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This Instrument Prepared by and
Return to:

Mark J. Price, Esq.
Roetzel & Andress,
a Legal Professional Association
850 Park Shore Drive, Third Floor
Naples, Florida 34013
Phone No. (941) 649-6200
Fax No. (941) 261-3659

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**DECLARATION OF PROTECTIVE COVENANTS, RESTRICTIONS AND
EASEMENTS FOR VILLA TUSCANY AT PALMIRA**

THIS DECLARATION OF PROTECTIVE COVENANTS, RESTRICTIONS AND EASEMENTS FOR VILLA TUSCANY AT PALMIRA ("Protective Covenants") is made this 26th day of April, 2002, by the corporate entity described in Paragraph 1.14 hereof ("Declarant"), and joined by VILLA TUSCANY AT PALMIRA HOMEOWNERS ASSOCIATION, INC., a Florida corporation not for profit ("Association").

WHEREAS, Declarant is the owner in fee simple of certain real property as described on Exhibit A attached hereto and made a part hereof ("Subject Property") located in the City of Bonita Springs in Lee County, Florida, and intends to develop thereon a residential community to be known as "Villa Tuscany at Palmira;" and

WHEREAS, Declarant desires to provide for the preservation of the values and amenities of Villa Tuscany at Palmira as are hereby or as may hereafter be established; and

WHEREAS, Declarant desires to commit the Subject Property to the provisions of these Protective Covenants; and

WHEREAS, Declarant has caused the Association to be formed, which Association has joined in these Protective Covenants and to which there has been and will be delegated and assigned: (i) certain powers and duties of ownership, operation, administration, maintenance and repair of portions of the Subject Property; (ii) the enforcement of the covenants and restrictions contained herein relating to the Subject Property, including, but not limited to, the "Neighborhood Common Areas," "Lots" and "Dwelling Units" (as such terms are hereinafter defined); and (iii) the collection and disbursement of the "Common Expenses" (as hereinafter defined).

NOW, THEREFORE, in consideration of the premises and covenants herein contained, Declarant hereby declares that the Subject Property shall be owned, held, used, transferred, sold, conveyed, demised and occupied subject to the covenants, provisions, restrictions, easements, reservations, regulations and burdens hereinafter set forth, all of which shall run with the Subject

Property, and which shall be binding on all parties having any right, title or interest in and to the Subject Property and their grantees, successors, heirs and assigns.

1. DEFINITIONS

The following words and phrases when used in these Protective Covenants shall have the meaning stated as follows, unless the context clearly reflects another meaning:

1.1. "Amendment(s)" means any and all amendments to these Protective Covenants, all of which shall be consecutively numbered beginning with the "First Amendment to the Declaration of Protective Covenants, Restrictions and Easements for Villa Tuscany at Palmira" and each of which shall be properly adopted pursuant to the terms of the Villa Tuscany at Palmira Documents, including these Protective Covenants, and recorded in the public records of the County; provided, however, the failure to so consecutively number such Amendments shall not impair their validity hereunder and such Amendments, to the extent not otherwise numbered, will be deemed to have been numbered in chronological order of their appearance in the public records of the County.

1.2. "Annual Assessment" means a share of funds required for the payment of Common Expenses which is assessed quarterly by the Association against an Owner pursuant to these Protective Covenants.

1.3. "Articles" means the Articles of Incorporation of the Association, a copy of which is attached hereto as Exhibit B and made a part hereof.

1.4. "Association" means Villa Tuscany at Palmira Homeowners Association, Inc., a Florida not-for-profit corporation. The Association is a corporate entity and Owners by their acceptance of a deed conveying property within Villa Tuscany at Palmira thereby acknowledge the valid corporate existence of the Association and thereby covenant and agree to respect the corporate identity of the Association, notwithstanding that Declarant may appoint and/or elect a majority of the Board of such corporate entity. The Association is one of the Neighborhood Associations.

1.5. "Board" means the Board of Directors of the Association.

1.6. "Bylaws" means the Bylaws of the Association, a copy of which is attached hereto as Exhibit C and made a part hereof.

1.7. "Committee" means the Architectural Design Control Committee established pursuant to and described in Paragraph III.D. of the Declaration.

1.8. "Common Expenses" means the expenses, other than Remedial Maintenance Fees, for which Owners are liable to the Association as described in these Protective Covenants and in the Articles or Bylaws and include, but are not limited to, the costs and expenses incurred by the Association in owning, administering, operating, reconstructing, maintaining, repairing and replacing the Neighborhood Common Areas, if any, and administering the Association from and after the date these Protective Covenants are recorded among the public records of the County. The Common Expenses include the cost of administration of the Association and the "Assessments" of the Corporation, including the "Individual Unit Assessment" and "Individual Expense Assessment," which includes each Owner's pro rata portion of the "Cable Expenses," as such terms are defined in the

Declaration, provided, however, Individual Expense Assessments levied by the Corporation shall not be deemed Common Expenses with respect to the "Guaranteed Annual Assessment" described in Paragraph 10.3 herein. Common Expenses shall be paid through the Annual Assessment as determined pursuant to Paragraph 10.1 of these Protective Covenants.

1.9. "Corporation" means Palmira Golf and Country Club Master Homeowners Association, Inc., a Florida corporation not for profit.

1.10. "Corporation Articles" means the Articles of Incorporation of the Corporation.

1.11. "Corporation Bylaws" means the Bylaws of the Corporation.

1.12. "Corporation Common Areas" means those portions of the "Committed Property" (as defined in the Declaration) more particularly described in subparagraph III.A.2. of the Declaration, if any.

1.13. "County" means Lee County, Florida.

1.14. "Declarant" means Titan Custom Homes, Inc., a Florida corporation, its grantees, successors and assigns. Pursuant to subparagraph 2.3, Declarant may also mean the "Master Developer" (as defined in such subparagraph). An Owner shall not, solely by the purchase of a Lot or Dwelling Unit, be deemed a successor or assign of Declarant's rights or obligations under the Villa Tuscany at Palmira Documents unless such Owner is specifically so designated as a successor or assign of such rights or obligations in the respective instrument of conveyance or other instrument executed by Declarant.

1.15. "Declaration" means the Declaration of Protective Covenants, Restrictions and Easements for Palmira Golf and Country Club recorded or to be recorded in the public records of the County, and any amendments and "Supplements" (as defined in the Declaration) thereto, wherein certain restrictions have been imposed upon the real property referred to therein to establish a plan of development and land use plan for the community known as Palmira Golf and Country Club.

1.16. "Director" means a member of the Board.

1.17. "Dwelling Unit" means any residential dwelling unit intended as an abode for one family constructed on the Subject Property.

1.18. "Institutional Mortgagee" means any lending institution owning a first mortgage encumbering a Lot or Dwelling Unit or any other portion of the Subject Property, limited to the following: (i) any federal or state savings and loan or building and loan association; commercial bank, bank, real estate investment trust or mortgage banking company; or any subsidiary thereof; or (ii) any "secondary mortgage market institution," including the Federal National Mortgage Association, Government National Mortgage Association, Federal Home Loan Mortgage Corporation and such other secondary mortgage market institution as the Board shall hereafter approve in writing; or (iii) any pension or profit-sharing fund qualified under the Internal Revenue Code; or (iv) any and all investing or lending institutions, or the successors and assigns of such lenders, which have loaned money to Declarant and which hold a mortgage upon any portion of the Subject Property securing such loans; or (v) such other institutional lender as the Board shall hereafter approve in writing as an Institutional

Mortgagee which has acquired a mortgage or is about to acquire a mortgage upon any portion of the Subject Property; or (vi) Declarant or a related entity, if Declarant or such entity holds a mortgage on any portion of the Subject Property, and the transferee of any mortgage encumbering the Subject Property which was originally held by Declarant or a related entity; or (vii) any life insurance company; or (viii) the Veterans Administration, the Federal Housing Administration or the Department of Housing and Urban Development.

1.19. "Interest" means the highest non-usurious rate allowed by law, and if no such rate be prescribed by law, then eighteen percent (18%) per annum.

1.20. "Legal Fees" means (a) reasonable fees for attorney and paralegal services incurred in negotiation and preparation for litigation, whether or not an action is actually begun, through and including all trial and appellate levels and postjudgment proceedings; and (b) court costs through and including all trial and appellate levels and postjudgment proceedings.

1.21. "Lot" means a platted portion of Villa Tuscany at Palmira upon which a single Dwelling Unit is permitted to be erected.

1.22. "Member" means any person or entity holding membership in the Association as provided in the Articles.

1.23. "Neighborhood Assessments " means any and all assessments which are levied by the Association in accordance with the provisions of the Protective Covenants or any other Villa Tuscany at Palmira Documents.

1.24. "Neighborhood Association" means any property owners association, owners association, condominium association, or other such entity, its successors and assigns, responsible for administering a "Neighborhood," as defined in the Declaration. The Association is a Neighborhood Association.

1.25. "Neighborhood Common Areas," if any, means those portions or tracts of land within Villa Tuscany at Palmira, together with any improvements thereon, consisting generally of the street(s), entry feature(s), green areas, pathways and any portion of the "Surface Water Management System" (as defined in the Declaration) which are, or are to be, owned and/or maintained by the Association pursuant to these Protective Covenants, as the same may be amended from time to time. The term "Neighborhood Common Areas" shall include any personal property acquired by the Association. The Neighborhood Common Areas include such real property as may from time to time become committed to use hereunder as Neighborhood Common Areas.

1.26. "Neighborhood Special Assessment" means the share of funds required to pay extraordinary items of expense under the Villa Tuscany at Palmira Documents, such as expenses due to casualty losses and other extraordinary circumstances and amounts needed for capital improvements or for other purposes or reasons.

1.27. "Owner" means the owner of fee simple title to a Lot located within the Subject Property as shown by the public records of the County, whether it be the Declarant or one or more persons, firms, associations, corporations, or other legal entities. "Owner" shall not mean or refer to a holder of a mortgage or security deed, its successors or assigns, unless and until such holder has

acquired title pursuant to foreclosure proceedings or by deed in lieu of foreclosure; nor shall the term "Owner" mean or refer to any lessee of an Owner.

1.28. "Palmira Golf and Country Club" means the multi-staged planned community known as "Palmira Golf and Country Club" planned for development upon portions of the "Total Property," as defined in the Declaration. Villa Tuscany at Palmira is located within Palmira Golf and Country Club.

1.29. "Palmira Golf and Country Club Documents" means, in the aggregate, the Declaration, any "Supplements," any "Plats" and all replats thereof, any "Neighborhood Covenants," the "Rules" (as such terms are defined in the Declaration), the Corporation Articles and the Corporation Bylaws and all of the instruments and documents referred to therein or referred to herein, including, but not limited to, amendments to any of the foregoing, as applicable.

1.30. "Plat(s)" means the plat of Palmira Golf and Country Club, as recorded in Plat Book 68, Pages 59 through 67, inclusive, of the public records of the County and any replat(s) thereof. A portion or portions of the real property depicted and described by the Plat are herein referred to as the "Subject Property." "Plat(s)" shall also refer to the plat or plats of any additional property which may become Subject Property hereunder pursuant to recording a "Supplemental Declaration" (as hereinafter defined), and any replat(s) thereof.

1.31. "Protective Covenants" means this document as amended or supplemented from time to time. These Protective Covenants are "Neighborhood Covenants," as defined in the Declaration.

1.32. "Remedial Maintenance Fee" means those expenses for which a specific Owner may be liable pursuant to the provisions of these Protective Covenants.

1.33. "Subject Property" means a portion of the real property described on the Plat and which is committed to these Protective Covenants, as more particularly described on Exhibit A attached hereto and made a part hereof. Declarant may hereafter submit lands in close proximity to the Subject Property ("Uncommitted Property" as hereinafter defined) to the terms and provisions of these Protective Covenants, notwithstanding the presence or existence of any canal, waterway, roadway, right-of-way or other such feature between the Subject Property and such other lands. Nothing contained herein shall be deemed to impose the restrictions of these Protective Covenants upon such additional lands until same shall be submitted to the terms hereof by recording a Supplemental Declaration to these Protective Covenants in the public records of the County, whereupon such additional lands shall become part of the "Subject Property."

1.34. "Turnover Date" means three (3) months after the "Turnover Event," as such terms are defined in subparagraph 4.2.11.

1.35. "Villa Tuscany at Palmira" means the planned residential community located within Palmira Golf and Country Club known as "Villa Tuscany at Palmira" planned for development upon the Subject Property committed to land use under these Protective Covenants. Villa Tuscany at Palmira is one of the "Neighborhoods" in Palmira Golf and Country Club, as defined in the Declaration.

1.36. "Villa Tuscany at Palmira Documents" means in the aggregate these Protective Covenants and any amendments and/or Supplemental Declarations hereto which may from time to time

be placed of record among the public records of the County, the Articles and the Bylaws and the "Palmira Golf and Country Club Documents," as defined in the Declaration, and all of the instruments and documents referred to or incorporated herein and therein or attached hereto and thereto as the same may exist from time to time, all of which are or will be executed in connection with Villa Tuscany at Palmira or Palmira Golf and Country Club.

2. PLAN FOR DEVELOPMENT OF VILLA TUSCANY AT PALMIRA

2.1. Committed Property

Declarant has acquired and is the owner of the Subject Property and intends to cause to be constructed thereon or upon portions thereof a planned residential community to be known as "Villa Tuscany at Palmira." The Subject Property is hereby committed and declared to be subject to all of the covenants, restrictions, terms and conditions of these Protective Covenants ("Committed Property"). Villa Tuscany at Palmira constitutes a "Neighborhood" of Palmira Golf and Country Club (as defined in the Declaration). The Declaration contains certain rules, regulations and restrictions relating to the development, ownership and use of the properties within Palmira Golf and Country Club. Each Owner in Villa Tuscany at Palmira is subject to all of the terms and conditions of the Declaration. As such, the Association shall be an "Association Member" of the Corporation as described in the Declaration and other Palmira Golf and Country Club Documents. Among the powers of the Corporation is the power to assess Owners in Palmira Golf and Country Club for a pro rata share of the expenses of operation and maintenance of the Corporation and the Corporation Common Areas (the "Operating Expenses," as defined in the Declaration,) and for "Cable Expenses (as defined in the Declaration), and to impose and foreclose liens in the event such assessments are not paid when due. The Association shall levy and collect the "Assessments" (including "Individual Unit Assessments," "Special Assessments" and "Individual Expense Assessments" [which include "Cable Expenses"]) (all as defined in the Declaration) of the Corporation for the Lots and Dwelling Units encompassed within the Subject Property and remit same to the Corporation. The Corporation has been organized for the purpose of administering covenants and obligations relating to the Corporation Common Areas, the use of which is shared by all property Owners in Palmira Golf and Country Club as set forth in the Palmira Golf and Country Club Documents. All Members of the Association acquire the benefits as to the use of the Corporation Common Areas and the obligation to pay the Assessments levied by the Corporation.

2.2. Uncommitted Property

Declarant may acquire the remaining lots within Block 3, Palmira Golf and Country Club, according to the Plat ("Block 3"), as well as certain lands in close proximity thereto known as Parcel 3B and Parcel 3C ("Parcels 3B-C"), which are not hereby committed to the terms of these Protective Covenants (collectively, "Uncommitted Property"). Declarant hereby reserves the right, without any consent of the Association being required, to subject to these Protective Covenants to the Uncommitted Property or any portion thereof as a future section of Villa Tuscany at Palmira; provided, however, that Villa Tuscany at Palmira in the aggregate shall comprise no more than ninety-nine (99) Lots and further provided that any such property has previously been or is thereafter subjected to the Declaration for Palmira Golf and Country Club as "Committed Property" therein and as defined therein. All or a portion of the Uncommitted Property shall automatically become Committed Property and subject to these Protective Covenants upon the filing in the public records of the County of one or more Supplemental Declaration(s) of Protective Covenants, Restrictions and

Easements for Villa Tuscany at Palmira with respect thereto (“Supplemental Declaration”). The Supplemental Declaration shall contain a legal description of the Uncommitted Property or such portion thereof to be committed to these Protective Covenants thereby and may contain such complementary additions and modifications of the covenants, conditions and restrictions contained in the Protective Covenants as may be necessary or convenient, in the judgment of Declarant, to reflect the different character, if any, of the Uncommitted Property. No portion of the Uncommitted Property shall be in any way subject to these Protective Covenants unless and until a Supplemental Declaration is duly executed and recorded among the public records of the County in accordance herewith.

2.3. Successor Developer Option

In the event Declarant does not acquire all of the Lots in Block 3 and Parcels 3B-C, Parklands Development Limited Partnership, a Delaware limited partnership, its successors and assigns (the “Master Developer”), shall have the option of becoming the successor Declarant under this Declaration, with all rights and privileges of the original Declarant, including, but not limited to, the power to expand the jurisdiction of the Declaration to all such remaining Lots still owned by Master Developer or its assignee(s) within Block 3 and Parcels 3B-C. Master Developer must exercise its option to become the successor Declarant by recording a notice of such in the Public Records of Lee County, Florida within one (1) year after the date such right arises, which date shall be when Declarant no longer has the right to acquire any additional such Lots from Master Developer.

2.4. Exclusion and Withdrawal

2.4.1. Should Declarant, in its sole discretion, determine at any time that all or any part of the Uncommitted Property shall not become part of the Committed Property, Declarant may execute a statement (“Exclusion Statement”) to that effect.

2.4.2. Declarant reserves the right, in its sole discretion, to determine at any time that all or any portion of the Committed Property then owned by Declarant shall be withdrawn from the Villa Tuscany at Palmira Documents by execution of a statement (“Withdrawal Statement”) indicating such intent and determination and which shall contain a legal description of such portion of the Committed Property. Upon the recordation of the Withdrawal Statement among the public records of the County, the property described therein shall no longer be part of the Committed Property planned to be developed as part of Villa Tuscany at Palmira and such withdrawn property may be developed and/or used by Declarant for any purpose allowed by law. Declarant reserves the right to so amend these Protective Covenants without the consent of the Association, the Corporation, any Owner or any Institutional Mortgagee. However, in the event any such withdrawal reduces the gross area of the Committed Property by more than thirty-five percent (35%), such withdrawal may not be effected without the consent of the Members of the Association entitled to cast a majority of the votes of the Members of the Association, excluding those votes representing the portion of the Committed Property being withdrawn.

3. ASSOCIATION

3.1. Membership

3.1.1. Every Owner shall be a Member of the Association and, by acceptance of a deed or other instrument evidencing his ownership interest, and whether or not stated therein, each

Owner accepts his membership in the Association, acknowledges the authority of the Association as stated in these Protective Covenants as the same may be amended or supplemented from time to time, and agrees to abide by and be bound by the provisions of the Villa Tuscany at Palmira Documents. In addition, the family, relatives, guests, licensees, invitees and lessees of the Owners (and the family, relatives, guests, licensees and invitees of lessees), shall, while in or on any part of the Subject Property, abide and be bound by the provisions of the Villa Tuscany at Palmira Documents.

3.1.2. The Members shall consist of the Owners. The rights of the Members regarding voting, corporate meetings, notices and other Association matters shall be as set forth in the Villa Tuscany at Palmira Documents.

3.1.3. The votes of the Members, other than Declarant, shall be cast as provided in the Articles.

3.2. Board of Directors

3.2.1. The Association shall be governed by the Board, which shall be appointed, designated or elected as set forth in the Articles and Bylaws. Each action which may be taken by the Association pursuant to the terms of the Villa Tuscany at Palmira Documents shall be taken by the Board without intervention by or approval of the Members, by vote or otherwise, unless clearly stated to the contrary in the Villa Tuscany at Palmira Documents or the laws of the State of Florida.

3.2.2. Until the "Initial Election Meeting," as described in Article X.C. of the Articles, Declarant will appoint all members of the Board.

3.3. Services

The Association may perform any and all of the following services:

3.3.1. Provide maintenance of any Neighborhood Common Areas and any other areas specifically designated herein, if any, as the maintenance responsibility of the Association. The Association may, to the extent permitted by the appropriate governmental authority, also provide maintenance of all city, County, district or municipal properties which are located within or in a reasonable proximity to the Subject Property to the extent that their deterioration would adversely affect the appearance of the Subject Property, as determined in the sole discretion of the Board. Subject to the approval of the Committee, the Association may adopt and may amend and/or supplement standards of maintenance and operation applicable to the Subject Property, provided, however, any such maintenance and operation shall be the maintenance responsibility of an entity or person other than the Declarant. In such event, the Association shall ensure that such maintenance responsibilities are carried forth in a manner so as to maintain the beauty and aesthetic quality of Villa Tuscany at Palmira as established by the Declarant.

3.3.2. Provide maintenance of any real property located within Villa Tuscany at Palmira upon which the Association has accepted, pursuant to the Plat or in a separate writing, an easement for said maintenance.

3.3.3. Provide maintenance, monitoring and testing of any portion of the Surface Water Management System serving the Subject Property if and to the extent permitted or required by

any governmental authority having jurisdiction thereof and/or the Corporation as more specifically provided in subparagraph 4.2.4 hereof.

3.3.4. Provide insect and pest control to the extent that it is necessary or desirable in the judgment of the Association to supplement any service provided by the State and local governments or the Corporation in relation thereto.

3.3.5. Take any and all actions the Board deems necessary to enforce all covenants, conditions and restrictions affecting any part of the Subject Property and to perform any of the functions or services delegated to the Association in any of the Villa Tuscany at Palmira Documents.

3.3.6. Conduct the business of the Association, including, but not limited to, the hiring of professionals to provide services such as legal, accounting and financial services and inform members of activities, meetings, and other important events as the Board deems necessary or appropriate.

3.3.7. Purchase general liability and hazard insurance covering improvements and activities on the Neighborhood Common Areas on a current replacement cost basis and, if determined necessary by the Board, directors and officers liability insurance.

3.3.8. Publish and enforce, as the Association deems necessary and in the same manner as a breach of any covenant or provision hereof, the rules and regulations for the Subject Property.

3.3.9. Provide and maintain throughout the Subject Property any lighting of roads, sidewalks, and bike paths for which the Association is responsible (if any) if determined necessary or appropriate by the Board.

3.3.10. Provide garbage and trash collection and disposal to the Subject Property unless provided by a governmental entity.

3.3.11. Construct, operate, repair and maintain improvements on the Neighborhood Common Areas.

3.3.12. Provide, to the extent deemed necessary by the Board, any and all services and do any and all things which are incidental to or in furtherance of services listed above or to carry out the Association's mandate to keep and maintain the Subject Property in a proper and aesthetically pleasing condition and to provide the Owners with services, amenities, controls and enforcement which will enhance the quality of life within Villa Tuscany at Palmira.

3.4. Obligation of the Association

3.4.1. Board Determination: The Association shall carry out the functions and services as specified in this Section 3 to the extent such functions and services can be provided with the proceeds first from "Annual Assessments" and then, if necessary, from "Neighborhood Special Assessments" (as defined in Paragraph 7.9 herein). The functions and services referred to in this Section 3 to be carried out or offered by the Association at any particular time shall be determined by the Board taking into consideration the proceeds of "Neighborhood Assessments" (as defined in

Paragraph 7.8 hereinafter), the need of the Members and of Villa Tuscany at Palmira. The functions and services which the Association is authorized to carry out or to provide may be added to or reduced at any time upon the affirmative vote of a majority of the Board, provided, however, any maintenance obligations required to be carried out pursuant to a Plat, or otherwise by any governmental authority, may not be reduced in scope or abandoned without the prior consent of the governmental authority having jurisdiction over same.

3.4.2. Member Approval for Certain Actions Required: Notwithstanding anything contained herein to the contrary, the Association shall be required to obtain the approval of the Owners by the affirmative vote of Owners entitled to cast fifty-one percent (51%) of the votes of the entire membership of the Association (at a duly called meeting of the Owners at which a quorum is present whether by proxy or otherwise) prior to the contracting for legal or other fees to persons or entities engaged by the Association for the purpose of suing, or making, preparing or investigating any lawsuit, or commencing any lawsuit other than for the following purposes:

- (i) the collection of Neighborhood Assessments;
- (ii) the collection of other charges which Owners are obligated to pay pursuant to the Villa Tuscany at Palmira Documents;
- (iii) the enforcement of the use and occupancy restrictions contained in the Villa Tuscany at Palmira Documents; and
- (iv) in an emergency where waiting to obtain the approval of the Owners creates a substantial risk of irreparable injury to the Neighborhood Common Areas, the Dwelling Units or to the Owners, provided, in such event the aforesaid vote shall be taken with respect to the continuation of the action within sixty (60) days of such action (the imminent expiration of a statute of limitations shall not be deemed an emergency obviating the need for the requisite fifty-one percent [51%] vote of the Owners).

4. LAND USE OF VILLA TUSCANY AT PALMIRA

In consideration of the benefits hereinafter contained and the payment of the Common Expenses referred to herein, and in addition to the covenants and restrictions of the Declaration with respect to all property within Palmira Golf and Country Club, Declarant does hereby declare that the Subject Property including, but not limited to, each Dwelling Unit and Lot shall at all times be used, constructed, occupied and held subject to land use covenants as follows:

4.1. Restrictions on Land Use

In order to preserve the values and amenities of Villa Tuscany at Palmira, the following provisions shall be applicable to the Subject Property in addition to those set forth in the Declaration:

4.1.1. Residential Use: All Lots are restricted to the use of a single family, their household servants, and guests. No more than one (1) Dwelling Unit may be built on one (1) Lot. Improvements accessory to the use of one (1) family may be erected on a Lot, such as a detached guest suite, subject to the provisions of this Paragraph 4.1, provided they do not furnish accommodations for an additional family.

4.1.2. No Trade, Business, Profession, Etc.: No trade, business, profession, or any other type of commercial activity shall be carried on upon the Subject Property; provided, however, that an Owner may use a room within a residence as an office for conducting personal business if such personal business does not require contact at the residence with customers or clientele of the Owner, nor be of such a pervasive nature as to dominate the residential character of the occupancy of such Dwelling Unit. Any such personal office use shall not be deemed a commercial activity in violation of this subparagraph 4.1.2. Such personal business use must, nonetheless, comply with any applicable governmental regulation. Notwithstanding the foregoing, Declarant shall have the right to carry on construction activity and to transact on the Subject Property any business necessary to consummate the sale, lease or encumbrance of Lots, Dwelling Units, or other real property in Villa Tuscany at Palmira or other real property owned by Declarant or an affiliate of Declarant, including, but not limited to, the right to maintain models, storage areas, and sales/construction offices, including, but not limited to, sales or administrative offices maintained in a temporary structure(s) or building(s) such as a trailer or mobile home, or in a permanent structure or building, and have signs and employees in the offices. Declarant may, from time to time, assign this commercial usage right (including the right to carry on construction activity) to such other persons or entities as Declarant may choose while at the same time retaining such right for itself. Notwithstanding anything to the contrary herein contained, the provisions of this subparagraph may not be amended without Declarant's prior written consent for so long as Declarant owns any portion of the Subject Property or any property within Palmira Golf and Country Club.

4.1.3. Building Code: All Dwelling Units and permitted accessory buildings shall be erected in accordance with all applicable building code requirements of the County and any municipality in which the Subject Property may be situated or into which the Subject Property may hereafter be annexed. Nothing contained herein shall, however, place a duty upon the Association or the Committee to determine compliance with any such building code. The Association and the Committee may conclusively rely on the determination of the governmental agency responsible for enforcement of any such code as demonstrated by issuance of a certificate of occupancy for such improvement.

4.1.4. Committee Approval: Other than "Declarant Improvements," as described in subparagraph III.D.3 of the Declaration, no improvements of any kind and no addition, alteration, modification or change to any improvement shall be carried out without the prior approval of the Committee, pursuant to Paragraph III.D of the Declaration.

4.1.5. Builder: No Owner may employ any builder to construct or reconstruct an Owner's Dwelling Unit other than Declarant until such time as all Dwelling Units within the Subject Property have been constructed or with the approval of Declarant in its sole and absolute discretion.

4.1.6. Sidewalks: Each Owner of a Lot shall be responsible for keeping the sidewalk abutting his Lot, if any, free from any obstructions and clutter including, but not limited to, bicycles and garbage.

4.1.7. Lawns and Landscaping: Except as otherwise specifically approved by the Committee, all lawns on a Lot and in the front of any Dwelling Unit (and the side of any Dwelling Unit located on a corner Lot) shall be fully sodded, with the exception of the installation of a straight or semi-circular drive located in front of the Dwelling Unit. Such sodded areas, including the swales abutting the roadways, shall be irrigated and maintained by the Association, pursuant to the provisions of Section 6 hereof.

4.1.8. Owner's Liability: An Owner shall be liable to the Association for the expense of any maintenance, repair or replacement of any real or personal property in Villa Tuscany at Palmira rendered necessary by his act, neglect or carelessness, or by that of any member of his family, or his or their guests, employees, invitees, licensees, agents or lessees, but only to the extent that such expense is not met by proceeds of insurance which may be carried by the Association. Such liability shall include any increase in fire insurance rates occasioned by use, misuse, occupancy or abandonment of a Dwelling Unit, Lot or the Neighborhood Common Areas. An Owner shall also be liable for any personal injury caused by his negligent acts or those of any members of his family, or his or their guests, employees, invitees, licensees, agents or lessees. Nothing herein contained shall, however, be construed so as to modify any waiver by insurance companies of rights of subrogation nor require the Association to maintain any insurance coverage in addition to that elsewhere required.

4.1.9. Rules and Regulations: The Association may promulgate and enforce such rules and regulations as it determines in its sole discretion to be in the best interest of Villa Tuscany at Palmira, including, but not limited to, the use of the Neighborhood Common Areas.

4.2. Neighborhood Common Areas

All the Neighborhood Common Areas, if any, shall be owned and held by the Association, its successors and assigns, in accordance with and subject to the terms and provisions of the conveyance thereof and subject to the provisions of the Villa Tuscany at Palmira Documents, including the covenants for the Neighborhood Common Areas now about to be set forth:

4.2.1. Private Use: For the term hereof, the Neighborhood Common Areas are not for the use and enjoyment of the public, but are expressly reserved for the private use and enjoyment of Declarant, the Association, the Owners and their lessees, and the family members, guests and invitees of Owners or their lessees in accordance herewith.

4.2.2. Maintenance: The administration, management, operation and maintenance of the Neighborhood Common Areas shall be the responsibility of the Association. The Association shall not waive or amend the foregoing maintenance obligation without the prior written consent of all Institutional Mortgagees. The cost of administering, operating, maintaining, repairing, replacing and reconstructing the Neighborhood Common Areas and improvements to be maintained thereon shall be a Common Expense as more particularly set forth in Section 7 hereof.

4.2.3. No Abandonment, Partition, Subdivision, Etc.: The Association shall not seek to abandon, partition, subdivide, alienate, release, transfer, hypothecate, mortgage or otherwise

encumber the Neighborhood Common Areas. The preceding sentence shall not be applicable to, nor prohibit the Association from granting, such easements as are reasonably necessary or appropriate for the development of Villa Tuscany at Palmira and the use thereof in a manner consistent with the provisions of these Protective Covenants and governmental requirements.

4.2.4. Water Retention Areas: The portions of Villa Tuscany at Palmira which are part of the Surface Water Management System designed for water retention, if any, and including any "Lakes" (as defined in the Declaration), shall always be kept and maintained as an integral part of the Surface Water Management System and shall be available to the extent necessary for water retention, drainage and water management purposes in compliance with all governmental and water management requirements. The Surface Water Management System shall be used to provide drainage to all of the Subject Property and shall be maintained and administered by the Corporation in accordance with the provisions of the Declaration. Said maintenance responsibility may be either: (i) primary, in which case the Corporation shall itself provide such maintenance or shall directly contract for the provision thereof; or (ii) secondary, in which case the Corporation shall have an overseeing responsibility as to the entity or person responsible for such portion of the Surface Water Management System, drainage areas, retention ponds, waterways and/or Lakes within or adjacent to the Subject Property, and if said entity or person fails to adequately maintain, monitor and/or test such system or portion thereof, the Corporation shall enter upon such property and provide such maintenance, monitoring and/or testing as it deems necessary. Notwithstanding that portions of the water management system may be dedicated for maintenance to the South Florida Water Management District or any community development district, the maintenance thereof shall be the responsibility of the Corporation and such maintenance shall be an Operating Expense of the Corporation. Pursuant to Paragraph 6.2, the Association shall be primarily responsible for the maintenance, landscaping and weed control of those portions of the Subject Property lying upland of the shoreline of any Lake and within a Lot. However, the Corporation shall be primarily responsible for the maintenance, landscaping and weed control of any lands lying between the rear lot line of any Lots and the shoreline of any Lake, as such shoreline may exist from time to time.

4.2.5. Entranceway: The entranceway to Villa Tuscany at Palmira shall be designed to provide an attractive entrance and shall be maintained by the Corporation in the original condition established by the Declarant or in such condition as modified or remodeled with the approval of the Committee.

4.2.6. Lighting: The maintenance and installation of lighting fixtures along the roadways, if any, as deemed appropriate by the Committee, shall be the responsibility of the Corporation and the maintenance and operation of such lighting shall be an Operating Expense of the Corporation.

4.2.7. Roadways: The roadways within Villa Tuscany at Palmira, which are not Neighborhood Common Areas, shall be maintained by the Corporation in accordance with applicable governmental standards. The cost thereof shall be deemed an Operating Expense of the Corporation.

4.2.8. Identification of Neighborhood Common Areas: Other than easement rights, it is not anticipated that there shall be any Neighborhood Common Areas submitted to the Declaration as Committed Property, although Declarant reserves the right to submit Neighborhood Common Areas at a later date.

In the event a Supplemental Declaration adds any portion of the Uncommitted Property to these Protective Covenants which is intended to be Neighborhood Common Areas, such property shall be so identified in such Supplemental Declaration and shall be subject to the terms and provisions of this Paragraph 4.2 as though included herein at the time of the recordation of these Protective Covenants in the public records of the County, subject to any modification of this Paragraph 4.2 which may be included in such Supplemental Declaration.

4.2.9. Conveyance of Neighborhood Common Areas to Association: The Association is obligated to accept any and all conveyances to it by Declarant or the Corporation of a fee simple title, easement or lease to any portion of any Neighborhood Common Areas and the personal property and improvements appurtenant thereto, subject to the terms and provisions of these Protective Covenants. At the time of any such conveyance, the Association shall be required to accept such portion of the Neighborhood Common Areas and the personal property and improvements appurtenant thereto "AS IS," without any representation or warranty, expressed, implied, in fact or by law, as to the condition or fitness thereof. Declarant agrees that it shall convey to the Association by quit-claim deed fee simple title in and to any Neighborhood Common Areas, together with any improvements located thereon. The conveyance may be from time to time and in such parcels as Declarant, in its sole discretion, may determine, but shall be complete upon the "Turnover Date" as described in subparagraph 4.2.11 hereinbelow.

4.2.10. Conveyance of Neighborhood Common Areas by Association: The Association is empowered to delegate any of its functions or convey any of its property to any governmental unit as may be required or deemed necessary from time to time.

4.2.11. Turnover: The Turnover Date shall be the earlier of:

(i) within three (3) months after the "Turnover Event," which event shall be when Declarant and Master Developer no longer hold legal title to at least ten percent (10%) of the total number of Lots within Block 3 and Parcels 3B-C; or

(ii) when Declarant shall cause all Declarant-appointed members of the Board to resign, which Declarant may do at any time, provided, however, Declarant may not undertake this action without Master Developer's consent until such time as Master Developer no longer has the right to become the successor Declarant.

4.3. Declarant's Right of Use

Notwithstanding anything to the contrary contained in these Protective Covenants and in recognition of the fact that Declarant will have a continuing and substantial interest in the development and administration of Villa Tuscany at Palmira and the Uncommitted Property, the Declarant hereby reserves for itself and its successors and assigns, and the Association recognizes, agrees and acknowledges that the Declarant and its successors and assigns shall have the right to, the use, in conjunction with and as part of its program of selling, leasing, construction and development within Villa Tuscany at Palmira and the Uncommitted Property without any cost to Declarant for such rights and privileges, of all of: (i) any Neighborhood Common Areas; and (ii) all other portions of the Subject Property, the title to which has not been Conveyed by Declarant. The term "Conveyed" as used herein shall mean the sale of a Dwelling Unit to a purchaser who is not designated as a successor declarant or is not a "Builder" (as defined in the Declaration) and the recording of an instrument of

conveyance to such purchaser among the public records of the County. This right of use shall include, but is not limited to, the right to establish and maintain within any improvements erected upon the Subject Property signage and a sales office for the Declarant's use in connection with the offering of Lots and/or Dwelling Units and lots or dwelling units to be located on the Uncommitted Property for sale or rent to the public, as well as the holding of sales and marketing meetings, sales promotions and related activities. Declarant shall maintain this right of use, regardless of whether any such portions of the Uncommitted Property to be marketed and sold as contemplated hereby will be submitted to the jurisdiction of these Protective Covenants or the covenants of another Neighborhood Association. For purposes of this Paragraph 4.3, the term "Declarant" shall include any lender if such lender or its successors or assigns acquires title to any portion of the Subject Property as the result of the foreclosure of any mortgage encumbering the Subject Property securing a loan to Declarant or acquires title thereto by deed in lieu of foreclosure. The rights and privileges of Declarant as herein set forth in this Paragraph 4.3 are in addition to and in no way limit any other rights or privileges of Declarant under these Protective Covenants or any of the other Villa Tuscani at Palmira Documents. Such rights shall terminate when Declarant owns neither any portion of the Subject Property nor the Other Property or upon such earlier date as Declarant shall notify the Association in writing of Declarant's voluntary written election to relinquish the aforesaid rights and privileges of use.

4.4. Disputes as to Use

In the event there is any dispute as to whether the use of the Subject Property or any portion thereof complies with the covenants and restrictions contained in these Protective Covenants or any applicable Supplemental Declaration, such dispute shall be referred to the Board, and a determination rendered by the Board with respect to such dispute shall be final and binding on all parties concerned therewith, provided, however, any use by Declarant of the Subject Property or any part thereof in accordance with Paragraph 4.3 shall be deemed a use which complies with these Protective Covenants and all applicable Supplemental Declarations and shall not be subject to a determination to the contrary by the Board.

4.5. No Representations or Warranties

NO REPRESENTATIONS OR WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, HAVE BEEN GIVEN OR MADE BY DECLARANT OR ITS AGENTS OR EMPLOYEES IN CONNECTION WITH ANY PORTION OF THE NEIGHBORHOOD COMMON AREAS, ITS PHYSICAL CONDITION, ZONING, COMPLIANCE WITH APPLICABLE LAWS OR FITNESS FOR INTENDED USE, OR IN CONNECTION WITH THE SUBDIVISION, SALE, OPERATION, MAINTENANCE, COST OF MAINTENANCE, TAXES OR REGULATION THEREOF, EXCEPT AS SPECIFICALLY AND EXPRESSLY SET FORTH IN THESE PROTECTIVE COVENANTS.

5. GRANTS AND RESERVATIONS OF EASEMENTS AND OTHER RESTRICTIONS

Declarant hereby grants and reserves the following easements:

5.1. Easements for Utilities and Services

5.1.1. Declarant hereby reserves unto itself, and hereby grants to the Association and such appropriate utility and other service companies or providers of the services hereinafter set forth as

are from time to time designated by Declarant or the Association, such easements over, under, in and upon the Subject Property as may be necessary to provide utility services and for ingress and egress for persons and vehicles to provide and maintain such utility services, including, but not limited to, power, electric, sewer, water, drainage (including maintenance of the Lakes), gas, lighting facilities and irrigation and facilities in connection therewith for Villa Tuscany at Palmira or portions thereof; provided that all facilities for any of the foregoing shall be installed underground except those aboveground facilities as shall be permitted in writing by the Committee. Notwithstanding the foregoing, no such easements shall be permitted or deemed to exist which cause any building, permanent structure or other permanent facilities within Villa Tuscany at Palmira which have been constructed: (i) in accordance with these Protective Covenants, and (ii) prior to the use of such an easement, to be materially altered or detrimentally affected thereby nor shall any such easement be granted or deemed to exist under any such structure or building so built in accordance with these Protective Covenants prior to the actual use of such easement. The foregoing shall not preclude such easement under then-existing improvements other than a building or structure (such as, but not limited to, a fence, drive or parking area) provided that the use and enjoyment of the easement and installation of the facilities in connection therewith would not result in other than minor, temporary alterations to such improvements other than a building or structure (such as, but not limited to, temporary alteration or removal of a fence or temporary excavation within a drive or parking area) and provided further that same is repaired and/or restored, as the case may be, by the one making use of such easement at its expense and within a reasonable time thereafter; provided, however, that any wall, fence, paving, planting or other improvements on a Lot placed within the easements shown on any Plat shall be removed, if required by the Association or the Committee, at the expense of the Owner thereof and replacement, if permitted by the Committee, shall be at the expense of the Owner of such Lot. Notwithstanding anything herein to the contrary, the term "utility services" as used herein shall not include a central, master or cable telecommunications receiving and/or distribution system.

5.1.2. Declarant hereby grants a nonexclusive, perpetual right of ingress and egress over and across any Neighborhood Common Areas to: (i) delivery, pickup and fire protection services, police and other authorities of the law, United States mail carriers, representatives of electrical companies; (ii) other utilities as shall be authorized by the Declarant, its successors or assigns to service the Subject Property; and (iii) such other persons as the Declarant from time to time may designate.

5.2. Cross Easements for Drainage

Nonexclusive cross easements for drainage pursuant to the Surface Water Management System within Villa Tuscany at Palmira as maintained, improved, repaired and/or replaced by the South Florida Water Management District, any community development district, the Corporation and/or the Association in compliance with the applicable governmental regulations is hereby granted to each Owner of any portion of the Subject Property.

5.3. Perpetual Nonexclusive Easement to Public Ways

Any walks, streets and other rights-of-way located upon any Neighborhood Common Areas and otherwise shown on any Plat or hereinafter located within Villa Tuscany at Palmira shall be, and the same are hereby declared to be, subject to a perpetual nonexclusive easement for ingress and egress and access to, over and across the same to public ways, including dedicated streets, which easement is hereby created in favor of Declarant and the Owners now or hereafter existing in Villa

Tuscany at Palmira for the use of Declarant, its successors and assigns, the Owners and their lessees and for the use of their family members, guests, invitees or licensees for all proper and normal purposes and for the furnishing of services and facilities for which the same are reasonably intended. The Association shall have the right to establish the rules and regulations governing the use and enjoyment of any Neighborhood Common Areas and all easements over and upon same, except for any easements reserved to Declarant.

5.4. Reservation of Rights of Declarant

Each Owner of any property within Villa Tuscany at Palmira (by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other instrument of conveyance) consents, agrees to and shall be bound by the exclusive rights, privileges, easements and rights-of-way reserved to and vested in Declarant, its successors and assigns, pursuant to the provisions of these Protective Covenants with all such rights, privileges, easements and rights-of-way being deemed reserved to Declarant and excepted from any conveyance or dedication by Declarant of any portion of the Subject Property unless such conveyance specifically indicates therein that the grantee is such a successor or assign of Declarant.

5.5. Assignments

The easements reserved hereunder unto Declarant and/or the Association may be assigned by Declarant and/or the Association in whole or in part to the applicable municipality, the County, a community development district, or the State of Florida or any agency thereof, or any duly licensed or franchised public utility, or any other designee of Declarant and/or the Association.

6. MAINTENANCE

In order to further establish and preserve Villa Tuscany at Palmira:

6.1. Maintenance by Owners

6.1.1. The Owner of each Lot must keep and maintain the Dwelling Unit and any other improvements thereon, including equipment and appurtenances such as, but not limited to, mailboxes and driveways within the Lot and within the swale area between the Lot and the roadway adjacent to such Lot, in good order, condition and repair, and must perform promptly all maintenance and repair work within his Dwelling Unit which, if omitted, would adversely affect the community, the other Owners or the Association and its Members. The Owner of each Lot shall be responsible for any damages caused by a failure to so maintain such Dwelling Unit and improvements. The Owners' responsibility for maintenance, repair and replacement shall include, but not be limited to, all of the physical structure constructed in, upon or below the Lot and physical items attached or connected to such structure that run beyond the boundary line of the Lot which exclusively service or benefit the Lot and Dwelling Unit. The painting and maintenance of the exterior surface of the walls, doors and roof of the physical structure of the Dwelling Unit shall be performed by the Owner, and the unfinished exterior surface of such walls, doors and roof shall at all times be maintained in a good and serviceable condition with no damage or other defect therein or thereon by the Owner. The Owner of a Lot further agrees to pay for all utilities, such as telephone, electric, etc., that may be separately billed or charged to each Dwelling Unit. The Owner or Owners of each Dwelling Unit shall be responsible for insect and pest control within their respective Dwelling Unit. Whenever the maintenance, repair or

replacement of any item which an Owner is obligated to maintain, repair or replace at his own expense is occasioned by any loss or damage which may be covered by any insurance maintained in force by the Association, the proceeds of the insurance received by the Association shall be used for the purpose of making such maintenance, repair or replacement, except that the Owner shall be, in said instance, required to pay such portion of the costs of such maintenance, repair or replacement as shall, by reason of the applicability of any deductibility provision of such insurance or otherwise, reduce the amount of the insurance proceeds applicable to such maintenance, repair or replacement.

6.1.2. If a Dwelling Unit is damaged by fire or other casualty, its Owner shall properly restore it to at least as good a condition as it was before the casualty occurred. Any such work shall be in accordance with the original plans and specifications of the Dwelling Units unless otherwise authorized by the Board and shall be subject to approval by the Committee.

6.1.3. The maintenance responsibilities of Owners shall be conducted pursuant to and in compliance with: (i) the "Standards" (as defined in the Declaration) for maintenance as may be promulgated, from time to time, by the Committee; and (ii) the rules and regulations as may be promulgated by the Association from time to time.

6.2. Maintenance by Association

6.2.1. The Association shall maintain and care for any sidewalks, irrigation systems, lawns and landscaping which are encompassed within the Subject Property or within the swale area between the Lots and the roadway adjacent to the Lots. "Maintenance and care" within the meaning of this subparagraph shall include: (i) mulching; (ii) fertilizing and spraying of lawns, shrubbery and trees; (iii) mowing, edging and replacement of sod; (iv) pruning and trimming of shrubbery and trees; (v) adjustment and replacement of sprinkler heads, master pumps and other parts of the irrigation system for Villa Tuscany at Palmira, as may be necessary to keep such system in proper working order; and (vi) replacement of dead or dying vegetation, all as may be necessary so that, at a minimum, the initial landscaping for each Lot provided by the Declarant or the builder of each Dwelling Unit shall be maintained in a neat and aesthetically pleasing condition. Additionally, the Association through its Board of Directors may contract to maintain the pools located on the Lots. Because the cost of the landscaping and (if determined by the Board) pool service provided by the Association shall be part of the common expenses, the election of an owner not to use such service shall not reduce the owner's assessments. In addition to the other charges against a Lot for landscaping and pool maintenance, the Association may charge a "Remedial Maintenance Fee" pursuant to subparagraph 6.3.1 below against any Lot which has exotic or excessive landscaping or a large or upgraded pool that requires extraordinary maintenance. The Remedial Maintenance Fee for landscaping and pool maintenance shall reflect the Association's actual cost for the upgraded services.

6.2.2. Subject to the rights of the Committee, the Association shall have the right to determine the type of vegetation and landscaping materials that may be installed on a Lot. Owners may not install any type of landscaping on a Lot without the prior written approval of the Association. The Association reserves the right to reject landscaping requests on any reasonable basis (in the discretion of the Association) including, but not limited to, the non-standard or unacceptable nature of the proposed vegetation, or high maintenance costs likely to be borne by the Association. Any landscaping installed without the prior written approval of the Association shall give rise to the Association's power to remove such landscaping and charge such Owner with all costs and fees associated therewith as a "Remedial Maintenance Fee" pursuant to subparagraph 6.3.1 below. The

Association may approve non-standard vegetation that requires greater than average maintenance on the condition that the Owner of the subject Lot assumes primary responsibility for maintenance of such vegetation or agrees to pay the incremental increase in maintenance costs as an ongoing Remedial Maintenance Fee as set forth in subparagraph 6.2.1 above. No such approval by the Association of non-standard vegetation in any one case shall bind the Association to approve such vegetation in other cases including, without limitation, in the event of a request to replace non-standard vegetation that dies.

6.2.3. The Association shall have the power to hire such individuals or companies as it may deem appropriate to properly provide the maintenance services contemplated in this Paragraph 6.2. All costs associated therewith shall be paid by the Owners as part of the Common Expenses.

6.2.4. Declarant hereby reserves unto itself, and hereby grants to the Association and such contractors as may be properly hired by the Association from time to time, such access easements over each Lot (but excluding each Dwelling Unit) as may be reasonably necessary to provide the maintenance services contemplated in this Paragraph 6.2.

6.2.5. The Association covenants and agrees that it shall also maintain in good condition such other property as it may be required (or may elect) to maintain from time to time. All maintenance responsibilities of the Association shall be conducted pursuant to and in compliance with: (i) the "Standards" (as defined in the Declaration) for maintenance as may be promulgated, from time to time, by the Committee; and (ii) the rules and regulations as may be promulgated by the Association from time to time.

6.3. Rights of Declarant and Association

6.3.1. In the event any Owner fails to properly maintain his Lot and/or Dwelling Unit pursuant to these Protective Covenants ("Defaulting Owner"), the Association, the Corporation, the Committee or Declarant shall have the right but not the obligation, upon fifteen (15) days' written notice, to enter the property of the Defaulting Owner for the purpose of performing the maintenance referred to, as set forth and described in the notice. The determination of whether an Owner is failing to properly maintain property for which he has maintenance responsibility shall be determined in the sole discretion of the Association, the Corporation, the Committee or Declarant. The cost of performing such maintenance and the expenses of collection (if any), together referred to herein as the "Remedial Maintenance Fee" and including court costs, Legal Fees and Interest, shall be assessed against the Defaulting Owner. A Remedial Maintenance Fee shall also be imposed as contemplated in Paragraph 6.2.1 and 6.2.2 above.

6.3.2. Any Remedial Maintenance Fee is hereby declared to be a charge on each Lot and shall be a continuing lien upon the Lot against which the Remedial Maintenance Fee is assessed. A Defaulting Owner shall also be personally liable to the Association, the Corporation or Declarant, as the case may be, for the payment of the Remedial Maintenance Fee assessed against him or her. In the event the amounts assessed against a Defaulting Owner are not paid within twenty (20) days of the date of the assessment, the Association, the Corporation or Declarant, as the case may be, may proceed to enforce and collect said assessments against such Defaulting Owner in any manner provided for by the laws of the State of Florida, including foreclosure and sale of a Defaulting Owner's Lot and improvements thereon, if any. The lien created hereby shall be effective only from and after the time of recordation amongst the public records of the County, of a written, acknowledged statement signed

by an authorized agent of the Association, the Corporation or Declarant setting forth the amount due. All sums expended shall earn Interest. Upon full payment of all sums secured by the lien, the party making payment shall be entitled to a recordable satisfaction of lien.

6.3.3. Notwithstanding the aforesaid, the provisions of this Section 6 may also be enforced in accordance with the provisions of Section 9 hereof.

7. COMMON EXPENSES PAID BY OWNERS

The following costs and expenses incurred by the Association with regard to the ownership, operation, maintenance and/or repair of the Neighborhood Common Areas and the Association and any other expenses declared as such pursuant to these Protective Covenants shall be Common Expenses, which the Association is obligated to collect and pay and the Owners are obligated to pay as set forth in Sections 9 and 10 hereof.

7.1. Taxes

Any and all taxes levied or assessed at any and all times upon the Neighborhood Common Areas or the Association by any and all taxing authorities, including all taxes, charges, assessments and impositions and liens for public improvements, special charges and assessments and, in general, all taxes and tax liens which may be assessed against such areas and against any and all personal property and improvements which are now or which hereafter may be placed thereon, including any interest, penalties and other charges which may accrue on such taxes.

7.2. Utility Charges

All charges levied for utilities providing services for the Neighborhood Common Areas or the Association whether supplied by a private or public firm, including, without limitation, all charges for water, gas, electricity, telephone, sewer and any other type of utility or any other type of service charge.

7.3. Insurance

The premiums on the policy or policies of insurance which the Association in its sole discretion determines to obtain which are reasonably and commercially available; provided, however, that the Association need not be required to but may obtain and maintain the following insurance coverage:

7.3.1. Property insurance in an amount equal to the full replacement cost, exclusive of land, foundation, excavation and other items normally excluded from such coverage including, but not limited to, landscaping, fencing, paving, or pool, of all buildings and improvements now or hereafter located upon any Neighborhood Common Areas, such insurance to afford protection against at least the following:

7.3.1.1. Loss or damage by (i) fire and other hazards covered by the standard extended coverage endorsement, and (ii) debris removal, cost of demolition, vandalism, malicious mischief, windstorm, and water damage; and

7.3.1.2. Such other risks as shall customarily be covered with respect to common areas in developments similar to Villa Tuscany at Palmira in construction, operation, location, and use.

7.3.2. Adequate fidelity coverage to protect against dishonest acts on the part of officers, directors and employees of the Association, and all others who handle or are responsible for handling funds of the Association, such coverage to be in the form of fidelity bonds which meet the following requirements:

7.3.2.1. Such bonds shall name the Association as an obligee;

7.3.2.2. Such bonds shall be written in an amount at least equal to the sum of the quarterly Annual Assessments for all Lots; and

7.3.2.3. Such bonds shall contain waivers of any defense based upon the exclusion of persons who serve without compensation from any definition of "employee" or similar expression.

7.3.3. Such other forms of insurance and in such coverage as the Association shall determine to be required or beneficial for the protection or preservation of the Neighborhood Common Areas and any buildings and improvements now or hereafter located thereon or in the best interest of Villa Tuscany at Palmira or the Association which are reasonably and commercially available. Nothing shall preclude the Association from self-insuring any item as deemed appropriate by the Board.

7.3.4. A comprehensive policy of public liability insurance and, if appropriate, owners, landlord and tenant policies naming the Association and, until Declarant no longer holds any Lots or Dwelling Units for sale in the ordinary course of business, Declarant as named insureds thereof insuring against all claims or demands made by any person or persons whomsoever for injuries received in connection with, or arising from, the operation, maintenance and use of the Neighborhood Common Areas, and any improvements and buildings located thereon, and for any other risk insured against by such policy with limits of not less than One Million (\$1,000,000) Dollars for bodily injury and damage incurred or claimed by any one person or for any one occurrence. Such coverage shall include as appropriate, without limitation, protection against water damage, liability, liability for unowned and hired automobiles, liability for the property of others, host liquor liability and such other risks as are customarily covered with respect to areas similar to the Neighborhood Common Areas in developments similar to Villa Tuscany at Palmira in construction, location and use.

7.4. Maintenance, Repair and Replacement

Any and all expenses necessary for the Association to properly carry out its maintenance obligations pursuant to Paragraph 6.2 above, and all other expenses necessary to maintain, repair, replace, operate and preserve the Neighborhood Common Areas and any improvements located thereon, including such expenses as grass cutting, in a manner consistent with the covenants and restrictions contained herein and all orders, ordinances, rulings and regulations of any and all federal, state, county and city governments having jurisdiction there over, as well as the statutes and laws of the State of Florida and the United States.

7.5. Operational Expenses

The costs of administration of the Association, including any secretaries, bookkeepers and other costs necessary to carry out the obligations and covenants of the Association under these Protective Covenants and/or the Declaration, notwithstanding the fact that some of these services may be expended in providing services to or collecting sums owed by Owners of particular Lots, shall be Common Expenses. In addition, the Association and/or the Corporation may retain a management company or contractors to assist in the maintenance of the Lots pursuant to Paragraph 6.2 and the Neighborhood Common Areas and to perform or assist in the performance of certain obligations of the Association hereunder. The fees or costs of any management company or contractor so retained shall be deemed to be a Common Expense.

7.6. Corporation Assessments

The Association is obligated by the Declaration and hereby agrees to collect and pay to the Corporation the Assessments of the Corporation attributable to the Lots and Dwelling Units subject to the Association, pursuant to the Declaration or any other Palmira Golf and Country Club Document, in accordance with the terms and provisions of Paragraph VI.B of the Declaration. Said pro rata portion of the Corporation's Assessments is a Common Expense of the Association, and shall include "Individual Unit Assessments," "Special Assessments," and "Individual Expense Assessments," all as defined in the Declaration, and any and all other assessments levied by the Corporation in accordance with the Palmira Golf and Country Club Documents.

7.7. Indemnification

The Association covenants and agrees that it will indemnify and hold harmless Declarant from and against any and all claims, suits, actions, causes of action and/or damages arising from any personal injury, loss of life and/or damage to property sustained on or about the Neighborhood Common Areas or easements or other property owned, or to be owned, pursuant to the provisions of these Protective Covenants, by the Association and improvements thereof and thereon, and from and against all costs, expenses, Legal Fees, expenses and liabilities incurred by Declarant arising from any such claim, the investigation thereof or the defense of any action or proceedings brought thereon, and from and against any orders, judgments and/or decrees which may be entered thereon. The Association shall also indemnify Declarant for any expense Declarant may incur in bringing any suit or action for the purpose of enforcing the rights of Declarant under any of the Villa Tuscany at Palmira Documents or of compelling the specific enforcement of the terms, conditions and covenants contained in any of the Villa Tuscany at Palmira Documents to be kept or performed by the Association or the Owners. The costs and expense of fulfilling this covenant of indemnification as set forth in this Paragraph shall be a Common Expense. Further, the costs to the Association of indemnifying its officers and members of the Board as set forth in Article XI of the Articles shall be a Common Expense.

7.8. Failure or Refusal of Owners to Pay Neighborhood Assessments

Funds needed for Common Expenses due to the failure or refusal of Owners or Defaulting Owners to pay "Neighborhood Assessments" (as hereinafter defined) levied shall, themselves, be deemed to be Common Expenses and properly the subject of a Neighborhood Assessment. Neighborhood Assessments are collectively the Annual Assessments (which include the

Assessments of the Corporation, as provided hereinabove), Neighborhood Special Assessments and Remedial Maintenance Fees, and all installments thereof.

7.9. Matters of Neighborhood Special Assessments Generally

Extraordinary items of expense under the Villa Tuscany at Palmira Documents, such as expenses due to casualty losses and other extraordinary circumstances and amounts needed for capital improvements or for other purposes or reasons as determined by the Board and which are not inconsistent with the terms of any of the Villa Tuscany at Palmira Documents and are approved by the affirmative vote of a majority of the Members of the Association present at a meeting having a quorum, subject to the provisions of subparagraph 3.4.2, shall be the subject of a Neighborhood Special Assessment. Notwithstanding anything herein to the contrary, however, approval need not be obtained for a Neighborhood Special Assessment for: (i) the replacement or repair of a previously existing improvement on the Neighborhood Common Areas; (ii) repair of the Neighborhood Common Areas, if destroyed or damaged; or (iii) an amount of Five Hundred and No/100 (\$500.00) Dollars or less per Lot.

7.10. Miscellaneous Expenses

The costs of all items of expense pertaining to or for the benefit of the Neighborhood Common Areas or the Association, if any, or any part thereof not herein specifically enumerated and which are determined to be a Common Expense by the Board.

8. DAMAGE OR DESTRUCTION TO NEIGHBORHOOD COMMON AREAS

Damage to or destruction of all or any portion of the Neighborhood Common Areas shall, notwithstanding any provision in these Protective Covenants to the contrary, be handled as follows:

8.1. With respect to damage to the Neighborhood Common Areas caused by any casualty not covered in whole or in part by insurance, any difference between the amount received from insurance proceeds with respect to such damage, if any, and the amount of funds necessary to repair, replace, construct or reconstruct the improvement so damaged shall be a Common Expense and assessed as a Neighborhood Special Assessment which the Association will levy to pay such Common Expense unless the Association has sufficient funds available for payment without the need of a Neighborhood Special Assessment. The Association shall pay into an account with a federal or state commercial or savings bank or savings and loan association located in the County any funds collected by Neighborhood Special Assessment or other funds in lieu thereof and all insurance proceeds so that the funds on deposit collected by the Association will equal the cost of repair, replacement, construction or reconstruction of the damaged improvements. The Association shall go forward with all deliberate speed so that such repair, replacement, construction or reconstruction shall be completed as soon as is reasonably possible after the date of the damage.

8.2. Should the insurance proceeds and Neighborhood Special Assessments be sufficient to repair, replace or reconstruct the building or improvement so damaged and there remains an excess after payment for repair, replacement and reconstruction, then any excess shall be held by the Association for the use of the Association. In the event that the repairs and replacements were paid for by any Neighborhood Special Assessments as well as insurance proceeds and any other Neighborhood Assessments, then, if after the completion of and payment for the repair, replacement, construction or

reconstruction there shall remain any excess in the hands of the Association, it shall be presumed that the monies disbursed in payment of any repair, replacement, construction and reconstruction were first disbursed from insurance proceeds and Neighborhood Assessments and any remaining funds shall be deemed to be the remaining Neighborhood Special Assessments which shall become common surplus or credited toward future assessments owed by the Owners by means of a pro rata distribution in accordance with the collection of such Neighborhood Special Assessments.

8.3. Each Owner shall be liable to the Association for any damage to the Neighborhood Common Areas not fully covered or collected by insurance which may be sustained by reason of the negligence or willful misconduct of said Owner or of his family, lessees, invitees, and guests, both minors and adults. Notwithstanding the foregoing, the Association reserves the right to charge a Remedial Maintenance Fee specifically to such Owner equal to the increase, if any, of the insurance premium directly attributable to the damage caused by such Owner.

9. COVENANT TO PAY NEIGHBORHOOD ASSESSMENTS; ESTABLISHMENT AND ENFORCEMENT OF LIENS; CERTAIN RIGHTS OF DECLARANT AND INSTITUTIONAL MORTGAGEES

9.1. Owner's Affirmative Covenant to Pay Neighborhood Assessments

In order to: (i) fulfill the terms, provisions, covenants and conditions contained in these Protective Covenants; and (ii) maintain, operate and preserve the Neighborhood Common Areas for the use, safety, welfare and benefit of the Owners and their guests, invitees, lessees and family members in accordance with these Protective Covenants, there is hereby imposed upon each Lot and upon each Owner, the affirmative covenant and obligation to pay to the Association (in the manner herein set forth) all Neighborhood Assessments. Each Owner by acceptance of a deed or other instrument of conveyance conveying a Lot, whether or not it shall be so expressed in such deed or other instrument, shall be obligated and agrees to pay to the Association all Neighborhood Assessments in accordance with the provisions of the Villa Tuscany at Palmira Documents. No Owner may waive or otherwise escape liability for such Neighborhood Assessments by non-use of the Neighborhood Common Areas or abandonment of his or her right to use the Neighborhood Common Areas.

9.2. Establishment of Continuing Liens on Lots and Dwelling Units

9.2.1. Any and all Neighborhood Assessments or Remedial Maintenance Fees with Interest thereon, late payment fees and costs of collection thereof, including Legal Fees, are hereby declared to be a charge and continuing lien upon the Lot against which each such Neighborhood Assessment is made.

9.2.2. Each Neighborhood Assessment or Remedial Maintenance Fee against a Lot, together with Interest thereon, late payment fees and costs of collection thereof, including Legal Fees, shall be the personal obligation of the person, persons or entity owning the Lot assessed.

9.2.3. Said lien shall be effective only from and after the time of recordation amongst the public records of the County of a written, acknowledged statement signed by an authorized agent of the Association setting forth the amount due to the Association as of the date the statement is signed. Upon full payment of all sums secured by that lien, the party making payment shall be entitled to a recordable satisfaction of the lien.

9.2.4. Notwithstanding anything to the contrary herein contained, where an Institutional Mortgagee obtains title to a Lot as a result of foreclosure of its mortgage or deed given in lieu of foreclosure, such acquirer of title, its successors or assigns, shall not be liable for the share of Neighborhood Assessments or Remedial Maintenance Fee pertaining to such Lot which became due prior to the acquisition of title as a result of the foreclosure or deed in lieu thereof, unless such Neighborhood Assessment or Remedial Maintenance Fee is secured by a claim of lien that is recorded prior to the recording of the mortgage which was foreclosed or with respect to which a deed in lieu of foreclosure was given. Such unpaid share of Neighborhood Assessments or Remedial Maintenance Fees for which a claim of lien has not been recorded prior to the recording of the mortgage which was foreclosed or with respect to which a deed in lieu of foreclosure was given shall be a Common Expense collectible from all other Owners.

9.3. Enforcement of Payment of Neighborhood Assessments by the Association

In the event any Owner shall fail to pay Neighborhood Assessments or any installment thereof charged to his Lot within fifteen (15) days after the same becomes due ("Delinquent Owner"), then the Association, through its Board, shall have any of the following remedies to the extent permitted by law, which remedies are cumulative and which remedies are not in lieu of, but are in addition to, all other remedies available to the Association:

9.3.1. To accelerate the entire amount of any Neighborhood Assessments for the remainder of the fiscal year, notwithstanding any provisions for the payment thereof in installments;

9.3.2. To charge Interest from the due date until the date the assessments are paid;

9.3.3. To charge a late payment fee (in addition to interest) in an amount the greater of \$25 or five percent (5%) of each delinquent assessment installment;

9.3.4. To advance on behalf of the Delinquent Owner funds to accomplish the needs of the Association and the amount or amounts of monies so advanced, including Legal Fees and expenses at all trial and appellate levels which may have been reasonably incurred because of or in connection with such advance, including costs and expenses of the Association if it must borrow to pay expenses because of the Delinquent Owner, together with Interest thereon, may be collected by the Association and such advance or loan by the Association shall not waive the default;

9.3.5. To file an action in equity to foreclose its lien at any time after the effective date thereof, which lien may be foreclosed by an action in the name of the Association in like manner as a foreclosure of a mortgage on real property;

9.3.6. To file an action at law to collect said Neighborhood Assessment, plus Interest, plus Legal Fees, without waiving any lien rights and/or rights of foreclosure in the Association.

9.3.7. To suspend the voting rights of the Delinquent Owner as of the date that the annual assessment installments are delinquent in excess of ninety (90) days.

9.4. Collection of Neighborhood Assessments Against Lots by Declarant, the Corporation or Any Institutional Mortgagees

In the event, for any reason, the Association shall fail to collect the Neighborhood Assessments, then in that event Declarant, the Corporation or any Institutional Mortgagees shall at all times have the right (but not the obligation): (i) to advance such sums as the Association could have advanced as set forth above; and/or (ii) to collect such Neighborhood Assessments and, if applicable, any such sums advanced by Declarant, the Corporation or such Institutional Mortgagee, as the case may be, using the remedies available to the Association as set forth above, which remedies (including, but not limited to, recovery of Legal Fees) are hereby declared to be available to Declarant, the Corporation or such Institutional Mortgagees, as the case may be.

10. METHOD OF DETERMINING ANNUAL ASSESSMENTS

10.1. Determining Amount of Annual Assessment

The total anticipated Common Expenses for each fiscal year shall be set forth in a budget ("Budget") prepared by the Board as required under the Villa Tuscany at Palmira Documents. Each Lot shall be assessed its pro rata portion of the Common Expenses, which shall be the "Annual Assessment" as to each Lot. The Annual Assessment for each Lot shall be equal. Therefore, the Common Expenses shall be divided by the total number of Lots in the Committed Property, as such number may change from time to time. The quotient thus arrived at shall be the Annual Assessment for a Lot. The number of Lots shall be adjusted quarterly, as needed, as hereinafter set forth. For so long as Declarant maintains the "Guaranteed Annual Assessment" during the "Guarantee Periods" (both as hereinafter defined) any Lot owned by Declarant shall be exempt from payment of Annual Assessments and Neighborhood Special Assessments, except that Declarant shall be subject to the portion of the Annual Assessment comprising the Individual Expense Assessment, including any Cable Expense, levied by the Corporation as to each Lot owned by Declarant. Upon the expiration of the Guarantee Period, any Lots owned by Declarant shall be assessed as any other Lot as set forth in this Paragraph. Notwithstanding anything in Villa Tuscany at Palmira Documents to the contrary, any legal expenses incurred by the Association to begin legal proceedings against Declarant shall be deemed a Common Expense which is the subject of a Neighborhood Special Assessment only, requiring the vote of the members (as set forth in subparagraph 3.4.2 and Paragraph 7.9 hereof), and not the subject of a regular Annual Assessment.

10.2. Annual Assessment Payments

The Annual Assessments shall be payable by Owners no less frequently than quarterly, in advance, on the first days of January, April, July, and October or otherwise, as the Board may determine. The Annual Assessments, and the quarterly installments thereof, as well as all Neighborhood Special Assessments provided for herein and all installments thereof, shall be adjusted from time to time by the Board to reflect changes in the number of Lots or changes in the Budget or in the event that the Board determines that the Annual Assessments or any installment thereof is either less than or more than the amount actually required. When a Lot is submitted to the Committed Property during a period with respect to which an Annual Assessment or installment thereof has already been assessed, such Lot shall be deemed assessed the amount of such Annual Assessment or installment thereof which was assessed against Lots in existence at the time of such Annual Assessment, prorated from the date the Lot became part of the Committed Property (being the date of recordation of the Supplemental Declaration submitting such Lot) through the end of the period in question. If the payment of such Annual Assessment or installment thereof was due at the time the Lot

became a part of the Committed Property or prior thereto, said prorated amount thereof shall be immediately due and payable.

The Annual Assessment may also be adjusted quarterly in any instance where the Board determines that the estimated Common Expenses are insufficient to meet the actual Common Expenses being incurred, in which event the anticipated Common Expenses for the remaining quarters may be increased accordingly in calculating the Annual Assessment. The Annual Assessment which is levied against a Lot shall be in addition to any Remedial Maintenance Fees levied by Declarant, the Corporation or the Association pursuant to Paragraph 6.2 of these Protective Covenants. In the event a certain number of Lots are resubdivided into a lesser number of Lots, the Owners of the Lots so created shall collectively pay an amount equal to the total Annual Assessments which would have been levied against the original number of Lots.

10.3. Declarant's Rights and Obligations Regarding the Payment of Common Expenses from Time to Time

10.3.1. Notwithstanding the provisions of Paragraph 10.1 above, Declarant recognizes that by reason of difficulties normally encountered in initially setting up the management and operation of a new development, it is useful to provide some form of guarantee of the Annual Assessment for initial operations. Owners shall be assessed the Annual Assessment for Common Expenses as provided hereunder; provided, however, Declarant shall fix the Annual Assessment for each Lot, excluding that portion of the Annual Assessment attributable to the Assessment levied by the Corporation, at no more than Two-Hundred and No/100 (\$200.00) Dollars per month through December 31, 2002 and at an amount not greater than One-Hundred Fifteen percent (115%) of the previous year's Annual Assessment for each Lot (excluding that portion of the Annual Assessment attributable to the Assessment levied by the Corporation) for each year thereafter ("Guaranteed Annual Assessment") (not including those expenses which are properly the subject of a Neighborhood Special Assessment or a Remedial Maintenance Assessment). This guarantee of assessments shall commence on the date of recordation of these Protective Covenants among the public records of the County through the earlier to occur of (i) the Turnover Date or (ii) such date that the Declarant terminates the this Guarantee by providing written notice to all Owners of such termination ("Guarantee Period"). In the event Common Expenses, other than those Common Expenses that are properly the subject of a Neighborhood Special Assessment or the Corporation's Individual Expense Assessment, exceed the amounts levied as Annual Assessments against Owners other than Declarant, Declarant shall subsidize the Common Expenses during the "Guarantee Period."

10.3.2. Notwithstanding anything in this Declaration to the contrary, Declarant shall not be obligated to the Association or its members for: (i) any payment required from Declarant because of any Guarantee Period subsequent to the Turnover Date; (ii) payment of any Common Expenses in the event that Annual Assessments at or below the specified level are sufficient to pay the Common Expenses incurred by the Association during any Guarantee Period; and (iii) Common Expenses or increases thereof that are properly the subject of a Special Assessment or the Corporation's Individual Expense Assessment. During any Guarantee Period, Declarant will not be required to pay any Annual Assessment for any Lot it owns. Upon the expiration of the Guarantee Period, whether the Initial Guarantee Period or the Second Guarantee Period, as applicable, Lots, including those owned by Declarant, if any, will be assessed for Common Expenses as otherwise provided in this Declaration.

10.3.3. Declarant hereby reserves the right at any time to terminate the Developer Guarantee or to make any additional voluntary subsidy payment to the Association at any time as Declarant determines in its sole discretion.

10.4. Neighborhood Special Assessments on Lots

Neighborhood Special Assessments shall, unless otherwise provided herein, be assessed in the same manner as the Annual Assessment. A Neighborhood Special Assessment shall be paid in such installments or in a lump sum as the Board shall determine at the time of levying a Neighborhood Special Assessment.

11. ENFORCEMENT OF PROTECTIVE COVENANTS

The enforcement of these Protective Covenants may be by a proceeding at law for damages or in equity to compel compliance with the terms hereof or to prevent violation or breach of any of the covenants or terms herein. Enforcement may be by Declarant (for so long as Declarant owns any portion of the Subject Property), the Corporation, the Committee, the Association or any Owner. Should the party seeking enforcement be the prevailing party in such action, then the person against whom enforcement has been sought shall pay Legal Fees to the prevailing party.

12. AMENDMENTS

12.1. Amendment Process

The process of amending these Protective Covenants shall be as follows:

12.1.1. Until the Turnover Date, all amendments or modifications shall only be made by Declarant, which amendment shall be signed by Declarant and need not be joined by any other party; provided, however, that the Association shall, forthwith upon request of Declarant, join in any such amendments or modifications and execute such instruments to evidence such joinder and consent as Declarant shall, from time to time, request.

12.1.2. After the Turnover Date, or earlier as to a specific item if consented to by Declarant, amendments may be made to these Protective Covenants only by the consent of seventy-five percent (75%) of the Members and by a majority of the Board. Where an amendment materially and adversely affects the rights of any Institutional Mortgagee, the consent of said Institutional Mortgagee shall also be required. Where the rights of two (2) or more Institutional Mortgagees are affected, then the consent of a majority of the Institutional Mortgagees shall be required. Consents required pursuant to this subparagraph 12.1.2 shall be in writing and attached to the amendment.

12.1.3. Notwithstanding the foregoing, the Association may make amendments to these Protective Covenants in order to correct a scrivener's error or other defect or omission without the consent of the Owners and Institutional Mortgagees; provided that such amendment does not materially and adversely affect an Owner's property rights and does not, in a material fashion, impair the rights or priorities of any Institutional Mortgagee. An amendment effected pursuant to the terms of this subparagraph 12.1.3 need be signed only by the Association and, for so long as Declarant owns any portion of Villa Tuscany at Palmira, Declarant.

12.2. Effective Date of Amendment

An amendment to these Protective Covenants made in accordance with Paragraph 12.1 shall become effective upon its recordation amongst the public records of the County, and shall be mailed to each Owner and Institutional Mortgagee as soon after the recording thereof as is practicable.

12.3. Amendment Regarding Surface Water Management System

Notwithstanding the foregoing, no amendment to these Protective Covenants affecting the Surface Water Management System shall be effective without the specific written approval of the South Florida Water Management District or its successors or assigns.

12.4. Articles and Bylaws

The Articles and Bylaws shall be amended as provided therein.

13. MISCELLANEOUS

13.1. No Implied Waiver

The failure of Declarant, any Owner or the Association to object to an Owner's or other party's failure to comply with the covenants or restrictions contained herein shall in no event be deemed a waiver of any right to object to same and to seek compliance therewith in accordance with the provisions herein.

13.2. Captions

Section, Paragraph and subparagraph captions which may be inserted throughout these Protective Covenants are intended only as a matter of convenience and for reference only and in no way shall such captions or headings define, limit or in any way affect any of the terms and provisions of these Protective Covenants.

13.3. Context

Whenever the context so requires, any pronoun used herein may be deemed to mean the corresponding masculine, feminine or neuter form thereof and the singular form of any nouns and pronouns herein may be deemed to mean the corresponding plural form thereof and vice versa.

13.4. Severability

Invalidation of any one of these covenants or restrictions or of any of the terms and conditions herein contained shall in no way affect any other provision which shall remain in full force and effect.

13.5. Term

These Protective Covenants and the terms, provisions, conditions, covenants, restrictions, reservations, regulations, burdens and liens contained herein shall run with and bind the

Subject Property, and inure to the benefit of Declarant, the Owners, Institutional Mortgagees and their respective legal representatives, heirs, successors and assigns for a term of ninety-nine (99) years from the date of the recording of these Protective Covenants among the public records of the County, after which time these Protective Covenants shall be automatically renewed and extended for successive periods of ten (10) years each, unless at least one (1) year prior to the termination of such ninety-nine (99) year term or any such ten (10) year extension thereof there is recorded among the public records of the County, an instrument ("Termination Instrument") signed by the Owners of at least two-thirds (2/3) of all the Lots and the Institutional Mortgagees holding at least two-thirds (2/3) of all mortgages (by number and not by unpaid amount thereof) encumbering Lots agreeing to terminate these Protective Covenants, upon which event, these Protective Covenants shall be terminated upon the expiration of the ninety-nine (99) year term or the ten (10) year extension thereof during which the Termination Instrument is recorded.

13.6. Conflict

In the event of a conflict between the provisions of these Protective Covenants and the provisions of the Articles and/or Bylaws of the Association, the provisions of these Protective Covenants shall control. In the event of any conflict between the provisions of the Protective Covenants and the provisions of the Declaration, the provisions of the Declaration shall control.

13.7. Rule Against Perpetuities

In the event any court should hereafter determine any provisions as originally drafted herein are in violation of the rule of law known as the "rule against perpetuities" or any other rule of law because of the duration of the period involved, the period specified in these Protective Covenants shall not thereby become invalid, but instead shall be reduced to the maximum period allowed under such rule of law, and for such purpose "measuring lives" shall be those of the incorporators of the Association.

13.8. Rights of Listed Mortgagees

13.8.1. The Association shall be required to make available for inspection and photocopying within ten (10) business days of the receipt of a written request therefor, during normal business hours or under reasonable circumstances, the Villa Tuscany at Palmira Documents and the books, records and financial statements of the Association to the Owners and the holders, insurers or guarantors of any first mortgages encumbering Lots. In addition, upon written request to the Association, evidence of insurance shall be issued to each Owner and mortgagee holding a mortgage encumbering a Lot.

13.8.2. Upon written request to the Association, any holder of a first mortgage encumbering a Lot shall be entitled to financial statements for the immediately preceding fiscal year which shall be given within a reasonable time period.

13.8.3. Upon written request to the Association, identifying the name and address of the holder, insurer, guarantor (such holder, insurer or guarantor is herein referred to as a "Listed Mortgagee") of a mortgage encumbering a Lot and the legal description of such Lot, the Association shall provide such Listed Mortgagee with timely written notice of the following:

13.8.3.1. Any condemnation, loss or casualty loss which affects any material portion of Villa Tuscany at Palmira or any Lot or Dwelling Unit encumbered by a first mortgage held, insured or guaranteed by such Listed Mortgagee;

13.8.3.2. Any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association;

13.8.3.3. Any proposed action which would require the consent of mortgagees holding a mortgage encumbering a Lot; and

13.8.3.4. Any failure by an Owner owning a Lot encumbered by a mortgage held, insured or guaranteed by a Listed Mortgagee to perform his obligations under the Villa Tuscany at Palmira Documents, including, but not limited to, any delinquency in the payment of Neighborhood Assessments, or any other charge owed to the Association by said Owner where such failure or delinquency has continued for a period of sixty (60) days.

13.8.4. The failure of the Association to send any notice required pursuant to subparagraph 13.8.3 shall not have any effect on any meeting, act or thing which was to have been the subject of such notice nor affect the validity thereof.

13.8.5. The Declarant (until the Turnover Date) and any Listed Mortgagee shall have the right, but not the obligation, jointly or singly, and at their sole option, to pay any of the Neighborhood Assessments which are in default and which may or have become a charge against any Lot. Further, the Declarant (until the Turnover Date) and any Listed Mortgagees shall have the right but not the obligation, jointly or singly and at their sole option, to pay insurance premiums or fidelity bond premiums on behalf of the Association in the event the premiums are overdue and where lapses in policies may or have occurred. The Declarant and any Listed Mortgagees paying insurance premiums on behalf of the Association as set forth above shall be entitled to immediate reimbursement from the Association plus any costs of collection, including, but not limited to, Legal Fees.

IN WITNESS WHEREOF, these Protective Covenants have been signed by Declarant and the Association and joined in by the Corporation and the declarant under the Declaration on the day and year first above set forth.

WITNESSES:

Dominique Lerby
Print Name: Dominique Lerby
Denise J. ...
Print Name: Denise J. ...

DECLARANT:

Titan Custom Homes, Inc.,
a Florida corporation

By: *William Spinell*
William Spinell, President

(Corporate Seal)

ASSOCIATION:

Villa Tuscany at Palmira Homeowners Association, Inc.,
a Florida corporation not for profit

William Spinelli
Print Name: William Spinelli

Donia Juneau
Print Name: Donia Juneau

By: William Spinelli
William Spinelli, President

(Corporate Seal)

STATE OF FLORIDA)
) SS:
COUNTY OF COLLIER)

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State aforesaid and in the County aforesaid to take acknowledgments, the foregoing instrument was acknowledged before me by William Spinelli, as President of Titan Custom Homes, Inc., a Florida corporation, freely and voluntarily under authority duly vested in him by said corporation and that the seal affixed thereto is the true corporate seal of said corporation. William Spinelli is personally known to me.

WITNESS my hand and official seal in the County and State last aforesaid this 15th day of April, 2002.

Donia Juneau
Notary Public

Donia Juneau
Typed, printed or stamped name of
Notary Public
My Commission Expires: 8/20/02



STATE OF FLORIDA)
) SS:
COUNTY OF COLLIER)

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State aforesaid and in the County aforesaid to take acknowledgments, the foregoing instrument was acknowledged before me by William Spinelli, as President of Villa Tuscany at Palmira Homeowners Association, Inc., a Florida corporation not for profit, freely and voluntarily under authority duly vested in him by said corporation and that the seal affixed thereto is the true corporate seal of said corporation. William Spinelli is personally known to me.

WITNESS my hand and official seal in the County and State last aforesaid this 15th day of April, 2002.

Donia Juneau
Notary Public

Donia Juneau
Typed, printed or stamped name of
Notary Public

My Commission Expires: 8/20/02



CONSENT

The undersigned hereby consents to the forgoing Declaration.

Dated this 26th day of April, 2002.

CORPORATION:

Palmira Golf and Country Club
Master Homeowners Association, Inc.,
a Florida corporation not for profit

Kenneth E. Bloom
Print Name: Kenneth E. Bloom

Patricia A. Vaurek
Print Name: PATRICIA A. VAUREK

By: James M. Reinders
James M. Reinders, President

(Corporate Seal)

STATE OF FLORIDA)
) SS:
COUNTY OF COLLIER)

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State aforesaid and in the County aforesaid to take acknowledgments, the foregoing instrument was acknowledged before me by James M. Reinders, as President of Palmira Golf and Country Club Master Homeowners Association, Inc., a Florida corporation not for profit, freely and voluntarily under authority duly vested in him by said corporation and that the seal affixed thereto is the true corporate seal of said corporation. James M. Reinders is personally known to me.

WITNESS my hand and official seal in the County and State last aforesaid this 26th day of April, 2002.

Angela Tompkins
Notary Public



Angela Tompkins
MY COMMISSION # DD065503 EXPIRES
December 29, 2005
BONDED THRU TROY FAIN INSURANCE, INC.

Typed, printed or stamped name of
Notary Public
My Commission Expires:

MORTGAGEE'S CONSENT

The undersigned, Bank of America, N.A., a national banking association, as owner and holder of that certain Construction Mortgage dated June 23, 1997, and recorded on June 25, 1997, in Official Records Book 2325, at Page 2376, Public Records of Collier County, Florida, and in Official Records Book 3346, at Page 2107, of the Public Records of Lee County, Florida, as amended of record in both counties, hereby consents to the foregoing Declaration.

Dated this 26th day of April, 2002.

Bank of America, N.A.,
a national banking association

Kim Sheplak
Print Name: Kim Sheplak

Malinda Schneider
Print Name: MALINDA SCHNEIDER

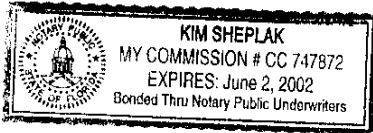
By: Michael D Babair
Name: Michael D. Babair
Its: VICE PRESIDENT

(Bank Seal)

STATE OF FLORIDA)
) SS:
COUNTY OF Lee)

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State aforesaid and in the County aforesaid to take acknowledgments, the foregoing instrument was acknowledged before me by Michael D Babair, as Vice President of Bank of America, N.A., a national banking association, freely and voluntarily under authority duly vested in him/her by said entity and that the seal affixed thereto is the true seal of said entity. He/she () is personally known to me or () has produced _____ as identification.

WITNESS my hand and official seal in the County and State last aforesaid this 26 day of April, 2002.



Kim Sheplak
Notary Public

Typed, printed or stamped name of
Notary Public
My Commission Expires:

**SCHEDULE OF EXHIBITS
TO
DECLARATION OF PROTECTIVE COVENANTS, RESTRICTIONS AND
EASEMENTS
FOR
VILLA TUSCANY AT PALMIRA**

- Exhibit A - Subject Property
- Exhibit B - Articles of Incorporation of the Association
- Exhibit C - Bylaws of the Association

EXHIBIT A

SUBJECT PROPERTY

Lots 4, 7, 8, 9, 17, 21, 25, 27, 28, 29 and 30, Block 3, Palmira Golf and Country Club, a subdivision according to the map or plat thereof, recorded in Plat Book 68, Pages 59 through 67, inclusive, of the Public Records of Lee County, Florida.

EXHIBIT B

**ARTICLES OF INCORPORATION OF VILLA TUSCANY AT PALMIRA
HOMEOWNERS ASSOCIATION, INC.**

State of Florida

OR BOOK 03645 PAGE 2822



Department of State

I certify the attached is a true and correct copy of the Articles of Incorporation of VILLA TUSCANY AT PALMIRA HOMEOWNERS ASSOCIATION, INC., a Florida corporation, filed on April 17, 2002, as shown by the records of this office.

The document number of this corporation is N02000002848.

Given under my hand and the
Great Seal of the State of Florida
at Tallahassee, the Capitol, this the
Eighteenth day of April, 2002



CR2EO22 (1-99)

Katherine Harris

Katherine Harris
Secretary of State

ARTICLES OF INCORPORATION

OF

**VILLA TUSCANY AT PALMIRA HOMEOWNERS ASSOCIATION, INC.
(A Florida Corporation Not-For-Profit)**

2002 APR 17 AM 11:14

STATE
TALLAHASSEE FLORIDA

In order to form a corporation not for profit under and in accordance with Chapter 617 of the Florida Statutes, I, the undersigned, hereby incorporate this corporation not-for-profit for the purposes and with the powers hereinafter set forth and to that end, I do, by these Articles of Incorporation, certify as follows:

**ARTICLE I
DEFINITIONS**

The defined words and phrases when used in these Articles of Incorporation shall be the terms defined in the Declaration of Protective Covenants, Restrictions and Easements for Villa Tuscany at Palmira ("Protective Covenants") which are incorporated herein by this reference.

**ARTICLE II
NAME**

The name of this Association shall be VILLA TUSCANY AT PALMIRA HOMEOWNERS ASSOCIATION, INC., whose principal address and mailing address is 3927 Arnold Avenue, Naples, Florida 34104.

**ARTICLE III
PURPOSE OF THE ASSOCIATION**

The purpose for which the Association is organized is to own, operate, administer, maintain and repair certain portions of the Subject Property in accordance with the terms, provisions and conditions contained in the Protective Covenants; to enforce the provisions of the Protective Covenants; and to collect and disburse Neighborhood Assessments as contemplated by the Villa Tuscany at Palmira Documents.

**ARTICLE IV
POWERS**

The powers of the Association shall include and be governed by the following provisions:

A. The Association shall have all of the common law and statutory powers of a corporation not-for-profit and of a homeowners' association which are not in conflict with the terms of the Villa Tuscany at Palmira Documents.

B. The Association shall have all of the powers granted to the Association in the Villa Tuscany at Palmira Documents. All provisions of the Protective Covenants and Bylaws which grant powers to the Association are incorporated into these Articles.

C. The Association shall have all of the powers reasonably necessary to implement its purposes including, but not limited to, the following:

1. to make reasonable rules and regulations governing the use of the Subject Property;

2. to make, levy and collect "Annual Assessments," "Neighborhood Special Assessments" and "Remedial Maintenance Fees" (as such terms are defined in the Protective Covenants) and/or any other Neighborhood Assessments for the purpose of obtaining funds from the Members to pay for the expenses or charges as contemplated by the Villa Tuscany at Palmira Documents including, but not limited to, the operational and administrative expenses of the Association and the costs of collection; and to use and expend the proceeds of Neighborhood Assessments in the exercise of its powers and duties hereunder;

3. to own, operate, maintain, administer and repair portions of the Subject Property in accordance with the Villa Tuscany at Palmira Documents;

4. to enforce by legal means the obligations of the Members of the Association and the provisions of the Villa Tuscany at Palmira Documents;

5. to deal with other corporations and associations or the representatives thereof on matters of mutual interest;

6. to employ personnel, retain independent contractors and contract for professional personnel required for the management and operation of the Association's duties and enter into any other agreements consistent with the purposes of the Association;

7. to perform any act required or contemplated by the Villa Tuscany at Palmira Documents;

8. to administer and carry out the obligations of the Association as set forth in the Protective Covenants;

9. to become and continue to be an "Association Member" (as defined in the Corporation Articles) of the Corporation in accordance with the Corporation Articles and Corporation Bylaws and other Palmira Golf and Country Club Documents and to perform the functions and discharge the duties incumbent upon such membership including, but not limited to, designating one (1) Member who shall represent the Association as its "Representative" (as defined in the Corporation Articles) and designating one (1) Member to serve as the alternate Representative at the membership meetings of the Corporation as set forth in Paragraph V.C. of the Corporation Articles and Section 9 of the Bylaws; and to levy and collect, as part of the "Common Expenses" of the Association, the pro rata portion of the "Assessments" of the Corporation (as such term is defined in the Declaration) attributable to the Members of the Association.

ARTICLE V
MEMBERS

The qualification of the Members, the manner of their admission to membership in the Association ("Membership"), the termination of such Membership and voting by the Members shall be as follows:

- A. The Membership of the Association shall be comprised of the Owners.
- B. Membership of Owners shall be established as follows:

- 1. Every person or entity who is a record Owner of a Lot shall become a Member effective upon the date of recording among the public records of the County of a deed or other instrument of conveyance establishing the record fee simple title of the Owner.

- 2. Change of Membership in the Association shall be established by the recording amongst the public records of the County of a deed or other instrument of conveyance establishing the record fee simple title of the new Owner. Thereupon, the Membership and all rights arising therefrom of the prior Owner shall be terminated. Each new Member shall deliver to the Association of a true copy of the deed or other instrument of conveyance establishing the record fee simple title of the new Owner.

- C. Each and every Member shall be entitled to the benefits of Membership, and shall be bound to abide by the provisions of the Villa Tuscany at Palmira Documents.

- D. Each Member shall be entitled to one (1) vote for each Lot owned within the Subject Property. In the event that there is more than one (1) Owner or a legal entity Owner of fee simple interest of record of a Lot ("Co-Owners"), the vote to which such Lot is entitled shall be exercised, if at all, as a unit. The Co-Owners shall name a voting representative ("Voting Representative") in a certificate signed by all Co-Owners of such Lot or, if appropriate, signed by properly designated officers, partners or principals of the legal entity owning the Lot ("Certificate"), and shall file such Certificate with the Secretary of the Association and such Certificate shall be valid until revoked by a subsequent Certificate. In the event the Certificate is not properly filed or if such designation is revoked by the filing of a statement with the Secretary of the Association by any Co-Owner which evidences such intent, the vote associated with the Lot shall not be considered until such time as a new Certificate is properly filed with the Secretary of the Association pursuant to this Paragraph. Notwithstanding the foregoing, all Co-Owners shall be Members and may attend any meeting of the Association. Further, and notwithstanding the foregoing, in the event a legal entity owns a Lot, then such legal entity may forego executing a Certificate to designate a Voting Representative and instead the person named on any "Proxy" (as defined in the Bylaws) properly executed on behalf of such legal entity shall be deemed to be the Voting Representative for that Lot.

- E. Notwithstanding the provisions of Paragraph D above, whenever any Lot is solely owned by any two (2) individual persons they may, but shall not be required to, designate a Voting Representative. In the event a Certificate designating a Voting Representative is not filed by such Co-Owners, the following provisions shall govern their right to vote:

1. Where both Co-Owners are present at a meeting, each shall be regarded as the agent and proxy for the other for purposes of casting the vote for each Lot owned by them. In the event they are unable to concur in their decision upon any subject requiring a vote, they shall lose their right to vote on that subject at that meeting.

2. Where only one (1) Co-Owner is present at a meeting, the Co-Owner present may cast the Lot vote without establishing the concurrence of the other Co-Owner, absent any prior written notice to the contrary to the Association by the other Co-Owner. In the event of prior written notice to the contrary to the Association by the other Co-Owner, the vote of said Lot shall not be considered.

3. Where neither Co-Owner is present, the person designated in a Proxy signed by either Co-Owner may cast the Lot vote, absent any prior written notice to the contrary to the Association by the other Co-Owner or the designation of a different Proxy holder by the other Co-Owner. In the event of prior written notice to the contrary to the Association or the designation of a different Proxy holder by the other Co-Owner, the vote of said Lot shall not be considered.

ARTICLE VI
TERM

The term for which the Association is to exist shall be perpetual.

ARTICLE VII
INCORPORATOR

The name and street address of the incorporator of the Association are as follows:

<u>NAME</u>	<u>ADDRESS</u>
William Spinelli	3927 Arnold Avenue Naples, Florida 34104

ARTICLE VIII
OFFICERS

A. The affairs of the Association shall be managed by the President of the Association, assisted by one (1) or several Vice Presidents, the Secretary and the Treasurer, and, if any, by the Assistant Secretary and Assistant Treasurer, subject to the directions of the Board.

B. The Board shall elect the President, Secretary and Treasurer, and as many Vice Presidents, Assistant Secretaries and Assistant Treasurers as the Board shall, from time to time, determine. Such officers shall be elected annually by the Board at the first meeting of the Board following the "Annual Members' Meeting" (as defined in the Bylaws); provided, however, such officers may be removed by such Board and other persons may be elected by the Board as such officers. The President shall be elected from amongst the membership of the Board, but no other officer need be a Director. The same person may hold two (2) offices, the duties of which are not incompatible; provided, however, the offices of President and a Vice President shall not be held by the

same person, nor shall the offices of President and Secretary or Assistant Secretary be held by the same person.

**ARTICLE IX
FIRST OFFICERS**

The names of the officers who are to serve until the first election of officers by the Board are as follows:

President	--	William Spinelli
Vice President	--	Thomas Spinelli, Jr.
Secretary	--	Thomas Spinelli, Jr.
Treasurer	--	Thomas Spinelli, Jr.

**ARTICLE X
BOARD OF DIRECTORS**

A. There shall be three (3) members on the first Board ("First Board"), the "Initial Elected Board" (as hereinafter defined) and all Boards elected prior to the Annual Members' Meeting following the "Turnover Date" (as defined in Paragraph 4.2.11 of the Protective Covenants), who are to serve until the "First Elected Board" as described herein. Subsequent to the Turnover Date, the Directors may, by a majority vote, determine to increase the size of the Board.

B. The names and street addresses of the persons who are to serve as the First Board are as follows:

<u>NAME</u>	<u>ADDRESS</u>
William Spinelli	3927 Arnold Avenue Naples, Florida 34104
Thomas Spinelli, Jr.	3927 Arnold Avenue Naples, Florida 34104
Thomas E. Sullivan	3927 Arnold Avenue Naples, Florida 34104

C. The First Board shall be the Board of the Association until the "Initial Election Meeting" (as hereinafter defined). Declarant shall have the right to appoint, designate and elect all of the Directors of the First Board. Declarant has the right to substitute Directors on the First Board and to appoint replacements in the event a vacancy is created on the First Board.

Within three (3) months after the "Turnover Event," which event shall be when Declarant and Master Developer no longer hold legal title to at least ten percent (10%) of the total number of Lots within Block 3 and Parcels 3B-C; or, when Declarant shall cause all Declarant-appointed members of the Board to resign, in Declarant's sole discretion, but subject to Master Developer's consent, as provided in subparagraph 4.2.11(ii) of the Declaration ("Turnover Date"), the Members other than Declarant shall be entitled to elect a majority of the Board ("Initial Elected

Board”), which election shall take place at a meeting of the Members (“Initial Election Meeting”). Declarant may designate the remaining Director(s) on the Board at the Initial Election Meeting. The Directors to be so elected by the Members other than Declarant and the remaining Director(s) to be designated by Declarant, if any, shall succeed the First Board upon their election and qualification. Subject to the provisions of Paragraph D below, the Initial Elected Board shall serve until the next Annual Members’ Meeting, whereupon the Directors shall be designated and elected in the same manner as the Initial Elected Board. The Directors shall continue to be so designated and elected at each subsequent Annual Members’ Meeting until such time as the Members other than Declarant are entitled to elect all of the Directors on the Board. Until that time, Declarant reserves the right to designate successor Directors to fill any vacancies caused by the resignation or removal of Directors designated by Declarant pursuant to this Paragraph C.

A Director (other than a Declarant-appointed Director) may be removed from office upon the affirmative vote of a majority of Members, for any reason deemed to be in the best interests of the Members. A meeting of the Members to so remove a Director (other than a Declarant-appointed Director) shall be held upon the written request of ten percent (10%) of the Members.

D. Upon the Turnover Date, Declaration shall cause its remaining Director(s) to resign from the Board and the Member-elected Director(s) shall elect a successor Director(s) to fill the vacancy(ies) caused thereby. Thereafter, at the Annual Members’ Meeting, the Members shall designate Directors by a plurality vote (“First Elected Board”). The term of each Director’s service shall extend until the next Annual Members’ Meeting and until his successor is duly elected and qualified, or until he is removed in the manner hereinafter provided.

E. The resignation of a Director who has been designated, appointed or elected by Declarant, or the resignation of an officer of the Association who was elected by the First Board, shall automatically cause such Director or officer to be released and forever discharged of and from any and all manner of actions(s), cause(s) of action, suits, debts, dues, bonds, bills, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, executions, claims and demands whatsoever, at law or in equity, which the Association or Members had, now have, or will have; or which any personal representative, successor, heir or assign of the Association or Members hereafter may have against such Director or officer by reason of his having been a Director or officer of the Association.

F. The Board shall control the operation of the Association and shall possess all of the powers of the Association. All decisions of the Board shall be by a majority vote of the Directors present at a meeting of the Board and each Director shall be entitled to one (1) vote.

ARTICLE XI INDEMNIFICATION

Every Director and every officer of the Association shall be indemnified by the Association against all expenses and liabilities, including attorneys’ and paralegals’ fees at all trial and appellate levels, reasonably incurred by or imposed upon him in connection with the proceeding, litigation or settlement to which he may be a party, or in which he may become involved, by reason of his being or having been a Director or officer of the Association, whether or not he is a Director or officer at the time such expenses and/or liabilities are incurred, except in such cases wherein the Director or officer is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties; provided that

in the event of a settlement, the indemnification herein shall apply only when the Board approves such settlement and reimbursement as being in the best interest of the Association. The foregoing right of indemnification shall be in addition to and not exclusive of any and all rights of indemnification to which such a Director or officer may be entitled by common or statutory law.

ARTICLE XII BYLAWS

Bylaws of the Association shall be adopted by the First Board and thereafter may be altered, amended or rescinded by the affirmative vote of a majority of the Board.

ARTICLE XIII AMENDMENTS

A. These Articles may be amended in the following manner:

1. The Board shall adopt a resolution setting forth the proposed amendment and directing that it be submitted to a vote at a meeting of the Members, which may be either the Annual Members' Meeting or a special meeting;

2. Written notice setting forth the proposed amendment or a summary of the changes to be effected thereby shall be given to each Member within the time and in the manner provided in the Bylaws for the giving of notice of meetings of Members ("Required Notice"). If the meeting is an Annual Members' Meeting, the proposed amendment or such summary may be included in the notice of such Annual Members' Meeting; and

3. At such meeting a vote of the Members shall be taken on the proposed amendment. The proposed amendment shall be adopted upon receiving the affirmative vote of fifty-one percent (51%) of the total voting interests of the Association present in person or by Proxy. Any number of amendments may be submitted to the Members and voted upon by them at one (1) meeting; or

4. An amendment may be adopted by a written statement signed by all Directors and fifty-one percent (51%) of the Members setting forth their intention that an amendment to the Articles be adopted.

B. No amendment may be made to the Articles which shall in any manner reduce, amend, affect or modify the provisions and obligations set forth in the Protective Covenants.

C. A copy of each amendment shall be certified by the Secretary of State of the State of Florida. If such amendment is made after recordation of the Protective Covenants, such amendment shall not be effective until filed with the Secretary of State of the State of Florida and recorded among the public records of the County as an amendment to the Protective Covenants.

D. Notwithstanding the foregoing provisions of this Article XIII, prior to the Turnover Date, the Declarant may amend these Articles without the joinder or consent of any other Member.

E. Notwithstanding the foregoing provisions of this Article XIII, there shall be no amendment to these Articles which shall abridge, amend or alter the rights of Declarant, including the right to designate and select Directors of the First Board and the Initial Elected Board as provided in Article X hereof, or the rights of an "Institutional Mortgagee" (as defined in the Protective Covenants) without the prior written consent thereto by Declarant or the Institutional Mortgagee, as the case may be.

ARTICLE XIV
RESTATEMENT OF ARTICLES

A. All provisions contained within these Articles plus any amendments hereto may at any time be integrated into a single instrument as "Restated Articles" and adopted by the Board. Such Restated Articles shall be specifically designated as such and shall state, either in the heading or in the introductory paragraph, the Association's name and, if it has been changed, the name under which it was originally incorporated and the date of filing of the original Articles in the Office of the Secretary of State of the State of Florida. Such Restated Articles shall also state that they were duly adopted by the Board and that such Restated Articles only restate and integrate and do not further amend the provisions of the Articles as theretofore amended, and that any amendments included therein were adopted pursuant to Article XIII hereof and that there is no discrepancy between the Articles as theretofore amended and provisions of the Restated Articles other than the inclusion of the properly adopted amendments.

B. Upon the filing of Restated Articles with the Secretary of State of the State of Florida, the original Articles, as theretofore amended, shall be superseded, and thenceforth the Restated Articles shall be the Articles of Incorporation of the Association.

C. Amendments may be made simultaneously with restatement of the Articles if made in compliance with the requirements of Article XIII. In such event, the Amended and Restated Articles of Incorporation shall be specifically designated as such.

ARTICLE XV
REGISTERED OFFICE AND REGISTERED AGENT

The street address of the initial registered office of the Association is 3927 Arnold Avenue, Naples, Florida 34104, and the initial registered agent of the Association at that address shall be William Spinelli.


IN WITNESS WHEREOF, the Incorporator has hereunto affixed his signature, this 15th day of April, 2002.

WITNESSES:

Danielle Leahy
DANIELLE LEAHY
Dona Juneau
Dona Juneau

William Spinelli
William Spinelli

The undersigned hereby accepts the designation of Registered Agent of VILLA TUSCANY AT PALMIRA HOMEOWNERS ASSOCIATION, INC. as set forth in Article XV of these Articles of Incorporation and acknowledges that he is familiar with, and accepts the obligations imposed upon registered agents under the Florida Not For Profit Corporation Act.




William Spinelli

STATE OF FLORIDA)
) SS:
COUNTY OF COLLIER)

I HEREBY CERTIFY that on this day, before me, a Notary Public duly authorized in the state and county named above to take acknowledgments, personally appeared William Spinelli, to me known to be the person described as the Incorporator and Registered Agent and who executed the foregoing Articles of Incorporation and he acknowledged before me that he executed the same for the purposes therein expressed. William Spinelli is personally known to me.

WITNESS my hand and official seal in the county and state last aforesaid this 15th day of April, 2002.



Notary Public, State of Florida at Large
My Commission Expires: 8/20/02



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EXHIBIT C

**BYLAWS OF VILLA TUSCANY AT PALMIRA
HOMEOWNERS ASSOCIATION, INC.**

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BYLAWS
OF
VILLA TUSCANY AT PALMIRA
HOMEOWNERS ASSOCIATION, INC.
(A Florida Corporation Not-For-Profit)

1. IDENTIFICATION OF ASSOCIATION

These are the Bylaws of Villa Tuscany at Palmira Homeowners Association, Inc. ("Association") as duly adopted by its Board of Directors ("Board"). The Association is a corporation not for profit, organized pursuant to Chapters 617 and 720, Florida Statutes for the purpose of owning, repairing, maintaining, managing, operating and administering a residential community known as "Villa Tuscany at Palmira."

1.1. The office of the Association shall be for the present at 3927 Arnold Avenue, Naples, Florida 34104, and thereafter may be located at any place in Lee or Collier County, Florida, designated by the Board.

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

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

2. EXPLANATION OF TERMINOLOGY

2.1. The terms defined in the Declaration of Protective Covenants, Restrictions and Easements for Villa Tuscany at Palmira ("Protective Covenants") are incorporated herein by this reference.

2.2. In the event of any conflict or ambiguity between these Bylaws and the Articles, the Articles shall control.

2.3. In the event of any conflict or ambiguity between the Articles and the Protective Covenants, the Protective Covenants shall control.

3. MEMBERSHIP; MEMBERS MEETINGS; VOTING AND PROXIES

3.1. The qualification of "Members," the manner of their admission to membership in the Association, the termination of such membership and the voting by Members shall be as set forth in the Articles.

3.2. The Members shall meet annually ("Annual Members' Meeting"). The Annual Members' Meeting shall be held on the date, at the place and at the time determined by the "Directors" from time to time, provided that there shall be an Annual Members' Meeting every calendar year and, to the extent possible, no later than twelve (12) months after the preceding Annual Members' Meeting. Unless changed by the Board, the first Annual Members' Meeting shall be held in the month of March following the year in which the Protective Covenants are recorded. The purpose of the Annual Members' Meeting shall be to

hear reports of the officers, elect members of the Board (subject to the provisions of the Articles) and transact any other business authorized to be transacted at such Annual Members' Meeting.

3.3. Special meetings of the Members (meetings other than the Annual Members' Meeting) shall be held at any place within Lee or Collier County whenever called by the President or Vice President or by a majority of the Board. A special meeting must be called by the President or Vice President upon receipt of a written request from at least ten percent (10%) of the entire membership.

3.4. A written notice of all Members' meetings, whether the Annual Members' Meeting or special meetings (collectively "Meeting"), shall be given to each Member at his last known address as it appears on the books of the Association and shall be mailed to the said address not less than fourteen (14) days prior to the date of the Meeting. Proof of such mailing shall be given by the affidavit of the person giving the notice. Any notice given hereunder shall state the time and place of the Meeting and the purposes for which the Meeting is called. The notice of all Annual Members' Meetings shall, in addition, specify the number of Directors of the Association to be elected by the Members, if applicable. Notice of any special meeting shall include a description of the purpose or purposes for which the Meeting is being called. Notwithstanding any provisions hereof to the contrary, notice of any Meeting may be waived before, during or after such Meeting by a Member or by the person entitled to vote for such Member by attending the meeting or signing a document setting forth the waiver of such notice.

3.5. The Members may, at the discretion of the Board, or as specifically allowed in the Articles or Protective Covenants, act by written response in lieu of a Meeting provided written notice of the matter or matters to be agreed upon is given to the Members or duly waived in accordance with the provisions of these Bylaws. Unless some greater number is required under the "Villa Tuscany at Palmira Documents" and except as to the election of Directors, which shall be accomplished by a plurality vote, the decision of fifty-one (51%) percent of the Members (as evidenced by written response to be solicited in the notice) shall be binding on the Membership. The notice shall set forth a time period during which the written responses must be received by the Association.

3.6. A quorum of the Members shall consist of Members entitled to cast thirty percent (30%) of the total number of votes of the Members. Any Member may join in the action of any Meeting by signing and concurring in the minutes thereof and such a signing shall constitute the presence of such Member for the purpose of determining a quorum. Limited Proxies and general Proxies may be used to establish a quorum.

Except as modified by the provisions of Article V.D of the Articles with respect to a legal entity as the "Owner" of a Lot, "Proxy" is defined to mean an instrument containing the appointment of a person who is substituted in the place and stead of the person or authorized representative of an entity entitled to vote. Proxies shall be in writing, dated, signed by the person or authorized representative of an entity giving the same, must state the date, time and place of the Meeting of which it is given, and shall be valid only for the particular Meeting designated therein and, if so stated in the Proxy, any adjournments thereof, provided, however, any Proxy automatically expires ninety (90) days after the date of the meeting for which it was originally given. A Proxy must be filed with the Secretary of the Association before the appointed time of the Meeting or any adjournment or continuance thereof in order to be valid. Any Proxy may be revoked prior to the time a vote is cast, in accordance with such Proxy.

When a quorum is present at any Meeting and a question which raises the jurisdiction of such Meeting is presented, the holders of a majority of the voting rights present in person or represented by written Proxy shall be required to decide the question. However, if the question is one upon which a vote other than a minimum of a fifty-one percent (51%) vote of a quorum is required by express provision of the

Villa Tuscany at Palmira Documents or by law, then such express provision shall govern and control the required vote on the decision of such question.

3.7. If a quorum is not in attendance at a Meeting, the Members who are present, either in person or by Proxy, may adjourn the Meeting from time to time until a quorum is present with no further notice of such adjourned Meeting being required unless otherwise determined by the Board, provided, however, any Proxy automatically expires ninety (90) days after the date of the meeting for which it was originally given.

3.8. Minutes of all Meetings shall be kept in a businesslike manner and be available for inspection by the Members and Directors at all reasonable business hours.

3.9. Voting rights of Members shall be as stated in the Protective Covenants and Articles with respect to the election of all Boards other than the "First Board." Such votes may be cast in person or by Proxy.

3.10. Notwithstanding anything contained herein to the contrary, the Association shall be required to obtain the approval by the vote of Members entitled to cast fifty-one percent (51%) of the votes of the entire membership (at a duly called meeting of the Members at which a quorum is present whether by Proxy or otherwise) prior to the contracting for legal or other fees to persons or entities engaged by the Association for the purpose of suing, or making, preparing or investigating any lawsuit, or commencing any lawsuit other than for the following purposes:

- (i) the collection of "Annual Assessments" and "Neighborhood Special Assessments";
- (ii) the collection of other "Neighborhood Assessments" and/or charges which Members are obligated to pay pursuant to the Villa Tuscany at Palmira Documents;
- (iii) the enforcement of the use and occupancy restrictions contained in the Villa Tuscany at Palmira Documents; and
- (iv) in an emergency where waiting to obtain the approval of the Members creates a substantial risk of irreparable injury to the "Neighborhood Common Areas," if any, the "Dwelling Units" or to the Members, provided, in such event the aforesaid vote shall be taken with respect to the continuation of the action within sixty (60) days of such action (the imminent expiration of a statute of limitations shall not be deemed an emergency obviating the need for the requisite fifty-one percent [51%] vote of the Members).

4. BOARD OF DIRECTORS; DIRECTORS' MEETINGS

4.1. The business and administration of the Association shall be by its Board.

4.2. Any person appointed, elected or designated as a Director shall have all the rights, privileges, duties and obligations of a Director of the Association.

4.3. Directors other than those appointed or elected by the Declarant shall be elected on an annual basis as follows: At the annual meeting the members shall elect as many Directors as there are regular terms of Directors expiring or vacancies to be filled. The nominating committee, if any, shall submit its recommended nominees for the office of Director on the floor at the annual meeting, at which time any other eligible person may also be nominated as a candidate. Directors shall be elected by a plurality of the votes cast at the annual meeting. In the election of Directors, there shall be appurtenant to each unit as many

votes for Directors as there are Directors to be elected. The candidates receiving the highest number of votes shall be declared elected, except that a run-off shall be held to break a tie vote. In the election of Directors, there shall be appurtenant to each unit as many votes for Directors as there are Directors to be elected, but no unit may cast more than one vote for any candidate, it being the intent hereof that voting for Directors shall be non-cumulative.

4.4. The organizational meeting of a newly elected Board shall be held within ten (10) days of their election at such place and time as shall be fixed by the Directors at the meeting at which they were elected. Provided the organizational meeting is held directly following the Annual Members' Meeting, no further notice of the organizational meeting shall be necessary; if not, however, notice of the organizational meeting shall be given in accordance with Section 720.303(2), F.S., as it may be amended from time to time.

4.5. Regular meetings of the Board may be held at such times and places in Lee or Collier County, Florida, as shall be determined from time to time by a majority of Directors. Special meetings of the Board may be called at the discretion of the President or the Vice President. Special meetings must be called by the Secretary at the written request of at least one-third (1/3) of the Board. Such special meeting may be held in Lee or Collier County, Florida, at such time and place as determined by the Board or in such other place as all Directors shall agree upon.

4.6. Notice of the time and place of regular and special meetings of the Board, or adjournments thereof, shall be given to each Director personally or by mail, telephone or telegraph at least two (2) days prior to the day named for such meeting unless such notice is waived before, during or after such meeting. Any Director may waive notice of the meeting before, during or after a meeting and such waiver shall be deemed equivalent to the receipt of notice by such Director. Attendance at a meeting constitutes waiver of notice.

4.7. Notice of all Board meetings shall be given to the Members in accordance with Section 720.303(2), F.S., as it may be amended from time to time.

4.8. A quorum of the Board shall consist of the Directors entitled to cast a majority of the votes of the entire Board. A Director may join in the action of a meeting of the Board by signing the minutes thereof. Matters approved by a majority of the Directors present at a meeting at which a quorum is present shall constitute the official acts of the Board except as may be otherwise specifically provided by law, or elsewhere within the Villa Tuscany at Palmira Documents. If at any meetings of the Board there shall be less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present. At any meeting that takes place on account of a previously adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted. In the case of the adjournment of a meeting, no further notice of the adjourned meeting need be given unless otherwise determined by the Board.

4.9. The presiding officer at all Board meetings shall be the President. In the absence of the President, the Directors shall designate any one of their number to preside.

4.10. Directors' fees, if any, shall be determined by the Members.

4.11. Minutes of all meetings of the Board shall be kept in a businesslike manner and be available for inspection by the Members and Directors at all reasonable business hours.

4.12. Meetings of the Board shall be open to all the Members on such terms as the Board may determine. The Board may also hold closed meetings to the extent permitted by applicable law (i.e., where

the discussion at a meeting is governed by attorney-client privilege). If open, unless a Member serves as a Director or unless he has been specifically invited by the Directors to participate in the meeting, a Member shall not be entitled to participate in the meeting, but shall only be entitled to act as an observer. In the event a Member not serving as a Director or not otherwise invited by the Directors to participate in the meeting attempts to become more than a mere observer at the meeting or conducts himself in a manner detrimental to the carrying on of the meeting, then any Director may expel said Member from the meeting by any reasonable means which may be necessary to accomplish said Member's expulsion. Also, any Director shall have the right to exclude from any meeting of the Board any person who is not able to provide sufficient proof that he is a Member or a duly authorized representative, agent or Proxy holder of a Member, unless said person has been specifically invited by any of the Directors to participate in such meeting.

5. POWERS AND DUTIES OF THE BOARD OF DIRECTORS

5.1. All of the powers and duties of the Association shall be exercised by the Board except as hereinafter set forth. Such powers and duties of the Board shall include, but not be limited to, all powers and duties set forth in the Villa Tuscany at Palmira Documents, as well as all of the powers and duties of a director of a corporation not for profit and a homeowners' association.

5.2. The Association may employ a manager to perform any of the duties, powers or functions of the Association. Notwithstanding the foregoing, the Association may not delegate to the manager the power to conclusively determine whether the Association should make expenditures for capital additions or improvements chargeable against the Association fund. The members of the Board shall not be personally liable for any omission or improper exercise by the manager of any duty, power or function delegated to the manager by the Association.

6. OFFICERS OF THE ASSOCIATION

6.1. Executive officers of the Association shall be the President, who shall be a Director, the Vice President(s), a Treasurer, and a Secretary, all of whom shall be elected annually by the Board. Any officer may be removed without cause from office by vote of the Directors at any meeting of the Board. The Board may, from time to time, elect such other officers and assistant officers and designate their powers and duties as the Board shall find to be required to manage the affairs of the Association. One person may hold any two (2) offices simultaneously except where the functions of such offices are incompatible; but no person shall hold the office of President and any of the following offices simultaneously: Vice President, Secretary or Assistant Secretary.

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

6.3. In the absence or disability of the President, a Vice President shall exercise the powers and perform the duties of the President. The Vice President(s) shall also generally assist the President and exercise such other powers and perform such other duties as shall be prescribed by the Board. In the event there shall be more than one Vice President elected by the Board, then they shall be designated "First," "Second," etc., and shall exercise the powers and perform the duties of the presidency in such order.

6.4. The Secretary shall keep, or cause to be kept, the minutes of all meetings of the Board and the Members, which minutes shall be kept in a businesslike manner and be available for inspection by the Members and Directors at reasonable times. He shall have custody of the seal of the Association and affix the same to instruments requiring such seal when duly authorized and directed to do so. He shall be

custodian for the corporate records of the Association, except those of the Treasurer, and shall perform all of the duties incident to the office of Secretary of the Association as may be required by the Board or the President. The Assistant Secretary, if any, shall perform the duties of the Secretary when the Secretary is absent and shall assist the Secretary under the supervision of the Secretary.

6.5. The Treasurer shall oversee custody of all of the monies of the Association, including funds, securities and evidences of indebtedness. He shall keep the assessment rolls and accounts of the Members and shall keep the books of the Association in accordance with good accounting practices and he shall perform all of the duties incident to the office of the Treasurer. The Assistant Treasurer, if any, shall perform the duties of the Treasurer when the Treasurer is absent and shall assist the Treasurer under the supervision of the Treasurer.

6.6. The compensation, if any, of the officers and other employees of the Association shall be fixed by the Board. This provision shall not preclude the Board from hiring a Director as an employee of the Association or preclude the contracting with a Director or a party affiliated with a Director for the management or performance of contract services for all or any part of Villa Tuscany at Palmira.

7. RESIGNATIONS

Any Director or officer may resign his post at any time by written resignation, delivered to the President or Secretary, which shall take effect upon its receipt unless a later date is specified in the resignation, in which event the resignation shall be effective from such date unless withdrawn. The acceptance of a resignation shall not be required to make it effective. The conveyance of all "Lots" owned by any Director or officer (other than appointees of "Declarant" or officers who were not Owners) shall constitute a written resignation of such Director or officer.

8. ACCOUNTING RECORDS; FISCAL MANAGEMENT

8.1. The Association shall use the accrual method of accounting and shall maintain accounting records, which must be kept for at least seven (7) years, in accordance with good accounting practices. The accounting records shall be open to inspection by the Members and "Institutional Mortgagees" or their respective authorized representatives at reasonable times. Authorization as a representative of a Member must be in writing and signed by the person giving the authorization and dated within sixty (60) days of the date of the inspection. The accounting records shall include, but not be limited to: (i) an accurate itemized and detailed record of all receipts and expenditures; (ii) a current account and a periodic statement of the account for each Member which shall designate the name and current address of the Member, the amount of the Annual Assessments, Neighborhood Special Assessments and any other Neighborhood Assessments, if any, charged to the Member, the due dates for payment of same, the amounts paid upon the account and the balance due; (iii) all tax returns, financial statements and financial reports of the Association; and (iv) any other records that identify, measure, record or communicate financial information.

8.2. The Board shall adopt the "Budget" (as provided for in the Protective Covenants) of the anticipated "Common Expenses" of the Association for each forthcoming fiscal year at a special meeting of the Board (the "Budget Meeting") called for that purpose. The Budget shall set out separately any fees or charges for the recreational amenities for the use of all of the Members, if any, whether owned by the Association, Declarant or another person or entity. Upon approval by the Board, a copy of the Budget shall be available upon request at no charge (to be delivered to a Member so requesting within ten [10] business days) shall be furnished to each Member who shall be given notice of the Annual Assessments, Neighborhood Special Assessments and/or any other Neighborhood Assessments applicable to his Lot. The copy of the Budget shall be deemed furnished and the notice of the Annual Assessments, Neighborhood Special Assessments and/or any other Neighborhood Assessments shall be deemed given upon its delivery

or upon its being mailed to a Member at his last known address as shown on the records of the Association or at the address shown on a written request for a Budget copy by a Member.

8.3. In administering the finances of the Association, the following procedures shall govern: (i) the fiscal year shall be the calendar year; (ii) any monies received by the Association in any fiscal year may be used by the Association to pay expenses incurred in the same fiscal year; (iii) there shall be apportioned between fiscal years on a pro rata basis any expenses which are prepaid in any one fiscal year for Common Expenses which cover more than such fiscal year; (iv) Annual Assessment installments shall be levied quarterly in amounts no less than are required to provide funds in advance for payment of all of the anticipated current Common Expenses and for all unpaid Common Expenses previously incurred; and (v) items of Common Expenses incurred in a fiscal year shall be charged against income for the same fiscal year regardless of when the bill for such expenses is received. Notwithstanding the foregoing, the Neighborhood Assessments for Common Expenses and any periodic installments thereof shall be of sufficient magnitude to insure an adequacy and availability of cash to meet all budgeted expenses in any fiscal year as such expenses are incurred in accordance with the cash basis method of accounting.

8.4. The Annual Assessments, Neighborhood Special Assessments and any other Neighborhood Assessments shall be payable as provided for in the Protective Covenants.

8.5. No Board shall be required to anticipate revenue from Neighborhood Assessments or expend funds to pay for Common Expenses not budgeted or which shall exceed budgeted items, and no Board is required to engage in deficit spending.

8.6. The depository of the Association shall be such bank or banks as shall be designated from time to time by the Board in which the monies of the Association shall be deposited. Withdrawal of monies from such account shall be only by checks signed by such persons as are authorized by the Board.

8.7. The Association shall prepare or cause to be prepared an annual financial report within sixty (60) days after the closing of the fiscal year for which the report is made. The financial report must consist of either: (a) financial statements presented in conformity with generally accepted accounting principles; or (b) a financial report of actual receipts and expenditures by classification, and the beginning and ending cash balances of the Association. The Association shall, within ten (10) business days of the preparation of the report, provide each Member with a copy of same or a written notice that a copy of the financial report is available within ten (10) business days of the written request of the Member, at no charge. The report shall be deemed to be furnished to a Member upon its delivery or mailing to the Member shown on the records of the Association at his last known address shown on the records of the Association or to the address shown on any written request for a copy of the report.

9. CORPORATION REPRESENTATIVE AND VOTING

Pursuant to the Declaration of Protective Covenants, Restrictions and Easements for Palmira Golf and Country Club ("Declaration"), the Association is an "Association Member" of the Palmira Golf and Country Club Master Homeowners Association, Inc. ("Corporation") and, as such, shall have a "Representative" to vote the votes of the Association at meetings of the members of the Corporation. Unless other Members of the Association are elected from time to time by the Board to serve in such capacities, the President of the Association shall serve as the Representative with respect to the Association's membership in the Corporation and, in the event the Representative is unable to perform his or her duties at any given time, the Vice President (or, in the event there is more than one [1] Vice President, the First Vice President) shall serve as the alternate Representative.

The Representative, or alternate Representative, as applicable, shall determine the manner in which the votes of the Association shall be cast with respect to matters raised at meetings of the Corporation requiring the vote of its members, except for those matters having "Special Voting Requirements," as defined in the Declaration.

The Association shall have the same number of votes in the Corporation as there are votes in the Association. The Representative may cast all or any portion of the Association's votes in the Corporation in the manner he or she sees fit, except that the Representative must cast the Association's votes exactly as voted by the Members of the Association at a Meeting of the Members called and held in accordance with Section 3 of these Bylaws with respect to those matters with Special Voting Requirements.

10. RULES AND REGULATIONS

The Board may at any meeting of the Board adopt rules and regulations or amend, modify or rescind then existing rules and regulations for the operation and use of any Neighborhood Common Areas; provided, however, that such rules and regulations are not inconsistent with the terms or provisions of the Villa Tuscany at Palmira Documents.

11. ROSTER OF OWNERS

Each Owner shall file with the Association a copy of the deed or other document showing his ownership. The Association shall maintain such information. The Association may rely upon the accuracy of such information for all purposes until notified in writing of changes therein. Only Owners of record with the Association on the date notice of any Meeting requiring their vote is given shall be entitled to notice of and to vote at such meeting, unless prior to such meeting other Owners shall produce adequate evidence of their ownership interest and shall waive in writing notice of such meeting. It is the Owner's responsibility to notify the Association of any address change applicable to their Lot.

12. PARLIAMENTARY RULES

The then latest edition of Robert's Rules of Order shall govern the conduct of meetings of all Members of the Association and the Board; provided, however, if such rules of order are in conflict with any of the Villa Tuscany at Palmira Documents, Robert's Rules of Order shall yield to the provisions of such instruments.

13. AMENDMENT OF THE BYLAWS

13.1. These Bylaws may be amended as hereinafter set forth in this Section 13.

13.2. Any Bylaw of the Association may be amended or repealed, and any new Bylaw of the Association may be adopted by the affirmative vote of a majority of Directors then in office at any regular meeting of the Board or at any special meeting of the Board called for that purpose or by written instrument signed by all Directors as is permitted by these Bylaws.

13.3. Notwithstanding any provision of this Section 13 to the contrary, these Bylaws shall not be amended in any manner which shall amend, modify or affect any provision, terms, conditions, rights or obligations set forth in any other of the Villa Tuscany at Palmira Documents, as the same may be amended from time to time in accordance with the provisions thereof, including, without limitation, any rights of Declarant or of an Institutional Mortgagee, without the prior written consent thereto by Declarant or the Institutional Mortgagee, as the case may be.

13.4. Any instrument amending, modifying, repealing or adding Bylaws shall identify the particular Section or Sections affected and give the exact language of such modification, amendment or addition or of the provisions repealed. A copy of each such amendment, modification, repeal or addition certified by the Secretary or Assistant Secretary of the Association shall be recorded among the Public Records of Lee County, Florida, in order to become effective.

The foregoing Bylaws of Villa Tuscany at Palmira Homeowners Association, Inc. have been adopted by all of the Directors of Villa Tuscany at Palmira Homeowners Association, Inc. as of the date of incorporation of the Association.

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