its presence. After a quorum is established at a duly called meeting Voting Members may continue to accomplish the business of the meeting until adjournment, notwithstanding the withdrawal during the meeting of enough Class "A" Voting Members to leave less than a quorum. If any meeting of Members cannot be organized because a quorum is not present, the Voting Members who are present, either in person or by proxy, may adjourn the meeting to a time not less than one (1) day, nor more than thirty (30) days, from the time the original meeting was called. Such adjourned meetings may be held only upon a new notice thereof as provided in Section 2.3, except that notice shall be given by announcement at the meeting at which such adjournment is taken. If a meeting is adjourned for more than thirty (30) days, notice of the adjourned meeting shall be given as in the case of an original meeting.

3.3. MAJORITY VOTE. The acts approved by a "majority of the Voting Members" (as subsequently defined) shall be binding upon all Members for all purposes, except where otherwise provided by law or the Governing Documents. As used in the Governing Documents, the terms "majority of the Owners," "majority of the Voting Members" and "majority of the voting interests" shall mean a majority of the votes entitled to be cast by the Voting Members present in person or by proxy at any duly called meeting of the Members at which a quorum shall have been attained and shall not mean a majority of the total number of Voting Members, or a majority of the Units or Unit Owners themselves or a majority of the total aggregate membership. Similarly, if some greater percentage of Voting Members is required in any Governing Document, it shall mean such greater percentage of the votes of Voting Members and not of the Voting Members themselves.

3.4. FIXING RECORD DATE. For the purpose of determining those Members entitled to notice of or to vote at any meeting of Members, or in order to make a determination of Members for any other purpose, the Board of Directors shall fix in advance a date as the record date for such determination ("Record Date"). The Record Date shall not be more than seventy (70) days prior to the date on which the particular action requiring such determination of Members is to be taken. When a determination of Members entitled to vote at any meeting has been made as provided in this section, such determination shall apply to any adjournment thereof, unless the Board of Directors fixes a new Record Date for the adjourned meeting, which it must do if the meeting is more than 90 days after the date fixed for the original meeting.

3.5. ROSTER OF OWNERS. Each Member shall deliver to the Association a copy of the deed or other evidence of ownership of his, her or its Unit. Based on this information, the Association shall maintain a roster of Members, their Unit numbers, addresses and telephone numbers, if known. The Association may rely upon the accuracy of such information for all purposes until notified in writing of any changes in the identity of the Member or his address. Only Members reflected on the membership roster as of the Record Date shall be entitled to notice of and to vote at a meeting, unless prior to such meeting the Member shall produce adequate evidence of ownership of a Unit and shall waive in writing notice of such meeting.

3.6. VOTING MEMBER. The record ownership of each Unit shall be established by reference to the membership roster as of the Record Date for purposes of determining the Voting Member to respect to that Unit. If a Unit is owned by one person, that person shall be deemed to be the Voting Member for such Unit unless the Owner has filed a Voting Certificate designating another person as Voting Member for such Unit. If a Unit is owned by more than one person (including husbands and wives), those persons shall have the right to decide among themselves who shall act as the Voting Member for the Unit and the Voting Member shall be designated in a certificate signed by all record owners and filed with the Association. In the event that those persons cannot or do not so decide to file a certificate in the foregoing manner, then they shall be governed by the terms of Section 3.7. If a Unit is owned by a corporation, general partnership, limited partnership or trust, the Voting Member shall be designated in a certificate signed by the corporation's president or vice president, the general partnership's partners, the limited partnership's general partner, the limited liability company's manager or managing member or all of the trust's trustee, as the case may be. The certificate shall be filed with the Secretary of the Association. Those certificates shall be valid until revoked or until superseded by a subsequent certificate or until a change in the ownership of the Unit concerned. A certificate designating the person entitled to cast the vote for a Unit may be revoked by any record owner of an undivided interest in the Unit.

3.7. FAILURE TO FILE CERTIFICATE DESIGNATING THE VOTING MEMBER.

3.7.1. Generally. If the record owner of a Unit (other than the Declarant) was required but failed to file a certificate as provided in Section 3.6, such Owner shall not be considered the Voting Member for purposes of determining whether a quorum has been attained at the meeting, nor shall such Owner be permitted to vote at meetings of the Members on any issue.

3.7.2. Voting by Co-Owners. If a Unit is owned by more than one person and the co-owners have elected not to file a certificate designating one of them as a Voting Member, the presence (in person or by proxy) of any one or all of them at a meeting of the Members shall be considered to be the presence of a Voting Member for purposes of determining whether a quorum has been attained at the meeting. If a dispute arises between the co-owners as to how the vote shall be cast, they shall lose the right to cast their vote on the matter being voted upon, but their vote shall be continued to be counted for the purpose of determining the existence of a quorum.

3.8. PROXIES. Votes may be cast in person or by proxy. Proxies shall be in writing, signed and dated and shall be valid only for the particular meeting designated therein or an adjournment thereof, but in no event for more than ninety (90) days, and must be filed with the Secretary before or at the voter registration immediately preceding the meeting. A photographic, photostatic or equivalent reproduction of a proxy is a sufficient proxy.

4. BOARD OF DIRECTORS.

4.1. NUMBER, TERM, AND QUALIFICATIONS. The affairs of the Corporation shall be governed initially by a Board composed of three persons appointed by the Declarant. The Declarant-appointed Board may be, at the Declarant's option, expanded to five persons. The Board, after turnover of control by the Declarant, may consist of three, five or seven Directors as may be determined from time to time by the voting interests of the Association. All non-Declarant Directors shall be Members or spouses of Members. All officers of a corporation, trust, partnership or other such owner shall be deemed to be Members so as to be eligible for Board membership. Directors shall be elected by the voting interests as to regular or general elections at the time and place at which the annual meeting is scheduled to occur regardless of whether a quorum to convene the annual meeting is present, except for Declarant-appointed Directors. At and after turnover, Directors of the Board shall be elected for staggered two years terms. At the election held in conjunction with turnover, a majority shall be elected for two (2) years and the balance elected for one (1) year to provide continuity. Those persons receiving the highest number of votes shall serve the two year terms. In the event of a tie, for a designated position on the Board the tie shall be resolved by agreement of the candidates, if possible; otherwise the winning Director shall be chosen in a blind drawing.

4.2. TERM OF SERVICE. The term of each Director's service, except in the case of a vacancy caused by recall, shall extend until their elected term is completed and thereafter until their successor is duly elected and qualified or until the Director is recalled by a majority of the voting interests. A seat held by a Director who ceases to be an owner shall thereby automatically become vacant.

4.3. BOARD VACANCIES. Vacancies in the Board of Directors caused by any reason other than the removal of a director as set forth in **Subsection 4.4.** below shall be filled by vote of the majority of the remaining directors, even though they may constitute less than a quorum; and each person so elected shall be a Director until a successor is elected at the next annual meeting of the Members of the Association, or at a special meeting of the Members called for that purpose. A vacancy or vacancies shall be deemed to exist in case of death, resignation, removal or judicial adjudication of mental incompetence of any director, increases in the size of the Board or in case the Voting Members fail to elect the full number of authorized directors at any meeting at which such election is to take place.

4.4. REMOVAL OF DIRECTORS.

4.4.1. Any Board Director may be recalled and removed from office with or without cause by the vote of a majority of the total voting interests.

4.4.2. Board Directors may be recalled by an agreement in writing or by written ballot without a membership meeting. The agreement in writing or the written ballots, or a copy thereof, shall be served on the Association by certified mail or by personal service in the manner authorized by Chapter 48 of the Florida Statutes and the Florida Rules of Civil Procedure. The agreement in writing or ballot shall list at least as many possible replacement directors as there are directors subject to the recall, when at least a majority of the Board is sought to be recalled; the person executing the recall instrument may vote for as many

replacement candidates as there are directors subject to the recall. The Board shall duly notice and hold a meeting of the Board within five (5) full business days after receipt of the agreement in writing or written ballots. At the meeting, the Board shall either certify the written ballots or written agreement to recall a Director or Directors of the Board, in which case such Director or Directors shall be recalled effective immediately, or proceed as described in **Subsection 4.4.4**. Any rescission or revocation of a Member's written recall ballot or agreement must be in writing and, in order to be effective, must be delivered to the Association before the Association is served with the written recall agreements or ballots. In no event is a written agreement or written ballot valid for more than 120 days after it has been signed by the Member.

4.4.3. The Members may also recall and remove a Director or Directors of the Board by a vote taken at a meeting. A special meeting of the Members to recall a Director or Directors of the Board may be called by ten percent (10%) of the voting interests giving notice of the meeting as required for a meeting of the membership, and the notice shall state the purpose of the meeting. Electronic transmission may not be used as a method of giving notice of a meeting called in whole or in part for this purpose. The Board of Directors shall duly notice and hold a meeting of the Board within five (5) full business days after the adjournment of the Member meeting to recall one or more Directors. At the meeting, the Board shall either certify the recall, in which case such Director or Directors shall be recalled effective immediately, or proceed as set forth in **Subsection 4.4.4**.

4.4.4. If the Board determines not to certify the written agreement or written ballots to recall a Director or Directors of the Board or does not certify the recall by a vote at a meeting, the Board shall, within five (5) full business days after the meeting, file with the State of Florida Department of Business and Professional Regulations (the "Department") a petition for binding arbitration pursuant to the applicable procedures in Sections 718.1255 and 718.112(2)(j) of the Condominium Act and the applicable Florida Administrative Code rules. For the purposes of this section, the Members who voted at the meeting or who executed the agreement in writing shall constitute one party under the petition for arbitration. If the arbitrator certifies the recall as to any Director or Directors of the Board, the recall will be effective upon mailing of the final order of arbitration to the Association.

4.4.5. When the recall of more than one Director is sought, the written agreement, ballot, or vote at a meeting shall provide for a separate vote for each Director sought to be recalled.

4.4.6. Any Director or Directors so recalled shall deliver to the Board any and all records of the Association in their possession within five (5) full business days after the effective date of the recall.

4.4.7. If a vacancy occurs on the Board of Directors as a result of a recall and less than a majority of the Board of Directors are removed, the vacancy may be filled by the affirmative vote of a majority of the remaining Directors. If vacancies occur on the Board of Directors as a result of a recall and a majority or more of the Board of Directors are removed, the vacancies shall be filled by Members voting in favor of the recall; if removal is at a meeting, any vacancies shall be filled by the Members at the meeting. If the recall occurred by agreement in writing or by written ballot, Members may vote for replacement directors in the same

instrument in accordance with procedural rules adopted by the Division of Florida Land Sales, Condominium, and Mobile Homes in the Department of Business and Professional Regulations, which rules need not be consistent with this subsection.

4.4.8. If the Board fails to duly notice and hold a meeting of the Board within five (5) full business days after service of an agreement in writing or within five (5) full business days after the adjournment of the Member recall meeting, the recall shall be deemed effective and the Director or Directors so recalled shall immediately turn over to the Board all records and Property of the Association.

4.4.9. A Director who has been recalled by the membership may not be appointed to fill the vacancy created by his or her removal.

4.4.10. A Director elected or appointed to fill a vacancy shall be elected or appointed for the remaining term of the seat being filled.

4.4.11. The minutes of the meeting of the Board at which the Board decides whether to certify the recall are an official association record. The minutes must record the date and time of the meeting, the decision of the Board, and the vote count taken on each Director subject to the recall. In addition, when the Board decides not to certify the recall as to each vote rejected, the minutes must identify the parcel number and the specific reason for each such rejection.

4.5. ORGANIZATIONAL MEETING. The organizational meeting of each newly elected Board of Directors to elect officers shall be held at such place and time as shall be fixed by the Directors, provided a quorum shall be present. Unless otherwise noticed, it shall be held immediately following the annual meeting. Election of officers may be by secret ballot.

4.6. REGULAR MEETINGS. Regular meetings of the Board of Directors 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, unless noticed previously, shall be given to each Director personally or by mail, telephone or facsimile at least forty-eight (48) hours prior to the day named for such meeting.

4.7. SPECIAL MEETINGS. Special meetings of the Directors may be called by the President and must be called by the Secretary at the written request of any two (2) Directors. Not less than forty-eight (48) hours notice of the meeting (except in an emergency) shall be given personally or by mail, telephone or telecopier, which notice shall state the time, place and purpose of the meeting.

4.8. WAIVER OF NOTICE. 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. Attendance by a Director at a meeting shall constitute waiver of notice of the meeting.

4.9. NOTICE TO OWNERS.

4.9.1. Notices of Directors meetings, and meetings of committees to make recommendations regarding the Association budget or which have the authority to take final action on behalf of the Board, shall be posted in a conspicuous place in the Neighborhood at least 48 hours in advance for the attention of Members, except in an emergency. Notices shall specifically incorporate an identification of agenda items. All other committee meetings are exempt from this section. Upon prior notice to the Members, the Board shall by duly adopted rule designate a specific location on the Association property upon which all notices of Board meetings shall be posted.

4.9.2. If there is no conspicuous place within the Neighborhood upon which notices can be posted, notices of Board of Directors meetings shall be mailed, delivered or electronically transmitted to each Member at least seven (7) days before the meeting, except in an emergency. In lieu of or in addition to the physical posting of notice of any meeting of the Board within the Neighborhood, the Association may, by reasonable rule, adopt a procedure for conspicuously posting and repeatedly broadcasting the notice and the agenda on a closed-circuit cable television system serving the Association. However, if broadcast notice is used in lieu of a notice posted physically in the Neighborhood, the notice must be broadcast at least four times every broadcast hour of each day that a posted notice is otherwise required by this Section 4.9. When broadcast notice is provided, the notice and agenda must be broadcast in a manner and for a sufficient continuous length of time so as to allow an average reader to observe the notice and read and comprehend the entire content of the notice and the agenda.

4.9.3. An assessment may not be levied at a board meeting unless a written notice of the meeting is provided to all Members at least 14 days before the meeting, which notice includes a statement that assessments will be considered at the meeting and the nature of the assessments. Written notice of any meeting at which special assessments will be considered or at which amendments to rules regarding parcel use will be considered must be mailed, delivered or electronically transmitted to the Members and parcel owners and posted conspicuously on the property or broadcast on closed-circuit television not less than 14 days before the meeting. Rules that regulate the use of Units and/or parcels in the Neighborhood may not be adopted, amended or revoked at a Board meeting unless such 14 day advance written meeting notice is provided, which notice must include a statement that changes to the rules regarding the use of parcels will be considered at the meeting.

4.10. **AGENDA BY PETITION.** If 20 percent of the total voting interests petition the Board to address an item of business, the Board shall at its next regular Board meeting or at a special meeting of the Board, but not later than 60 days after the receipt of the petition, take the petitioned item up on an agenda. The Board shall give all Members notice of the meeting at which the petitioned item shall be addressed in accordance with the 14-day notice requirement pursuant to **Subsection 4.9.3.** Other than addressing the petitioned item at the meeting, the Board is not obligated to take any other action requested by the petition.

4.11. **OWNER PARTICIPATION.** Meetings of the Board of Directors and any committee thereof required to give notice pursuant to **Section 4.9** above, at which a quorum of the members of that committee are present, shall be open to all Members; provided, however,

Members shall not be privileged to attend: (i) meetings between the Board and its attorney with respect to proposed or pending litigation or adversarial administrative proceedings or seeking or rendering legal advice where the discussion would otherwise be governed by attorney/client privilege; or (ii) meetings between the Board or a committee and the Association's attorney, with respect to meetings of the Board held for the purpose of discussing personnel matters. Subject to the reasonable rules of the Association governing the frequency, duration and other manner of Member statements (which rules must be consistent with Florida Statutes Section 720.303(2)), Members have the right to speak for at least 3 minutes at any Board of Director meeting with reference to any matter placed on the agenda by petition of the voting interests as provided in **Section 4.10** above, provided that the Member signs the sign-up sheet, if one is provided, or submits a written request to speak prior to the meeting.

4.12. BOARD MEETINGS, QUORUM AND VOTING. A quorum at Directors' Meetings shall consist of a majority of the Directors. The acts approved by a majority of Directors present at a meeting at which a quorum is present shall constitute the acts of the Board. Directors may not vote by proxy or by secret ballot at Board meetings, except as may be provided by Law from time to time, and a vote or abstention for each Member present shall be recorded in the minutes. If at any meeting of the Board there be less than a quorum present, the Director(s) present may adjourn the meeting from time to time until a quorum is present. At any adjourned meeting, which must be properly noticed, any business which might have been transacted at the meeting as originally called may be transacted. Absent Directors may later sign written concurrence in Board actions, but such joinders may not be used as a vote for or against the action taken or for purposes of creating a quorum.

4.13. PRESIDING OFFICER. The presiding officer at Directors' meetings shall be the President if such an officer has been elected; and if none, then the Vice President shall preside. In the absence of the presiding officer, the Directors present shall designate one of their

number to preside.

4.14. DIRECTOR COMPENSATION. Directors shall serve without pay unless the voting interests annually authorize Director's fees, but shall be entitled to reimbursement for expenses reasonably incurred.

5. POWERS AND DUTIES OF THE BOARD OF DIRECTORS. All of the powers and duties of the Association existing under the Florida Not-For-Profit Corporation Statute and the Governing Documents, as such documents may be established and amended from time to time, shall be exercised exclusively by the Board of Directors, or its duly authorized agents, contractors, or employees subject only to the approval by Members when such is specifically required. Such powers and duties of the Directors shall include, but shall not be limited to, the following:

5.1. TO ADOPT BUDGETS, BORROW MONEY AND MAKE AND COLLECT ASSESSMENTS AND FEES from and against owners and users to defray the expenses of the Association.

5.2. TO USE THE PROCEEDS OF ASSESSMENTS in the exercise of its powers and duties.

5.3. THE MAINTENANCE, REPAIR, REPLACEMENT AND OPERATION of the Association Common Areas.

5.4. TO ENACT RULES AND REGULATIONS concerning the use of the Association Common Areas and facilities.

5.5. TO RECONSTRUCT COMMON AREA IMPROVEMENTS AFTER CASUALTY and the further improvement of the properties.

5.6. TO APPROVE OR DISAPPROVE PROPOSED ACTIONS in the manner provided by the Governing Documents.

5.7. TO ENFORCE by legal means the provisions of applicable laws and the Governing Documents.

5.8. TO CONTRACT FOR MANAGEMENT of the Association.

5.9. TO CARRY INSURANCE for the protection of the Members, users and the Association.

5.10. TO PAY THE COST OF ALL UTILITY SERVICES rendered to the Association.

5.11. TO EMPLOY PERSONNEL and designate other officers for reasonable compensation and grant them such duties as seem appropriate for proper administration of the purposes of the Association.

5.12. TO BRING AND DEFEND SUITS, MAKE AND EXECUTE CONTRACTS, DEEDS, MORTGAGES, LEASES, LICENSES and other instruments by its officers and to purchase, own, lease, convey and encumber real and personal property. To grant easements and licenses over the Association property necessary or desirable for proper operation of the Association.

5.13. TO COMPLY WITH REQUIREMENTS FOR ENTERING CONTRACTS FOR PRODUCTS AND SERVICES. All contracts for the purchase, lease or renting of materials or equipment or for services, or which are not to be fully performed within one year, shall be in writing. As to any such contract which requires payment exceeding 10 percent of the total annual budget of the Association, including reserves (except for contracts with employees of the Association, and contracts for attorneys, accountants, community association managers, architects, engineers and landscape architects), the Association shall obtain competitive bids unless the products and services are needed as the result of an emergency or unless the desired supplier or provider is the only source of supply within Flagler County. The Association need not accept the lowest bid. Materials, equipment or services provided to the Association under a local government franchise agreement by a franchise holder are not subject to the competitive bid requirements of this section.

5.14. TO LEVY FINES AND SUSPENSION OF USE RIGHTS. The Directors may, pursuant to Florida Statutes Section 720.305, impose fines not to exceed \$100.00 per violation, and/or suspend use rights in the Common Areas and facilities for a reasonable period of time for failure to comply with the provisions of the Governing Documents, including the rules and regulations, by owners, occupants, licensees, tenants and invitees. A fine may be imposed for each day of continuing violation with a single notice and opportunity for hearing, provided that no fine shall in the aggregate exceed \$1,000.00. A fine shall not become a lien against a parcel. In any action to recover a fine, the prevailing party is entitled to collect its reasonable attorney's fees and costs from the non-prevailing part as determined by the court.

5.14.1. HEARING NOTICE. The party against whom the fine or suspension is sought to be levied shall be afforded an opportunity for hearing after reasonable notice of not less than fourteen (14) days and said notice shall include:

- (a) A statement of the date, time and place of the hearing;
- (b) A statement of the provisions of the Covenants, Articles of Incorporation, By-laws, or rules and regulations which have allegedly been violated; and
- (c) A short and plain statement of the matters asserted by the Association.

5.14.2. RESPONDENT'S RIGHTS. The party against whom the fine or sanction may be levied shall have an opportunity to respond, to present evidence, and to provide written and oral argument on all issues involved and shall have an opportunity at the hearing to review, challenge, and respond to any material considered by the Association.

5.14.3. HEARING COMMITTEE. The hearing must be held before a committee of three other Members, appointed by the Board who are not officers, directors, or employees of the Association, or the spouse, parent, child, brother or sister of an officer, director or employee. If the committee does not agree with the fine by a majority vote, the fine may not be levied.

5.15. TO APPOINT COMMITTEES. The Directors may appoint committees. The Board may appoint a search committee to encourage qualified persons to become candidates for the Board. All committees and committee members shall serve at the pleasure of the Board.

5.16. TO MAINTAIN FIRE SAFETY COMPLIANCE. The Directors may accept a Certificate of Compliance from a licensed electrical contractor or electrician as evidence of compliance of the Association property with the applicable Fire and Life Safety Code.

5.17. EMERGENCY POWERS. In the event of any "emergency" as defined in Subsection 5.17.7. below, the Board of Directors may exercise the emergency powers described in this section, and any other emergency powers authorized by Florida Statute Section 617.0207, as amended from time to time.

5.17.1. To accommodate the incapacity of any officer of the association, the Board, in advance, may name as assistant officers persons who are not directors, which assistant officers shall have the same authority as the executive officers to whom they are assistant during the period of the emergency.

5.17.2. The Board may relocate the principal office or designate alternative principal offices or authorize the officers to do so.

5.17.3. During any emergency the Board may hold meetings with notice given only to those directors with whom it is practicable to communicate, and the notice may be given in any practicable manner, including publication or radio. The director or directors in attendance at such a meeting shall constitute a quorum.

5.17.4. Corporate action taken in good faith during an emergency under this section to further the ordinary affairs of the association shall bind the association and shall have the rebuttable presumption of being reasonable and necessary.

5.17.5. Any officer, director, agent, employee, or member of the association acting with a reasonable belief that his or her actions are lawful in accordance with these emergency bylaws shall incur no liability for doing so except in the case of willful misconduct.

5.17.6. These emergency bylaws supersede any inconsistent or contrary provisions of the bylaws during the period of the emergency.

5.17.7. For purposes of this section, an "emergency" exists during any period of time that the Neighborhood, or the immediate geographic area in which the Neighborhood is located, is subjected to

- (a) a state of emergency declared by local civil or law enforcement authorities;
- (b) a hurricane warning;
- (c) a partial or complete evacuation order;
- (d) federal or state "disaster area" status; or
- (e) a catastrophic occurrence, whether natural or manmade, that seriously damages or threatens to seriously damage the physical existence of the Neighborhood, such as an earthquake, a tidal wave, a fire, a hurricane, a tornado, a war, civil unrest, or acts of terrorism.

5.18. TO CONVEY TO CONDEMNING AUTHORITIES. To convey a portion of the Common Areas to a condemning authority for the purpose of providing utility easements, right of way expansion, or other public purposes, whether negotiated or as the result of eminent domain proceedings.

6. OFFICERS

6.1. EXECUTIVE OFFICERS. After turnover, the executive officers of the Association shall be the President, one or more Vice Presidents, a Secretary, a Treasurer, and such assistant officers as may be desired, all of whom shall be elected annually by and from the Board of Directors and who may be peremptorily removed by a majority vote of the Directors at any meeting. Any person may hold two or more offices except that the President shall not also be the Secretary.

6.2. PRESIDENT; POWERS AND DUTIES. The President shall be the chief executive officer of the Association and shall have all of the powers and duties which are usually vested in the office of President of a corporation.

6.3. VICE PRESIDENT; POWERS AND DUTIES. The Vice President shall, in the absence or disability of the President, exercise the powers and perform the duties of the President. The Vice President shall also generally assist the President and exercise such other powers and perform such other duties as shall be prescribed by the Directors.

6.4. SECRETARY; POWERS AND DUTIES. The Secretary shall keep the minutes of all proceedings of the Directors and the Members; shall attend to the giving and serving of all notices to the Members and Directors and other notices required by law; shall have custody of the seal of the Association and affix the same to instruments requiring a seal when duly signed; shall keep and have custody of the records of the Association, except those of the Treasurer; and shall perform all other duties incident to the office of Secretary of the Association and as may be required by the Directors or the President.

6.5. TREASURER; POWERS AND DUTIES. The Treasurer shall have custody of all property of the Association, including funds, securities and evidences of indebtedness; shall keep the assessment rolls and accounts of the Members; shall keep the books of the Association in accordance with good accounting practices; and shall perform all other duties incident to the office of the Treasurer of a corporation.

6.6. EMPLOYEE COMPENSATION. The compensation of all employees of the Association shall be fixed by the Directors. This provision shall not preclude the Board of Directors from employing a Director as an employee of the Association.

6.7. INDEMNIFICATION. Every Director and every officer and committee member of the Association shall be indemnified by the Association against all expenses and liabilities, including attorney's fees through all trial and appellate levels, reasonably incurred by or imposed in connection with any proceeding, arbitration, or settlement to which such person may be a party, or in which they may become involved, by reason of being or having been a Director, officer, or committee member of the Association. Notwithstanding the foregoing, in the event of a voluntary settlement, the indemnification provisions herein shall not be automatic and shall apply only when the Board approves such settlement. Notwithstanding anything contained herein to the contrary, in instances where the Director, officer, or committee member admits or is adjudged guilty of willful malfeasance, misfeasance or nonfeasance in the performance of their duties, the indemnification provisions contained herein shall not apply.

Otherwise, the foregoing right of indemnification shall be in addition to and not exclusive of any and all rights of indemnification to which such Director, officer or committee member may be entitled by common law or statute.

6.8. DELEGATION. To the extent permitted by law, the powers and duties of the directors and officers may be delegated for the purpose of management.

7. MINUTES AND INSPECTION OF RECORDS. Minutes of all meetings of Members and of the Board of Directors shall be kept in a businesslike manner and shall be reduced to written form within thirty (30) days and these, plus records of all receipts and expenditures and all other official records, as defined in Florida Statutes Section 720.303, shall be available for inspection by Members and Directors within 10 business days after receipt of a written request for access. This provision shall be deemed to have been complied with by having a copy of the official records available for inspection or copying in the Neighborhood. If the Association has a photocopy machine available where the records are maintained, it must provide parcel owners with copies on request during the inspection if the entire request is limited to no more than 25 pages. The Board of Directors may adopt reasonable written rules regarding the frequency, time, location, notice, records to be inspected and manner of record inspections and copying, but may not impose a requirement that a parcel owner demonstrate any proper purpose for the inspection, state any reason for the inspection or limit a parcel owner's right to inspect records to less than one 8-hour business day per month. The Association may charge up to 50 cents per page for copies made on the Association's photocopier, if any. If the Association does not have a photocopier available where the records are kept, or if the recorded requested to be copied exceed 25 pages in length, the Association may have copies made by an outside vendor and charge the actual cost of copying. Notwithstanding the provisions of this paragraph, the following records shall not be accessible to Members or parcel owners: (i) any record protected by the lawyer-client privilege as described in Florida Statutes Section 90.502 and any record protected by the work-product privilege, including, but not limited to, any record prepared by an Association attorney or prepared at the attorney's express direction, which reflects a mental impression, conclusion, litigation strategy, or legal theory of the attorney or the Association, and which was prepared exclusively for civil or criminal litigation or for adversarial administrative proceedings, or which was prepared in anticipation of imminent civil or criminal litigation or imminent adversarial administrative proceedings until the conclusion of the litigation or adversarial administrative proceedings; (ii) information obtained by the Association in connection with the approval of the lease, sale or other transfer of a parcel; (iii) disciplinary, health, insurance and personnel records of the Association's employees; and (iv) medical records of parcel owners or community residents.

8. FISCAL MANAGEMENT. Shall be in accordance with the following provisions:

8.1. BUDGET. A proposed annual budget of Association expenses shall be prepared by the Board of Directors which shall include all anticipated expenses for operation, maintenance and administration of the Association including insurance and management fees, if any, and for all of the unpaid operating expenses previously incurred. It shall accrue reserves which may later be waived or reduced by a majority vote at a duly called meeting of the Association. Reserve funds and any accrued interest on the funds shall remain in the reserve

account for authorized reserve expenditures, unless their use for other purposes is approved in advance by a majority vote of the majority of the voting interests voting in person or by proxy at a duly called meeting of the Association. The budget will contain a reasonable allowance for contingencies and provide funds for all unpaid operating expenses previously incurred. If at any time a budget shall prove insufficient, it may be amended by the Board of Directors for the remaining portion of the fiscal year.

8.2. MAILING. A copy of the proposed annual budget together with a notice of the meeting shall be mailed or delivered to the Members not more than 10 days after the adoption of the budget.

8.3. ASSESSMENTS. The shares of the Members of the Association expenses may be made payable in installments of from one to three months in advance and shall become due on the first day of each such period and which shall become delinquent 10 days thereafter. The Association shall have the right to accelerate assessments of an owner delinquent in the payment of Association expenses. Accelerated assessments shall be due and payable on the date a claim of lien is filed against the Owner's Unit in the Public Records of Flagler County, Florida and may include the amounts due for the remainder of the fiscal year for which the claim of lien was filed. The Association may also impose fines and/or suspend use rights in the common areas and facilities upon financially delinquent Members without complying with the provisions of Section 5.14 of these By-Laws, and a Member's voting rights in the Association may be suspended for a delinquency of regular annual assessments in excess of 90 days.

8.4. SPECIAL ASSESSMENTS AND CHARGES. Assessments and charges for expenses which are not provided for and funded in the Budget shall be made by the Board of Directors, and the time of payment shall likewise be determined by them.

8.5. ASSESSMENT ROLL. The assessments for Association expenses and charges shall be set forth upon a roll of the Owners which shall be available for inspection at all reasonable times by Members. Such roll shall indicate for each Unit the name and address of the Owner, and the assessments and charges paid and unpaid. A certificate made by a duly authorized representative of or by the Board of Directors as to the status of a Unit's account may be relied upon for all purposes by any person for whom made.

8.6. LIABILITY FOR ASSESSMENTS AND CHARGES. A Member regardless of how his title has been acquired including by purchase at a foreclosure sale or by deed in lieu of foreclosure shall be liable for all assessments and charges coming due while the Owner of a Unit. Additionally an Owner shall be jointly and severally liable with the previous owner for all unpaid assessments and charges due and payable up to the time of transfer of title. Liability may not be avoided by waiver of the use or enjoyment of any common areas or by abandonment of the Unit for which the assessments are made. The liability of a first mortgagee or its successor or assignees who acquire title to a Unit by foreclosure or by deed in lieu of foreclosure for the unpaid assessments that became due prior to the mortgagee's acquisition of title is limited to the lesser of: (1) the Unit's unpaid Association expenses and regular periodic assessments which accrued or came due during the 6 months immediately preceding the acquisition of title and for which payment in full has not been received by the Association; or (2) one percent (1%) of the original mortgage debt. This partial excusal shall not apply unless the

first mortgagee joined the Association as a defendant in the foreclosure action. Joinder of the Association is not required if, on the date the complaint is filed, the Association was dissolved or did not maintain an office or agent for service of process at a location which was known to, or reasonably discoverable by the mortgagee. The person acquiring title shall pay the amount owed to the Association within 30 days after transfer of title. Failure to pay the full amount when due shall entitle the Association to record a claim of lien against the parcel and proceed in the same manner as provided in this section for the collection of unpaid assessments.

8.7. LIENS FOR ASSESSMENTS. The unpaid portion of an assessment including an accelerated assessment which is due, together with costs, interest and reasonable attorneys' fees for collection, shall be secured by a lien upon the Owner's Unit and all appurtenances thereto when a notice claiming the lien has been recorded by the Association in the Flagler County, Florida Public Records.

8.8. UNPAID CHARGES. Unpaid charges which are due together with costs, interest and reasonable attorney's fees including appeals for collection shall be the basis for a lien by the Association against the Unit Owner.

8.9. COLLECTION — INTEREST; ADMINISTRATIVE LATE FEE; APPLICATION OF PAYMENTS. Assessments paid on or before ten days after the date due shall not bear interest, but all sums not paid on or before ten days shall bear interest at the highest lawful rate from time to time (now 18% per annum) from the date due until paid. In addition to such interest the Association may charge an administrative late fee in an amount not to exceed the greater of \$25.00 or 5% of each installment of the assessment for which payment is late. All payments upon account shall be first applied to interest, then the late fee, then to any costs and reasonable attorney's fees and then to the assessment or charge payment first due. All interest collected shall be credited to the common expense account.

8.10. COLLECTION — SUIT. The Association, at its option, may enforce collection of delinquent assessments by suit at law, by foreclosure of the lien, or by any other remedy available under the laws of the State of Florida, and in any event the Association shall be entitled to recover the payments which are delinquent at the time of collection, judgment or decree, together with those which have become due by acceleration plus interest thereon and all costs incident to the collection and the proceedings, including reasonable attorneys' fees, including appeals. The Association must deliver or mail by certified mail to the Owner a written notice of its intention to foreclose the assessment lien 30 days before commencing foreclosure, unless Notice of Contest of Lien has been filed. The lien shall secure only assessments, interest, costs and attorneys fees and not fines, charges or other fees.

8.11. ACCOUNTS. All sums collected from assessments or charges shall be credited to accounts from which shall be paid the expenses for which the respective assessments or charges are made.

8.12. ASSOCIATION DEPOSITORY. The depository of the Association shall be a bank or banks or state or federal savings and loan associations or a member firm of the New York Stock Exchange with offices in Florida and as shall be designated from time to time by the Directors and in which the monies for the Association shall be deposited. Withdrawal of

monies from such accounts shall be only by checks signed by such persons as are authorized by the Directors.

8.13. COMMINGLING OF FUNDS. All funds shall be maintained separately in the Association's name. Reserve and operating funds of the Association shall not be commingled prior to turnover, except the Association may jointly invest reserve funds; however, such jointly invested reserve funds must be accounted for separately. Neither the Declarant, while in control of the Association, nor any manager or business entity required to be licensed or registered under Florida Statutes Section 468.432, and no agent, employee, officer, or Director of the Association shall commingle any Association funds with his funds or with the funds of any other homeowners' association or community association as defined in Florida Statutes Section 468.431.

8.14. ANNUAL FINANCIAL REPORTING. Within 60 days following the close of the fiscal year, the Association shall prepare or cause to be prepared an annual financial report in accordance with the requirements of Florida Statutes Section 720.303(7). Within 10 business days after the financial report is completed or received by the Association from a third party, the Association shall mail to each Member at the address last furnished to the Association by the Member, or hand deliver to each Member, a copy of the financial report or a notice that a copy of the financial report will be mailed or hand delivered to the Member, without charge, upon receipt of a written request from the Member.

8.15. INSURANCE OR FIDELITY BONDING. The Association shall obtain and maintain adequate insurance or fidelity bonding for all person who control or disburse funds of the Association. The insurance policy or fidelity bond must cover the maximum funds that will be in the custody of the Association or its management agent at any one time. The term "persons who control or disburse funds of the Association" includes, but is not limited to, those individuals authorized to sign checks and the president, secretary, and treasurer of the Association. The Association shall bear the cost of bonding.

9. PARLIAMENTARY RULES. A parliamentary procedure such as Robert's Rules of Order uniformly applied shall govern the conduct of corporate proceedings when not in conflict with the Covenants and Restrictions, the Articles of Incorporation or By-laws of the Association or with the laws of the State of Florida.

10. BY- LAW AMENDMENTS. After turnover, amendments to the By-laws shall be adopted in the following manner:

10.1. NOTICE of the subject matter of a proposed amendment shall be included in the notice of any meeting or the text of any written agreement at which or by which a proposed amendment is considered.

10.2. PROPOSAL OF AMENDMENTS. An amendment may be proposed by either a majority of the Directors or by twenty-five percent (25%) of the voting interests of the Association.

10.3. ADOPTION OF AMENDMENTS. A resolution or written agreement adopting a proposed amendment must receive approval of two thirds of the voting interests of the Association. Prior to turnover, amendments may be adopted by the Board alone.

10.4. EFFECTIVE DATE. An amendment when adopted shall become effective only after being recorded in the Public Records of Flagler County, Florida.

10.5. AUTOMATIC AMENDMENT. These By-laws shall be deemed amended, if necessary, so as to make the same consistent with the provisions of the Covenants and Restrictions, the Association Articles of Incorporation, or Chapter 720, Florida Statutes as amended from time to time.

10.6. PROPOSED AMENDMENT FORMAT. Proposals to amend existing By-laws shall contain the full text of the By-laws to be amended. New words shall be underlined and words to be deleted shall be ~~lined through~~ with hyphens. If the proposed change is so extensive that this procedure would hinder rather than assist understanding, a notation must be inserted immediately preceding the proposed amendment saying, "SUBSTANTIAL REWORDING OF BY-LAW. SEE BY-LAW NUMBER _____ FOR PRESENT TEXT."

11. DELIVERY OF NOTICES TO MEMBERS. Notices to Members for meetings and for all other purposes shall be mailed to each Member at the address last furnished to the Association by the Member. Such notices may alternatively be hand delivered to Members.

SKETCH AND DESCRIPTION

EXHIBIT "D"

RESERVED FOR RECORDING INFORMATION

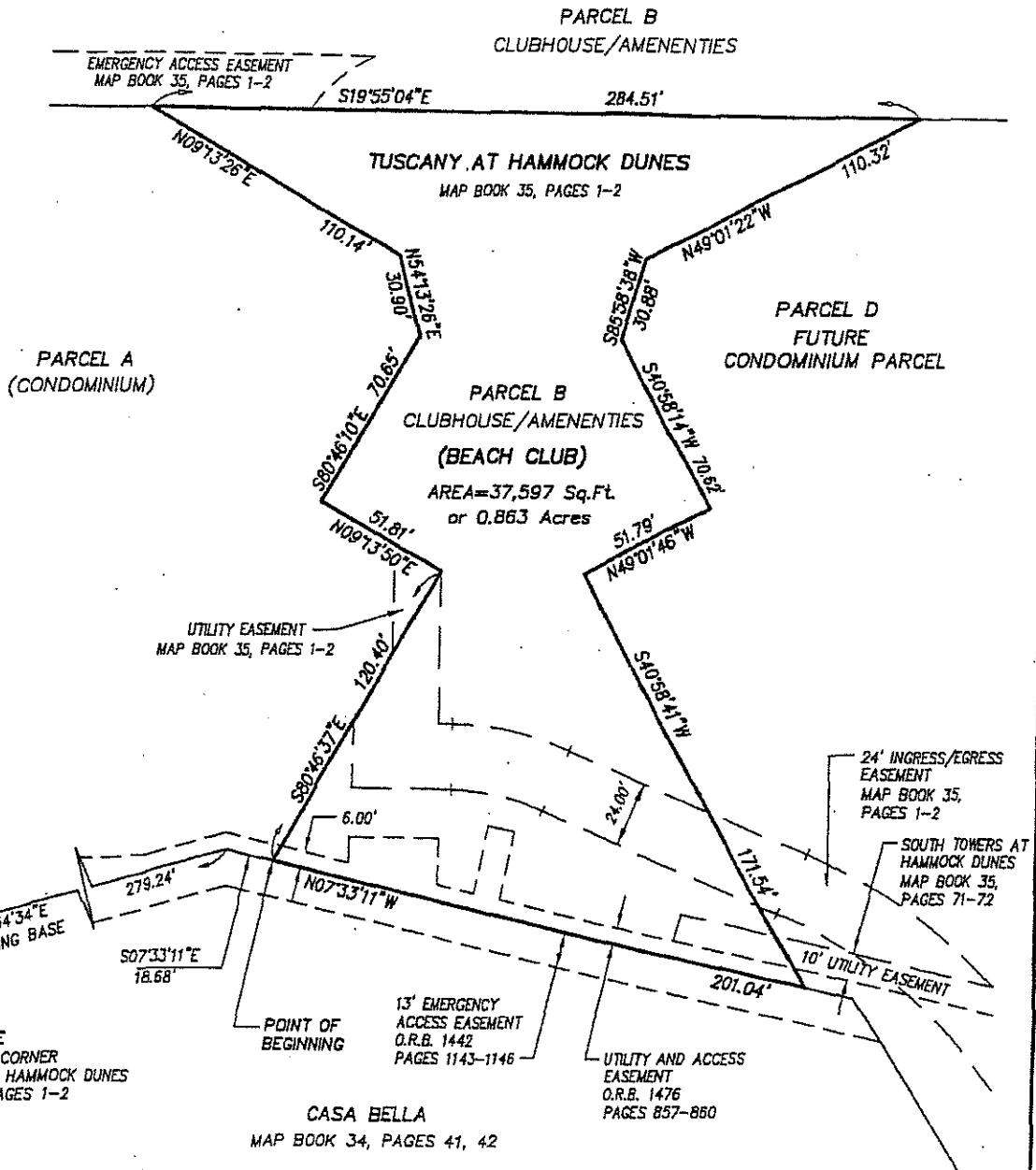


NORTH ARROW

0 60 120



SCALE 1" = 60'



SEE SHEET 2 FOR DESCRIPTION, NOTES, ABBREVIATIONS AND SYMBOLS

Hiland projects T2804\T4053\DWG\4053-SL1.dwg 12/6/2006 2:50:53 PM EST



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SKETCH
AND
DESCRIPTION

PROJECT NO.	T4053WCI
DRAWING REFERENCE NO.	4053-SL1
DATE:	12/06/2006
SHEET NO.	1 OF 2

SKETCH AND DESCRIPTION

EXHIBIT "D" cont'd

RESERVED FOR RECORDING INFORMATION

LEGAL DESCRIPTION:

A PARCEL OF LAND LOCATED IN SECTION 3, TOWNSHIP 11 SOUTH, RANGE 31 EAST, FLAGLER COUNTY, FLORIDA. BEING A PORTION OF PARCEL B, TUSCANY AT HAMMOCK DUNES, AS RECORDED IN MAP BOOK 35, PAGES 1 AND 2 AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE NORTHWEST CORNER OF SAID TUSCANY AT HAMMOCK DUNES AS A POINT OF REFERENCE; THENCE RUN ALONG THE WESTERLY LINE OF SAID TUSCANY AT HAMMOCK DUNES S35°54'34"E FOR A DISTANCE OF 279.24 FEET; THENCE S07°33'11"E FOR A DISTANCE OF 18.68 FEET TO THE POINT OF BEGINNING OF THIS DESCRIPTION; THENCE DEPARTING SAID WESTERLY LINE S80°46'37"E FOR A DISTANCE OF 120.40 FEET; THENCE N09°13'50"E FOR A DISTANCE OF 51.81 FEET; THENCE S80°46'10"E FOR A DISTANCE OF 70.65 FEET; THENCE N54°13'26"E FOR A DISTANCE OF 30.90 FEET; THENCE N09°13'26"E FOR A DISTANCE OF 110.14 FEET; THENCE S19°55'04"E FOR A DISTANCE OF 284.51 FEET; THENCE N49°01'22"W FOR A DISTANCE OF 110.32 FEET; THENCE S85°58'38"W FOR A DISTANCE OF 30.88 FEET; THENCE S40°58'14"W FOR A DISTANCE OF 70.62 FEET; THENCE N49°01'46"W FOR A DISTANCE OF 51.79 FEET; THENCE S40°58'41"W FOR A DISTANCE OF 171.54 FEET TO THE AFOREMENTIONED WESTERLY LINE OF TUSCANY AT HAMMOCK DUNES; THENCE RUN ALONG SAID WESTERLY LINE N07°33'11"W FOR A DISTANCE OF 201.04 FEET TO THE POINT OF BEGINNING OF THIS DESCRIPTION.

THE ABOVE DESCRIBED PARCEL OF LAND CONTAINING 0.863 ACRES OR 37,597 SQ. FT., MORE OR LESS.

W:\Tomoka\D\4053WCI\4053-SL1.dwg Tomoka @ Hammock Dunes\BEACH CLUB LEGAL DESCRIPTION.doc

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SURVEYOR'S NOTES:

1. BEARINGS BASED ON THE WESTERLY LINE OF TUSCANY AT HAMMOCK DUNES, BOOK 35, PAGES 1-2, BEING S35°54'34"E.
2. THERE MAY BE ADDITIONAL EASEMENTS, RESTRICTIONS AND/OR OTHER MATTERS NOT SHOWN ON THIS SKETCH WHICH MAY BE FOUND IN THE COUNTY PUBLIC RECORDS.
3. THIS IS NOT A BOUNDARY SURVEY.

ABBREVIATIONS

C=CURVE
D=DELTA
R=RADIUS
L=LENGTH
Cb=CHORD BEARING
R/W=RIGHT OF WAY
C=CENTER LINE

S/SECT=SECTION
R/RNG=RANGE
T/TWP=TOWNSHIP
I.D=IDENTIFICATION
CONC=CONCRETE
(R)=RECORD
(F)=FIELD MEASURED
N/F = NOW OR FORMERLY

PCP=PERMANENT CONTROL POINT
PC=POINT OF CURVE
PT=POINT OF TANGENCY
PI=POINT OF INTERSECTION
PB=PLAT BOOK
PG=PAGE
POB=POINT OF BEGINNING
POC=POINT OF COMMENCEMENT
MB=MAP BOOK

DB=DEED BOOK
FDOT=FLORIDA DEPARTMENT OF TRANSPORTATION
PRM=PERMANENT REFERENCE MONUMENT
PLS=PROFESSIONAL LAND SURVEYOR
PE=PROFESSIONAL ENGINEER
ORB=OFFICIAL RECORD BOOK
FFE=FINISH FLOOR ELEVATION
(NR)=NON-RADIAL
(RAD)=RADIAL
A/C=AIR CONDITIONER UNIT



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SKETCH
AND
DESCRIPTION

PROJECT NO.	T4053WCI
DRAWING REFERENCE NO.	4053-SL1
DATE	12/06/2006
SHEET NO.	2 OF 2

LEGAL DESCRIPTION: PARCEL A

A PARCEL OF LAND LOCATED IN SECTION 3, TOWNSHIP 11 SOUTH, RANGE 31 EAST, FLAGLER COUNTY, FLORIDA. BEING A PORTION OF PARCEL 16-B, TOGETHER WITH A PORTION OF PARCEL 1-D, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE SOUTHWEST CORNER OF SECTION 3, TOWNSHIP 11 SOUTH, RANGE 31 EAST, FLAGLER COUNTY, FLORIDA, AS A POINT OF REFERENCE; THENCE $N00^{\circ}37'32''W$ ALONG THE WEST LINE OF SAID SECTION 3 FOR A DISTANCE OF 399.12 FEET TO A POINT ON THE NORTHERLY RIGHT-OF-WAY LINE OF CAMINO DEL SOL (A 64.00 FOOT WIDE PRIVATE RIGHT-OF-WAY PER THE PLAT OF HAMMOCK DUNES PHASE 1, AS RECORDED IN MAP BOOK 30, PAGES 76 THROUGH 86, OF THE PUBLIC RECORDS OF FLAGLER COUNTY, FLORIDA) SAID POINT BEING ON A NON-TANGENT CURVE; THENCE DEPARTING SAID WEST LINE OF SECTION 3, ALONG SAID NORTHERLY RIGHT-OF-WAY LINE AND SAID NON-TANGENT CURVE TO THE RIGHT HAVING A RADIUS OF 510.00 FEET, A CENTRAL ANGLE OF $80^{\circ}21'47''$, AN ARC LENGTH OF 715.32 FEET, A CHORD BEARING $N87^{\circ}13'39''E$ AND A CHORD DISTANCE OF 658.11 FEET TO A NON-TANGENT LINE; THENCE DEPARTING SAID CURVE AND SAID NORTHERLY RIGHT-OF-WAY LINE, ALONG SAID NON-TANGENT LINE $N37^{\circ}18'26''E$ FOR A DISTANCE OF 118.50 FEET; THENCE $N52^{\circ}44'01''W$ FOR A DISTANCE OF 66.05 FEET; THENCE $N37^{\circ}24'17''E$ FOR A DISTANCE OF 82.56 FEET; THENCE $N07^{\circ}33'11''W$ FOR A DISTANCE OF 218.91 FEET TO THE POINT OF BEGINNING OF THIS DESCRIPTION; THENCE $N07^{\circ}33'11''W$ FOR A DISTANCE OF 18.68 FEET; THENCE $N35^{\circ}54'34''W$ FOR A DISTANCE OF 279.24 FEET; THENCE $N69^{\circ}28'43''E$ FOR A DISTANCE OF 350.16 FEET; THENCE $S19^{\circ}55'04''E$ FOR A DISTANCE OF 234.50 FEET; THENCE $S08^{\circ}13'26''W$ FOR A DISTANCE OF 110.14 FEET; THENCE $S54^{\circ}13'26''W$ FOR A DISTANCE OF 26.54 FEET; THENCE $N80^{\circ}46'07''W$ FOR A DISTANCE OF 75.81 FEET; THENCE $S08^{\circ}13'50''W$ FOR A DISTANCE OF 54.89 FEET; THENCE $N80^{\circ}46'37''W$ FOR A DISTANCE OF 120.32 FEET TO THE POINT OF BEGINNING OF THIS DESCRIPTION.

F:\JOB-DOC\012004\140535A1 Tuscany at Hammock Dunes\TUSCANY PARCEL A LEGAL DESCRIPTION.doc

TUSCANY at HAMMOCK DUNES,
A CONDOMINIUM

SITUATED IN PALM COAST
FLAGLER COUNTY, FLORIDA

CONDOMINIUM LEGAL DESCRIPTION



LB #2232

TOMOKA ENGINEERING

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