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File Number: **1200988** OR BOOK **0805** PAGE **0543**
Recorded: 08-29-92 09:08 A.M.

COPY
DECLARATION OF COVENANTS AND RESTRICTIONS
FOR
BAY TREE

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DECLARATION OF COVENANTS AND RESTRICTIONS FOR BAY TREE

THIS DECLARATION is made this 3rd day of August, 1992, by SCOTTSDALE INVESTMENT GROUP, INC., A Florida Corporation (hereinafter called "Developer"), which declares that the real property described in Exhibit "A" attached hereto and made a part hereof, which is owned by Developer, is and shall be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions, easements, charges and liens hereinafter set forth (hereinafter called "Declaration").

ARTICLE 1. DEFINITIONS

The following words, when used in this Declaration (unless the context shall prohibit), shall have the following meanings:

(a) "Association" shall mean and refer to B.T. HOMEOWNER'S ASSOCIATION, INC., a Florida corporation not for profit, the Articles of Incorporation and By-Laws of which are attached hereto and made a part hereof as Exhibits "B" and "C", respectively. This is the Declaration of Covenants and Restrictions for BAY TREE to which the Articles of Incorporation and By-Laws of the Association make reference.

(b) "Developer" shall mean and refer to SCOTTSDALE INVESTMENT GROUP, INC., its successors or assigns.

(c) "BAY TREE" shall mean and refer to the real property described in Exhibit "A" attached hereto.

(d) "Lot" shall mean and refer to any platted subdivision lot or parcel in the property described in Exhibit "A" attached hereto.

(e) "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of any Lot which is a part of BAY TREE, including contract sellers (but not contract purchasers) and Developer.

(f) "Common Area" shall mean and refer to all real property maintained by the Association.

(g) "Lawn" shall mean that portion of any Lot not occupied by a building, pool, or other permitted structure.

(h) "Design Guidelines" shall mean and refer to design and development standards and criteria established for BAY TREE (and amended from time to time) by the Architectural Review Committee as hereinafter set forth, ratified by a majority of the Board of Directors of the Association, and maintained as a permanent record of the Association to be made available to Owners. The Design Guidelines shall be a supplement

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to this Declaration and shall be enforced in order to promote the development character unique only to BAY TREE.

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**ARTICLE 2.
STATEMENT OF PURPOSE**

It is the purpose of this Declaration to assure all Owners of any interest, present or future, in BAY TREE, or any part, parcel or Lot thereof, that the integrity and quality of the project will be preserved and maintained; that the real property and all of the improvements located thereon from time to time shall be subject to the covenants, restrictions, reservations, servitudes and easements as set forth herein for the protection and benefit thereof; that the community of interest of all persons, firms or corporations owning lands within this development shall be maintained; that the means and procedures for the enforcement of this Declaration and the preservation, protection and maintenance of the properties be established, and that the value of all properties within the development be preserved and enhanced.

**ARTICLE 3.
PROPERTY SUBJECT TO THIS DECLARATION**

The real property which is and shall be held, transferred, sold, conveyed and occupied subject to this Declaration is located in St. Lucie County, Florida, and is legally described in Exhibit "A" attached hereto, all of which real property shall hereinafter be referred to as BAY TREE.

**ARTICLE 4.
PROPERTY RIGHTS**

Section 4.1 Title to Common Area. The Developer will convey, at such time as it in its sole discretion deems appropriate, the title to areas which are for the use and benefit of all of the Owners of property in BAY TREE subject to any restrictions, conditions, limitations, road dedications and rights-of-way, easements of record and for drainage and public or private utilities, and to perpetual non-exclusive easements for ingress to and egress from Developer's property in BAY TREE, for Developer, its invitees, licensees, successors and assigns. After the conveyance of the Common Area to the Association, the Association shall operate and maintain all portions of the Common Area.

Section 4.2 Owners' Easements of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot, subject to the following:

- (a) The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority or utility;

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(b) All provisions to this Declaration, any plat of the property in BAY TREE and the Articles of Incorporation and By-laws of the Association;

(c) Rules and regulations governing the use and enjoyment of the Common Area adopted by the Association, including reasonable admission charges if deemed appropriate;

(d) Restrictions contained on any and all plats of all or any part of the Common Area or filed separate but in conjunction with such platting;

(e) The right of the Association to suspend the enjoyment rights and easements of any Owner for any period during which an Assessment remains unpaid by that Owner, and for any period during which such Owner is in violation of this Declaration, or any of the rules and regulations of the Association;

(f) The right of the Association to properly maintain the Common Area;

(g) The right of the Developer to grant easements over, through and underneath the Common Area, and the Lots for present and future utility services to BAY TREE, including, but not limited to, easements for water pipes, sanitary sewer pipes, emergency sewer lines, storm drainage pipes, landscape preservation, sprinkler pipes, telephone cables, television cables, security wires and street lights. Easements for such utility services are reserved by Developer for all buildings and improvements which have been or may be constructed in BAY TREE and Developer may grant specific easements to utility companies and others as reasonably necessary;

(h) The right of the Developer or the Association to grant easements over the Common Area for cable television, cable radio, or similar operations. However, the granting of such easements shall be in the sole and absolute discretion of the Developer or the Association. No easement provided for herein or on any plat of BAY TREE may be used for the above purposes without the consent of the Association or the Developer, which consent may be made in their sole and absolute discretion. The rights granted herein may not be eliminated or limited by the Association except with the written approval of the Developer; and

(i) In case of any emergency originating in, or threatening any Lot, regardless of whether the Owner is present at the time of such emergency, the right of the Board of Directors of the Association or any other person authorized by the Association, or the management agent under a management agreement, to enter such Lot and the improvements located thereon, for the purpose of remedying, or abating, the cause of such emergency, and such right of entry shall be immediate.

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Section 4.3 Title and Maintenance After Dissolution. The Association shall not be dissolved nor shall it dispose of any common area, by sale or otherwise (except to an organization conceived and organized to own and maintain the common area) without first receiving approval from the Board of County Commissioners of St. Lucie County, Florida, (hereinafter referred to as the "Commission"). The Commission, as a condition precedent to the dissolution or disposal of common areas may require dedication of common areas or utilities to the public as deemed necessary. In the event the Association (or any successor organization) fails at any time to maintain the common areas or any other area it is responsible to maintain under the terms of this Declaration (hereinafter the "maintenance area"), in reasonable, attractive and safe order and condition, the Commission may serve written notice by regular United States mail upon such organization and upon each owner of real property within BAY TREE, the names and addresses of such owners to be obtained from the records of the St. Lucie County property appraiser or from such other sources of the Commission deems reliable, which notice shall set forth the manner in which the organization has failed to maintain the maintenance areas in reasonable order and condition and shall demand that the failure be remedied within thirty (30) days of sending the notice or in the alternative that the organization appear before the Commission at a specified time (at least ten (10) days but not more than thirty (30) days after the sending of the notice) either to contest the alleged failure to maintain the maintenance areas or to show cause why it cannot remedy the failure within the thirty (30) day period. If the failure has not been remedied within the thirty (30) day period or any longer period the Commission may have allowed, then the Commission shall hold a public hearing to consider the advisability of the County entering upon and maintaining them for a period of one year. Notice of such hearing shall be sent by regular United States mail to the organization involved and to each owner of the real property within BAY TREE, the names and addresses of such owners to be obtained from the records of the St. Lucie County property appraiser or from such other sources as the Commission deems reliable, and shall be published one time in a newspaper of general circulation published in St. Lucie County, Florida. The notice shall be sent and published at least fifteen (15) days in advance of the hearing. At the hearing the Commission may determine that it is or is not advisable for the County to enter upon the maintenance areas to take non-exclusive possession of them, and maintain them for one year. Entry, possession and maintenance, when followed on accordance with the above procedure, shall not be deemed a trespass and shall not be construed to give the public or the County any right to use the maintenance areas. The County may, upon public hearing, with notice given and published in the same manner as above, return possession and maintenance thereof to the organization, or successor organization, abandon such possession and maintenance, or continue possession and maintenance for additional one year periods. The cost of maintenance by the County, mentioned above, shall be assessed ratably against the properties within BAY TREE and shall become a charge or lien on the properties if not paid to the County within thirty (30) days after receipt of a statement therefor.

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**ARTICLE 5.
THE ASSOCIATION**

Section 5.1 Membership. Every Owner of a Lot in BAY TREE shall become, by virtue of such ownership, a member of the Association and such membership shall be appurtenant to each Lot and may not be separated from the ownership of a Lot.

Section 5.2 Classes of Memberships.

(a) The Class A members shall be all Owners.

(b) The Class B member shall be the Developer. The Class B membership shall terminate when (i) the Class B member so designates in writing delivered to the Association; (ii) ten (10) years from the date of recording of this Declaration; or (iii) closings on all Lots have been completed and all Lots are owned by persons other than the Developer, whichever shall first occur.

Section 5.3 Voting Rights. When entitled to vote, each member shall be entitled to one vote for each Lot owned in BAY TREE. All votes shall be cast in the manner provided in the Articles of Incorporation and Bylaws of the Association.

Section 5.4 Class B to Have Sole Voting Privileges. Until such time as the Class B membership terminates, the Class B member shall be vested with the sole voting rights in the Association, and the Class A membership shall have no voting rights except on such matters as to which the Covenants and Restrictions, the Articles of Incorporation of the Association, or the By-laws of the Association specifically require a vote of the Class A members.

**ARTICLE 6.
USES AND RESTRICTIONS**

Section 6.1 Private Residence. The use of each Lot is restricted to the construction and maintenance thereon of one (1) single-family dwelling and detached accessory buildings permitted by the St. Lucie County Code, which shall be used for private residential purposes only, and for no other purposes, although the foregoing shall not be construed as preventing the leasing of a dwelling to a tenant or tenants for residential purposes, nor shall the foregoing be construed to prohibit utilization by the Developer or its agents, of one or more constructed units in BAY TREE as "model" homes.

Section 6.2 Lot Restrictions. One (1) Lot, as shown on the plat for the Property, shall be the minimum land area upon which a Dwelling may be constructed.

Section 6.3 Nuisances. There shall not be erected, maintained, operated, carried on, permitted or conducted upon any Lot any thing or

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activity which shall be or become noxious or offensive or an annoyance or a nuisance to the neighborhood or to the Owner or Owners of other Lots.

Section 6.4 Leasing. No dwelling in BAY TREE shall be leased for a term of less than six (6) months, nor shall a dwelling be leased more than twice in one year. The Owner shall remain responsible for all assessments and for the keeping of all covenants set forth in this Declaration, and a violation of any covenant or rule or regulation promulgated hereunder by the lessee shall also be a violation by the Owner.

Section 6.5 Animals. No animals, livestock, or poultry of any kind shall be raised, bred, or kept on any Lot, except that dogs, cats or other household pets may be kept provided they are not kept, bred, or maintained for any commercial purpose. No household pets shall be allowed to wander loose. All pets must be maintained on a leash, in a fenced area, or in the dwelling.

Section 6.6 No Drilling or Mining. No drilling, refining, quarrying or mining operations for oil, gas or other minerals shall be caused at or performed on any Lot in BAY TREE.

**ARTICLE 7.
COVENANTS FOR MAINTENANCE ASSESSMENTS**

Section 7.1 Covenant of Personal Obligation to Pay Assessments. The Developer, for each Lot owned by it within BAY TREE, hereby covenants, and each Owner of any Lot (by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance) including any purchaser at a judicial sale, shall hereafter be deemed to covenant and agree to pay to the Association: (i) any annual assessments or charges, including any exterior maintenance or mowing assessments for individual lots or common elements (ii) any special assessments for capital improvements or major repair, and (iii) any exterior maintenance or mowing assessments (as set forth herein) to be fixed, established and collected as a special assessment against any Owner as hereinafter provided.

Section 7.2 Purpose of Assessments. The assessments levied by the Association shall be used exclusively for the purpose of preserving and maintaining the integrity and quality of the project and the health, safety and welfare of the residents of BAY TREE and in particular for services or activities authorized, directed or permitted by this Declaration. Such activities shall include the maintenance of the Common Area, structures within the Common Area, i.e., gazebos, lights, irrigation, etc., and rights-of-way and cul-de-sac islands including, but not limited to, insurance, labor, equipment, materials, management, maintenance and supervision thereof, as well as for such other purposes as are permissible activities of the Association and undertaken by it. Initially, the Assessments shall also be utilized for the purpose of

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maintaining the exterior of individual units, including landscaping, sprinklers, and the painting of each residential structure in BAY TREE. After Class B membership terminates, as hereinafter set forth, the Association may determine that each individual lot owner, and not the Association, shall provide for the maintenance of the exterior of individual units, including landscaping, sprinklers, and the painting of each residential structure in BAY TREE.

Section 7.3 Budget. The Board of Directors of the Association shall from time to time, at least annually, prepare a budget and determine the amount of assessments to be payable by the Owners to meet the current expenses, reasonable reserve requirements, and special charges or expenses, if any. The Association shall notify each Owner annually, in writing, of the amount of expenses payable by them as determined by the budget of the Association and shall furnish a copy of the budget to each Owner.

Section 7.4 Uniformity of Assessments. All assessments levied against the Owners shall be uniform; no specific charge or assessment shall be made against a particular Owner for work individually performed on his Lot.

Section 7.5 Special Assessments. The Board of Directors of the Association may at any time determine in their sole discretion that the assessments based upon the budget are, or may prove to be, insufficient to pay the expenses of the Association, or that an emergency situation exists requiring the payment of additional monies to provide for the expenses of the Association, in which event the Board of Directors of the Association shall have the authority to levy such additional or special assessment or assessments as it shall deem necessary, and to establish the time and manner for payment of such additional or special assessment. All such additional or special assessments shall be uniformly paid by the Owners.

Section 7.6 Date of Commencement of Annual Assessments; Due Dates.

(a) The annual assessments provided for herein shall commence on the date (which shall be the first day of a month) fixed by the Board of Directors of the Association to be the date of commencement.

(b) The annual assessments shall be payable in advance, in periodic installments if so determined by said Board.

(c) The due date of any special assessment or exterior maintenance assessment hereof shall be fixed in the resolution authorizing such assessment.

Section 7.7 Effect of Non-payment of Assessment; Lien for Unpaid Assessments; Remedies of Association.

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(a) If any assessment is not paid on the date when due, such assessment shall then become delinquent and shall, together with such interest thereon and cost of collection thereof, thereupon become a continuing lien on the Lot which shall bind such Lot in the hands of the then Owner, his heirs, devisees, personal representatives and assigns, and shall also be the continuing personal obligation of the Owner against whom the assessment is levied.

(b) The Association shall have a lien on each Lot for any unpaid assessments with interest at the maximum legal rate allowed by law, plus reasonable attorney's fees and court costs incurred by the Association incident to the collection of the assessment or enforcement of the lien. Liability for assessments, liens and priority thereof, interest, collection and enforcement shall be governed by and conducted in accordance with Section 718.116, Florida Statutes, being that section of the Florida Condominium Act regarding assessments and collection thereof.

Section 7.8 Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any bona fide mortgage or mortgages (except from the buyer to the seller of a Lot) now or hereafter placed upon the Lot subject to assessment; provided, however, that such subordination shall apply only to the assessments which have become due and payable prior to a sale or transfer of such Lot pursuant to a decree of foreclosure, or any other proceeding in lieu of foreclosure. No such sale or transfer shall relieve any Lot from liability for any assessments thereafter becoming due, nor from the lien of any such subsequent assessment. The written opinion of either the Developer or the Association that the lien is subordinate to a mortgage shall be dispositive of any question of subordination.

Section 7.9 Certificate of Assessments. The Association shall prepare a roster of the Lots and Assessments applicable thereto, which shall be kept in the office of the Association and shall be open to inspection by all Members. At the request of an Owner, the Board of Directors shall prepare a Certificate of Assessments signed by an officer of the Association, setting forth whether the Owner's Assessments have been paid or the amount which is due as of the date of the Certificate. As to parties without knowledge of error who rely thereon, such certificate shall be presumptive evidence of payment or partial payment of any Assessment therein stated as having been paid or partially paid.

Section 7.10 Exempt Property. The following property subject to this Declaration shall be exempted from the assessments, charge and lien created herein: (a) all land in BAY TREE to the extent of any easement or other interest therein dedicated and accepted by the local public authority and devoted to public use; (b) all Common Area as defined in Article 1 hereof; and (c) all properties exempted from ad valorem taxation by the laws of the State of Florida, to the extent agreed to by the Association. Notwithstanding any provisions herein, no land or

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improvements devoted to dwelling use shall be exempt from said assessments, charges or liens.

**ARTICLE 8.
EXTERIOR MAINTENANCE AND APPEARANCE**

Section 8.1 Maintenance of Exterior. In order to maintain the quality of the subdivision, and to assure uniformity in the appearance, maintenance, and ambiance of the community, it shall be the responsibility of the Association to maintain and keep in good repair and maintenance each completed dwelling unit and Lot including mowing of Lawns, maintenance of landscapes and sprinkler systems. Such costs shall be common expenses as set forth in Section 7.2 hereof. The owner and occupants of each residential unit in BAY TREE shall cooperate in all respects in order to facilitate the Association's obligation to keep in good repair and condition the exterior of each dwelling unit, Lot, Lawn, and landscaping.

Section 8.2 Access at Reasonable Hours. For the purpose of performing the exterior maintenance authorized by this Article, the Association, through its duly authorized agents or employees, shall have the right, at reasonable times and hours, and without prior notice to the Owner, to enter upon any Lot or exterior of any living unit.

Section 8.3 Signs and Advertising. For a period of three (3) years following the recording of this Declaration in the public records of St. Lucie County, Florida, no sign advertising any Lot for sale or rent shall be erected, posted, displayed or permitted on any Lot without the consent of the Developer, which consent may be arbitrarily withheld. Thereafter, no sign advertising any Lot for sale or rent shall be erected, posted, displayed or permitted on any Lot without the consent of the Architectural Review Committee, which shall have the right to regulate such sign or signs as to color, size, and location, if any such signs are permitted by it. No other signs or advertising devices of any character shall be permitted on or about any Lot.

Section 8.4 Trucks, Commercial Vehicles, Mobile Homes, Boats, Campers and Trailers. No truck or commercial vehicle of any kind shall be permitted to be parked for a period of more than four (4) hours upon any Lot unless the same is temporarily present and necessary in the actual construction or repair of buildings on any Lot. No truck or commercial vehicle of any kind shall be parked overnight and no boats, boat trailers, or trailers of any kind, or campers or mobile homes shall be permitted to park on or near the Lot at any time, unless kept fully enclosed inside the building. None of the aforementioned shall be used as a domicile or residence, either permanently or temporarily.

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Section 8.5 Mailboxes. No mailboxes shall be permitted to be erected on any lot, and all mailbox facilities shall be established by the Association and maintained by the Association as a common expense.

Section 8.6 Utility Installation, Antennas, Satellite Dishes. No utility such as electrical, telephone, or cable television shall be installed in any manner except underground. All utility installation shall be installed according to the applicable codes in effect at the time of installation. No antennas of any kind, nor satellite dishes shall be permitted.

Section 8.7 Fences, Walls and Hedges. The composition, location and height of any fence, wall or hedge to be constructed on any Lot shall be designed in accordance with the Design Guidelines and be approved in advance by the Architectural Review Committee. No hedge or fence may be placed within any road right-of-way. Chain link fencing may not be used.

Section 8.8 Clothes Lines. No outside clothes lines or drying areas will be allowed except within an enclosure affording effective concealment.

Section 8.9 Garbage/Trash. All garbage and trash containers must be placed in an enclosed area so that they will not be visible to surrounding properties. Garbage and trash shall be placed at roadside for pick-up only on regularly scheduled pick-up days.

Section 8.10 Solar Water Heaters and Similar Devices. No Solar Water Heaters shall be permitted unless the same shall be approved in advance by the Architectural Review Committee, and in any event, shall be concealed from view by neighboring lots and rights of way.

Section 8.11 Accessory or Temporary Buildings. No tents and no accessory or temporary buildings or structures shall be permitted unless approved in writing by the Architectural Review Committee.

**ARTICLE 9.
ARCHITECTURAL REVIEW COMMITTEE**

Section 9.1 Appointments. In addition to the appointment of the officers, the Board of Directors of the Association shall also appoint an Architectural Review Committee (hereinafter called the ARC) for the purposes hereinafter set forth.

Section 9.2 Membership and Qualifications. The ARC may consist of no less than two (2) nor more than five (5) members until such time as the Class B membership terminates. Until Class B membership terminates, there shall be no requirement that any of the members of the ARC be a member of the Association or an Owner within BAY TREE, but upon termination of Class B membership, members of the ARC shall either be Owners or Florida licensed Architects, Land Planners or Landscape

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Architects. After the termination of Class B membership, the ARC shall consist of no less than two (2) nor more than five (5) members.

Section 9.3 Purpose. The plan of development for BAY TREE includes as its goal, uniformity of design and aesthetic and complimentary colors, landscape and construction. To achieve this goal, the ARC shall provide for a systematic and uniform review of all proposed improvements and construction of any type or nature whatsoever within BAY TREE. The construction contemplated hereunder shall include, but not be limited to, any building, fence, wall, mailbox, screened enclosure or screening of any type, sewer, drains, disposal system, decorative building, landscaping, pools, hot tubs, aerials, antennas, as well as any and all types of structures or improvements, whether or not the purpose thereof is purely decorative or otherwise, and any additions, modifications and/or alterations thereof. The ARC shall review all plans for improvements, it being the intent of the Declarant to provide for the uniform harmonious and aesthetically pleasing development of BAY TREE. The ARC shall evaluate the proposed improvements with emphasis upon: uniformity, exterior design, materials and color; location of the improvement in relationship to surrounding structures and/or improvements; topography; and conformity to the Covenants and Restrictions. All exterior construction and improvements shall follow guidelines established in the Design Guidelines. It is not intended that the Design Guidelines supplant or supersede this Declaration except in a more restrictive and beneficial manner.

Section 9.4 Review and Approval. The plans and specifications for any and all improvements referred to above shall be reviewed by the ARC. No improvement of any type or nature whatsoever shall be commenced unless and until approval thereof shall be obtained in writing from the ARC.

Section 9.5 Design Guidelines. The ARC is empowered to publish design and development standards and criteria established for BAY TREE ("Design Guidelines"), and from time to time amend the same. Such Design Guidelines and any amendments thereto shall, before becoming effective, be ratified by a majority of the Board of Directors of the Association at a meeting, the notice of which is properly furnished to the Owners as provided in the Association's By-Laws. The Design Guidelines shall be a supplement to this Declaration and shall be enforced in order to promote the development character unique only to BAY TREE. The Design Guidelines shall be maintained as a permanent record of the Association to be made available to Owners. The Design Guidelines shall include but shall not be limited to the following:

- (a) Roof and roof design.
- (b) Fences, walls and similar structures.
- (c) Exterior building materials and colors.
- (d) Exterior landscaping.

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(e) Signs and graphics, mail boxes, address numbers and exterior lighting.

(f) Building set backs, side yards and related height, bulk and design criteria.

(g) Sidewalks and pathways.

Section 9.6 Vacancies. The ARC may grant variances from the requirements contained herein or as elsewhere promulgated by the ARC, on a case by case basis; provided, however, that the variance sought is reasonable and does not impose a hardship upon other Owners. The granting of such a variance by the ARC shall not nullify or otherwise affect the ARC's right to require strict compliance with the requirements set forth herein on any other occasion.

Section 9.7 Rules and Regulations. The ARC shall promulgate such rules and regulations as it deems necessary and proper, setting forth guidelines and procedures to be followed by any applicant seeking its approval, which, in any event, shall not be in conflict with the provisions of this Declaration and which shall afford to each applicant a reasonable and adequate opportunity to present his proposal. The rules and regulations shall include, but not necessarily be limited to, an adequate application form, together with such reasonable fees for processing applications, as the ARC may deem necessary. Rules and regulations, as promulgated, shall be subject to the approval of the Board of Directors of the Association; and, such regulations shall be available at the office or residence of each member of the ARC and the Board of Directors. Any revisions, additions, deletions and/or amendments to the rules and regulations shall, likewise, have the approval of the Board of Directors of the Association, and shall likewise be available to each member of the Association.

Section 9.8 Procedure. An applicant may, at his discretion, initially request a meeting with a member of the ARC to discuss any proposed improvement that he may contemplate, for the purpose of securing information regarding the rules, regulations herein provided for, and the Covenants and Restrictions. Prior to the commencement of any work on any Lot an applicant must submit to the ARC the following:

(a) Such fully executed application form and fees as may then be required by the ARC; and

(b) Two (2) sets of plans and specifications for the proposed improvement, i.e., site plan, construction plan and landscaping plan submitted together and in sufficient detail so that the ARC may be able to adequately make the determinations required of it pursuant to this Declaration; and

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(c) Such additional information as the ARC may reasonably require (which may include samples of exterior materials and exterior color selections to be used in the improvement).

No later than thirty (30) days after receipt of the plans and specifications (unless the applicant waives this time requirement in writing), the ARC shall respond to the application in writing by approving the application, approving the application with required modifications, disapproving the application, or requiring additional information. In the latter event, the ARC shall respond in writing no later than thirty (30) days after receipt of the requested additional information (unless the applicant waives this time requirement in writing). In the event the ARC fails to respond within the thirty (30) day period (or such additional time as may be allowed by the applicant pursuant to a waiver), the plans and specifications shall be deemed approved. In the event of approval of the plans and specifications, the applicant shall provide the ARC with written notice of any proposed change in the plans and/or specifications as approved by the ARC. Any and all alterations, deletions, additions, and changes of any type or nature whatsoever in the plans and/or specifications as approved by the ARC shall be subject to the approval of the ARC in the same manner as is required for approval of original plans and/or specifications.

Section 9.9 Disapproval. In the event of disapproval of plans and/or specifications as submitted, no work or construction shall be commenced in furtherance of the proposed improvement. The applicant, in such event, may request a formal meeting with the ARC to review plans and specifications as submitted, the meeting to take place no later than thirty (30) days after written request for such meeting is received by the ARC (unless applicant waives this time requirement in writing). The ARC shall make a final written decision no later than thirty (30) days after such meeting; and, in the event the ARC fails to provide such written decision, the plans and specifications shall be deemed approved. Upon continued disapproval, the applicant may request a formal meeting before the Board of Directors of the Association, which shall take place no later than thirty (30) days subsequent to the receipt by the Board of Directors of the written notice of the request for such meeting (unless applicant waives this time requirement in writing). If the Board of Directors fails to grant such a meeting within thirty (30) days after receipt of request of such meeting, then the plans and specifications shall be deemed approved. The Board of Directors shall make a final decision no later than thirty (30) days after such meeting; and, in the event the Board of Directors fails to provide such written decision, such plans and specifications shall be deemed approved. The decision of the Board of Directors shall be final and binding upon the applicant, his heirs and assigns.

Section 9.10 Certificate of Approval Upon Request. Upon the completion of the improvement or improvements and final approval by the ARC, the Board of Directors shall, upon request by an applicant, direct the appropriate officers of the Association to provide the applicant with

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a Certificate, executed with the formalities of a Deed, certifying the approval of the ARC and the Association of the improvement made upon the premises for which said application was made.

Section 9.11 Minimum Building Requirements. The following shall be minimum requirements for construction of any improvement on any Lot, and nothing herein shall prohibit the ARC or Board of Directors, in their sole discretion, from promulgating and implementing more stringent requirements:

(a) Each dwelling shall have a minimum floor area of 1,350 square feet. A two (2) story dwelling shall have a distribution of living area among the two (2) stories which shall be approved by the ARC. The calculation of square footage of floor area living space shall not include: garages, covered walks, open and/or screened porches, patios, terraces, pool areas or other similar areas. Square footage measurements shall be taken from outside exterior walls of dwellings;

(b) No open carports shall be allowed and each dwelling shall have an attached garage;

(c) There shall be no flat roofs. All roofing shall be approved, in advance, by the ARC;

(d) Any swimming pool to be constructed on any Lot shall be subject to the requirements of the ARC, which shall include, but not be limited to, the requirement that all swimming pools shall be permanent, in ground structures and screened from view from rights-of-way. No temporary or above ground pools shall be permitted;

(e) All driveways and parking areas shall have hard impervious, dustless surfaces, constructed of either concrete or other approved materials. Gravel and/or asphalt surfaces are not permitted. Driveways may connect to the street at only two (2) points and such connections shall provide continuity of the drainage valley curb and shall blend into the street pavement. No curbside parking areas may be created by extending any portions of street pavement. All driveways shall be approved in advance by the ARC;

(f) It is intended that BAY TREE be developed with recognition of natural and existing elements, and removal of trees and natural vegetation shall be limited to that which is reasonably necessary for construction. To that end, no clearing of any Lot shall occur prior to approval of the extent of such clearing by the ARC; and

Section 9.12 Setbacks. Minimum setback requirements shall be according to County Code for dwellings and any other improvements, including utility buildings, storage buildings, air conditioning pads, swimming pool heaters and water pumps.

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Section 9.13 Indemnification of ARC Actions. Neither the Developer, the directors or officers of the Association, the members of the ARC, nor any person acting on behalf of any of them, shall be liable for any costs or damages incurred by any Owner within BAY TREE or any other party whatsoever, due to any mistakes in judgment, negligence or any action of the ARC in connection with the approval or disapproval of plans and specifications. Each Owner and occupant of any property within BAY TREE agrees, as do their successors and assigns by acquiring title thereto or an interest therein, or by assuming possession thereof, that they shall not bring any action or suit against the Developer, the directors or officers of the Association, the members of the ARC, or their respective agents, in order to recover any damages caused by the actions of the ARC. The Association shall indemnify, defend and hold harmless the ARC and each of its members from all costs, expenses and liabilities, including attorneys' fees, of all nature resulting by virtue of the acts of the ARC or its members. Neither the Developer, the directors or officers of the Association, the members of the ARC, nor any person acting on behalf of any of them, shall be responsible for any defects in any plans or specifications, nor for any defects in any improvements constructed pursuant thereto. Each party submitting plans and specifications for approval shall be solely responsible for the sufficiency thereof and for the quality of construction performed pursuant thereto.

Section 9.14 Proviso. Notwithstanding anything to the contrary elsewhere in this Declaration, structures existing on the date of recordation of this Declaration shall be exempt from the restrictions of this Article.

**ARTICLE 10.
EASEMENTS**

Section 10.1 Easement Rights of Developer. Developer hereby reserves unto itself and its designees easements and/or use rights over, upon, across, under, and/or through BAY TREE, or any part thereof, without the need for any joinder or consent of the Association or any Owners, provided that said easements so reserved hereby shall not materially and permanently interfere with the use for which the Lots or Common Areas, or any portion thereof, are intended. If requested, the Association and the Owners shall join in, at any time, any documents deemed necessary by Developer to evidence said easements. It is understood that such easements may be used at Developer's (or Developer's designees') option for any and all purposes, including but not limited to, constructing, installing, using, maintaining, repairing, and/or replacing any and/or all improvements, structures and facilities deemed necessary by Developer to service and market lands within BAY TREE, and for constructing, installing, using, maintaining, repairing, and/or replacing electric, water, sewer, security, drainage, landscape preservation, irrigation, telephone, radio, cable, television, satellite master antenna television, cable distribution, and communications systems, lines, cables, pipes and accessories, all serving property

COPY

within or outside of BAY TREE. The Owners and the Association acknowledge and agree that traffic and general usage of portions of the BAY TREE may be temporarily interrupted from time to time and will take no action to impair Developer's rights hereunder.

Section 10.2 Easement for Association. The Association, for itself and its employees and agents, shall have a perpetual, non-exclusive easement for access to all portions of BAY TREE to the extent reasonably required for the performance of the duties of the Association as set forth in this Declaration.

Section 10.3 Easement Rights of Association. The Association shall have the power to grant to any person easements for any and all purposes over, upon, under, across and/or through the Common Areas, in its own name and without the joinder or approval of any Owner, provided that said easements so created shall not materially and permanently interfere with the uses for which the Common Areas or any portion thereof is intended.

Section 10.4 Easement Rights of Mortgagees. An easement is hereby granted to each mortgagee of a Lot(s) for the purpose of access to the property within BAY TREE subject to its mortgage.

Section 10.5 Utility Easements. Developer, for itself and its successors and assigns, shall have a perpetual, non-exclusive easement over, upon and under all portions of BAY TREE (except those portions upon which improvements have been constructed) for the installation, operation, maintenance, repair, replacement, alteration and extension of such utility and other systems as Developer shall deem appropriate to have located within BAY TREE. No Owner, other than Developer, shall be permitted to dig in or plant anything other than sod in any portion of BAY TREE over, upon or under which any utility easement has been granted by Developer or the Association as aforesaid. This restriction applies to all portions of BAY TREE covered by such utility easements. The Association, utility companies serving BAY TREE and their respective assigns are hereby granted access to all easements within which such underground facilities are located for the purpose of operation, maintenance and replacement thereof.

Section 10.6 Public Easement. Fire, police, health, medical, ambulance and other public service personnel and their vehicles shall have a perpetual, non-exclusive easement of ingress and egress over and across the Emergency Access Easement shown on the plat of BAY TREE for the performance of their respective duties.

Section 10.7 Drainage Easements Over Roads and Rights-of-Way. Developer reserves for itself, and grants to the Association, a perpetual easement for drainage purposes over those portions of platted roads and platted rights-of-way on BAY TREE which are necessary to connect and continue platted drainage easements on BAY TREE from one side of such road or right-of-way to the other side.

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Section 10.8 Landscape Easements. Developer, for itself and its successors and assigns, shall have a perpetual, non-exclusive easement over, upon and under all portions of BAY TREE designated as Landscape Easements or common areas, for the preservation of existing upland vegetation, including underbrush. No Owner shall be permitted to plant additional vegetation in such areas without approval of the ARC, nor shall any owner be allowed to irrigate into any such areas.

Section 10.9 Persons Bound; Beneficiaries. The easements set forth in this Article shall run with the land and shall be binding upon every Owner and every claimant of BAY TREE or any portion thereof or of any interest therein, and their respective heirs, personal representatives, successors and assigns and all persons claiming by, through or under such persons. Should the intended creation or reservation of any easement fail for any reason, then any such easement deemed not to be so created shall nevertheless be considered as having been granted directly to the Association for the purpose of allowing the original party or parties to whom the easements were originally granted or reserved the benefit of such easement, and the Owners designate the Developer and/or Association as their lawful attorneys-in-fact to execute any instrument on their behalf as may hereafter be required or deemed necessary for the purpose of creating or reserving such easement(s).

**ARTICLE 11.
GENERAL PROVISIONS**

Section 11.1 Indemnification of Directors, Officers and Members of ARC. Every director and officer and member of the ARC of the Association shall be indemnified by the Association against all expenses and liability, including attorneys' fees, incurred by or imposed upon him in connection with any proceeding 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 or member of the ARC, whether or not he is a director or officer or member of the ARC at the time such expenses are incurred, except in such cases where the director or officer or member of the ARC is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties; provided, however, that in the event of any claim for reimbursement or indemnification hereunder based upon a settlement by the director or officer or member of the ARC seeking such reimbursement or indemnification, the indemnification herein shall apply only if the Board of Directors 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 all other rights to which such officer or director or member of the ARC may be entitled.

Section 11.2 Duration and Modification. The covenants shall run with and bind the land subject hereto and shall remain in effect and inure to the benefit of and be enforceable by the Association or a member thereof, or the Owner of any land subject hereto or their respective legal representatives, heirs, successors and assigns, and may be changed, modified, amended, altered or terminated only by a duly recorded written

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OR BOOK 0805 PAGE 0563

instrument executed by the President and Secretary of the Association upon affirmative vote by (i) during the time there are two classes of members, by the Class B member, or (ii) after Class B membership terminated, by both a majority vote of the Board of Directors of the Association and a two-thirds (2/3) majority vote of all of the Class A members.

Section 11.3 Notices. Any notice required to be sent to any member or Owner under the provisions of this Declaration shall be deemed to have been properly sent when mailed, postpaid, to the last known address of the person who appears as member or Owner on the records of the Association at the time of such mailing.

Section 11.4 Enforcement. Enforcement of this Declaration shall be any proceeding at law or in equity against any person or persons violating or attempting to violate any covenant or restriction, either to restrain violation or to recover damages, and against the land to enforce any lien created by these covenants; and failure by the Association or any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

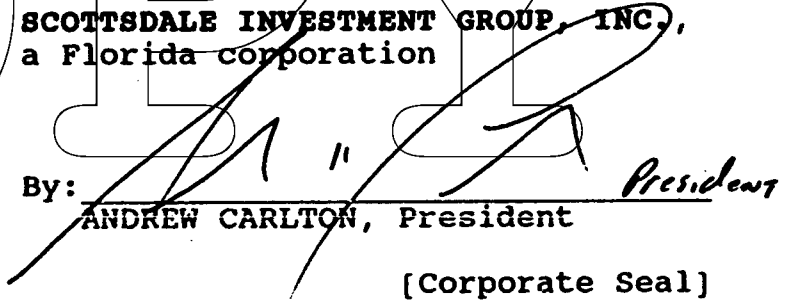
Section 11.5 Severability. Invalidation of any one of the Covenants or Restrictions in this Declaration by judgment or court order shall in no wise affect any other provision, which shall remain in full force and effect.

Section 11.6 Subdivision Use Restrictions. Subdivision use restrictions may be filed in connection with any plat of BAY TREE provided the same do not conflict with the provisions hereof.

Section 11.7 Effective Date. This Declaration shall become effective upon recordation of this Declaration in the public records of St. Lucie County, Florida.

IN WITNESS WHEREOF, Developer has caused this instrument to be executed on behalf of SCOTTSDALE INVESTMENT GROUP, INC., in its name by its undersigned, duly authorized officer, the day and year first above written.

SCOTTSDALE INVESTMENT GROUP, INC.,
a Florida corporation

By:  President
ANDREW CARLTON, President

[Corporate Seal]

COPY

STATE OF FLORIDA
COUNTY OF MARTIN

The foregoing instrument was acknowledged before me this 3rd day of August, 1992, by ANDREW CARLTON, as President of SCOTTSDALE INVESTMENT GROUP, INC., a Florida corporation, on behalf of the corporation. He is personally known to me or has produced Driver's license as identification and did take an oath.

Frank P. Skeltun
Notary Public, State of Florida
Commission No.
My Commission Expires:

NOTARY PUBLIC STATE OF FLORIDA
MY COMMISSION EXP OCT 31, 1993
BONDED THRU GENERAL INV. UND.

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OR BOOK 0805 PAGE 0564

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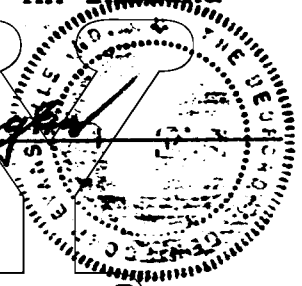
CONSENT AND JOINDER OF MORTGAGEE

BEDFORD-NUGENT CORP., An Indiana Corporation, (hereinafter called "Mortgagee"), the owner and holder of a mortgage from SCOTTSDALE INVESTMENT GROUP, INC., a Florida corporation, dated August ____, 1992, and recorded in Official Records Book ____, at Page ____, of the public records of St. Lucie County, Florida, does hereby consent to and join in the making of the foregoing Declaration of Covenants and Restrictions for BAY TREE, according to the plat thereof recorded in Plat Book 32, at Page 1, of the public records of St. Lucie County, Florida.

OR BOOK 0805 PAGE 0555

BEDFORD-NUGENT CORP., An Indiana Corporation

By: James L. Nugent Jr.



STATE OF FLORIDA
COUNTY OF MARTIN

The foregoing instrument was acknowledged before me this 3 day of August, 1992, by James L. Nugent Jr., as President of BEDFORD-NUGENT CORP., an Indiana corporation, on behalf of the corporation. He is personally known to me or has produced _____ as identification and did take an oath.

Frederick R. Foltz

Notary Public, State of ~~Florida~~ Indiana
Commission No. _____

My Commission Expires: 3-22-95

Res. of Vanderburgh Co. Ind
Frederick R. Foltz

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Start at the Northeast corner of Government Lot 2, Section 11, Township 37 South, Range 41 East; thence run South 00°05' West along the East line of said Lot 2 a distance of 604.44 feet to a concrete monument on the South line of lands formerly conveyed to W. I. Allen for the Point of Beginning; thence running along said South line, run North 89°35' West a distance of 993.91 feet; thence South 88°23' West a distance of 469.80 feet to the waters of the Indian River; thence meandering said waters, run South 02°57'03" West a distance of 308.85 feet to the Northwest corner of lands formerly conveyed to L. D. Jones; thence running along the North line of said L. D. Jones land, run North 88°29'15" East a distance of 834.93 feet; thence South 89°40'15" East a distance of 642.60 feet to said East line of Government Lot 2; thence in Government Lot 1 run South 89°35' East a distance of 133.61 feet to the Westerly right of way line of State Road A1A; thence run North 23°26'30" West along said right of way line a distance of 323.80 feet; thence run North 89°35' West a distance of 2.63 feet to the Point of Beginning; containing 10.66 acres, lying, being and situate in St. Lucie County, Florida.

COPY

EXHIBIT "A"

COPY

State of Florida



Department of State

OR BOOK 0805 PAGE 0567

I certify that the attached is a true and correct copy of the Articles of Incorporation of B.T. HOMEOWNER'S ASSOCIATION, INC., a corporation organized under the Laws of the State of Florida, filed on July 31, 1992, as shown by the records of this office.

The document number of this corporation is N50166.

COPY

Given under my hand and the Great Seal of the State of Florida, at Tallahassee, the Capital, this the 31st day of July, 1992.



CR2EO22 (2-01)

EXHIBIT B¹¹
PAGE 1 OF 8 PAGES

Jim Smith

Jim Smith
Secretary of State

COPY
ARTICLES OF INCORPORATION
OF
B.T. HOMEOWNER'S ASSOCIATION, INC.

FILED
92 JUL 31 PM 2:25
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

THE UNDERSIGNED hereby associate themselves for the purpose of forming a corporation not-for-profit under and pursuant to Chapter 617, Florida Statutes, and do certify as follows:

ARTICLE 1.
NAME

The name of this corporation is **B.T. HOMEOWNER'S ASSOCIATION, INC.** The corporation is hereinafter referred to herein as the "**Association**".

ARTICLE 2.
DEFINITIONS

All terms used herein are to have the same meaning as said terms have in the Declaration of Covenants and Restrictions for Bay Tree (hereinafter referred to as "**Declaration**"), and any subsequent amendments thereto, which are to be recorded in the Public Records of St. Lucie County, Florida.

ARTICLE 3.
PRINCIPAL OFFICE AND AGENT

The principal place of business and initial registered office of the Association is: 301 Indian Grove Drive, Stuart, Florida, 34994. The registered agent of the Association is: Andrew Carlton.

ARTICLE 4.
OBJECTS, PURPOSES AND POWERS

Section 4.1 This Association is a corporation not-for-profit organized for non-profitable purposes and activities and no part of its net earnings shall inure to the benefit of any private shareholder or Member of the Association.

Section 4.2 The objects and purposes for which this Association is organized are as follows:

(a) To establish, maintain, operate and provide all community services of every kind and nature for Bay Tree Subdivision, St. Lucie County, Florida, required or desired by its Members, including without limitation, those services and functions described in the Declaration.

(b) To provide for enforcement of the Declaration.

(c) To engage in such other activities as may be to the mutual benefit of the Members and the owners of lots in Bay Tree.

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(d) To make, levy and collect assessments and to expend the proceeds of such assessments and charges for the benefit of its Members.

(e) To contract with others to provide the services, benefits and advantages desired.

(f) To make, establish and enforce reasonable rules and regulations governing the use of the property owned by the Association.

(g) To maintain, repair, replace and operate the property owned by the Association.

(h) To contract for the management of the property owned by the Association and to delegate to such contractors all powers and duties of the Association.

(i) To employ personnel to perform the services authorized by these Articles.

(j) To purchase insurance upon the property owned by the Association for the protection of the Association and its Members.

(k) To reconstruct improvements constructed on its property after casualty or other loss.

(l) To dedicate all or any portion of the property owned by the Association or any interest therein to public use.

(m) To enforce by legal action the provisions of these Articles of Incorporation, the By-Laws of the Association, and the Declaration.

(n) To hold title to and maintain the private access easements and private drainage easements, if any, reflected on the recorded Plat of Bay Tree, and to hold title to all other property, real and personal, as the Association may acquire from time to time, and to sell, transfer or mortgage the same.

(o) To do all things necessary and proper to carry out and accomplish the above objects and purposes and of such other objects and purposes as are deemed necessary or proper by its Directors. The Association shall have all of the powers of a corporation not-for-profit organized and existing under the laws of the State of Florida, and all the powers reasonably necessary to implement its powers.

OR BOOK 0805 PAGE 0569

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**ARTICLE 5.
MEMBERS**

Section 5.1 The Members of this Association shall consist of Scottsdale Investment Group, Inc, a Florida Corporation, Bay Tree ASSOCIATES, INC., a Florida corporation, hereinafter referred to as the "Developer", and all owners of lots in B.T. HOMEOWNER'S ASSOCIATION, INC., but shall not include mortgagees or other holders of security interests only. The first Board of Directors named in these Articles of Incorporation shall also be Members of the Association until termination of the Class B membership as provided hereinafter.

Section 5.2 Membership of this Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to a lot.

Section 5.3 The Association shall have two classes of membership: Class A and Class B.

(a) Class A Members shall be all persons owning one or more lots.

(b) The Class B Member shall be the Developer.

Section 5.4 The Class B membership shall terminate when (i) the Class B Member so designates in writing delivered to the Association, (ii) ten (10) years from the date of the recording of the Declaration, or (iii) when the Developer shall have transferred all lots and all lots are owned by persons other than Developer, whichever shall first occur.

Section 5.5 Each lot shall have one vote. When more than one (1) person holds an ownership interest or interests in any lot, the vote for such lot shall be exercised as the owners of all such interests determine among themselves, but in no event shall more than one (1) vote be cast with respect to any lot. In the event of disagreement among such persons and an attempt by two (2) or more of them to cast the vote of a lot, such vote shall not be recognized and the lot shall not be counted for any purpose until the dispute is resolved.

Section 5.6 Until the Class B membership terminates, as provided herein, the Class B Member shall be vested with the sole voting rights in the Association, except on such matters as to which the Declaration, these Articles of Incorporation, or the By-Laws of the Association specifically require a vote of the Class A Members.

**ARTICLE 6.
TERM**

This Association shall exist perpetually.

COPY

ARTICLE 7.
BOARD OF DIRECTORS

The business and affairs of the Association shall be managed initially by a Board of Directors consisting of three (3) Directors. The Board of Directors shall be elected by the Members of the Association entitled to vote. Until termination of the Class B membership, the Directors shall be elected by the Class B Member only; thereafter, the Directors shall be elected by the Class A members. The names and addresses of the first Board of Directors who shall hold office until the first annual meeting and thereafter until their successors are elected and have qualified, are as follows:

COPY

- A.B. COOK 301 Indian Grove Drive
Stuart, Florida 34994
- ANDREW CARLTON 301 Indian Grove Drive
Stuart, Florida 34994
- W.H. MCESSY 301 Indian Grove Drive
Stuart, Florida 34994

ARTICLE 8.
OFFICERS

The officers of the Association shall consist of a President, one or more Vice Presidents, a Secretary and a Treasurer. The Officers of the Association shall be elected by the Board of Directors of the Association in accordance with the provisions of the By-Laws of the Association. Any two (2) or more offices may be held by the same person, except the offices of President and Secretary. Officers, except for the President and Secretary, need not be members of the Board of Directors. The initial officers are:

COPY

- Andrew Carlton President
- A.B. Cook Vice-President
- W.H. McEassy Secretary/Treasurer

ARTICLE 9.
INDEMNIFICATION

Every Director and every Officer of the Association shall be indemnified by the Association against all expenses and liabilities, including counsel fees reasonably incurred by or imposed upon him in connection with any proceeding 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, or any settlement thereof, whether or not he is a Director or Officer at the time such expenses 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

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herein shall apply only when the Board of Directors approves such settlement and reimbursement as being for the best interest of the Association. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such Director or Officer may be entitled.

**ARTICLE 10.
DISPOSITION OF ASSETS UPON DISSOLUTION**

No Member, Director or Officer of the Association or other private individual shall be entitled to share in the distribution of any of the corporate assets upon dissolution of the Association. Unless agreed to the contrary by seventy-five (75%) percent of each and every class of membership, upon dissolution of the Association, the assets of the Association shall be granted, conveyed and assigned to an appropriate public body, agency, or agencies, utility or utilities or any one or more of them or to any one or more non-profit corporations, associations, trusts or other organizations to be devoted to purposes as nearly as practicable the same as those to which they were required to be devoted by the Association. No disposition of the Association's assets shall be effective to divest or diminish any right or title of any member vested in him under recorded covenants and restrictions applicable to such assets unless made in accordance with the provisions of such covenants and restrictions.

**ARTICLE 11.
AMENDMENT OF ARTICLES**

These Articles may be amended by an affirmative vote of the Class B Member until such Membership shall terminate and thereafter by an affirmative vote of two-thirds (2/3) of the Class A Members of the Association entitled to vote.

**ARTICLE 12.
BY-LAWS**

The Association shall adopt By-Laws governing the conduct of the affairs of the Association. The By-Laws shall be altered, amended, or rescinded as provided in the By-Laws by the vote of the Class B Member until such Membership shall terminate and thereafter by the affirmative vote of two-thirds (2/3) of the Class A Members of the Association entitled to vote.

**ARTICLE 13.
SUBSCRIBING INCORPORATORS**

The names and addresses of the subscribing incorporators to these Articles of Incorporation are as follows:

A.B. COOK	301 Indian Grove Drive Stuart, Florida 34994
ANDREW CARLTON	301 Indian Grove Drive Stuart, Florida 34994

COPY

IN WITNESS WHEREOF, the subscribing incorporators have hereunto set their hands and seals and caused these Articles of Incorporation to be executed this 30th day of July, 1992.

Andrew Carlton

A.B. Cook

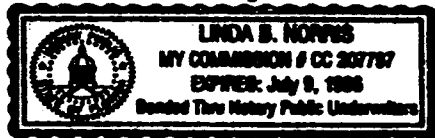
OR BOOK 0805 PAGE 0573

STATE OF FLORIDA
COUNTY OF MARTIN

The foregoing instrument was acknowledged before me this 30th day of July, 1992, by ANDREW CARLTON, who is personally known to me or who has produced N/A as identification and who did take an oath.

Linda B. Norris

Notary Public, State of Florida
Commission No.
My Commission Expires:

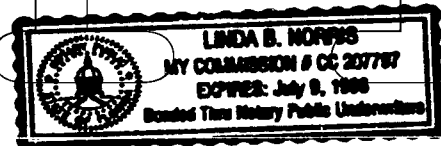


STATE OF FLORIDA
COUNTY OF MARTIN

The foregoing instrument was acknowledged before me this 30th day of July, 1992, by A. B. COOK, who is personally known to me or who has produced N/A as identification and who did take an oath.

Linda B. Norris

Notary Public, State of Florida
Commission No.
My Commission Expires:



COPY

ACKNOWLEDGMENT AND ACCEPTANCE OF REGISTERED AGENT

Having been named to accept service of process for the above-stated corporation, at place designated in this Certificate, I hereby accept to act in this capacity, and agree to comply with the provisions of said Act relative to keeping open said place.


Andrew Carlton

COPY

92 JUL 31 PM 2:25
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

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BY-LAWS
OF
B.T. HOMEOWNER'S OWNERS ASSOCIATION, INC.

OR BOOK 0805 PAGE 0575

ARTICLE 1.
IDENTITY

These are the By-Laws of B.T. HOMEOWNER'S OWNERS ASSOCIATION, INC., called "Association" in these By-Laws, a corporation not for profit under the laws of the State of Florida, the Articles of Incorporation of which were filed in the office of the Secretary of State on July 31, 1992. The Association has been organized for the purpose of operating the common areas of BAY TREE Subdivision, St. Lucie County, Florida, which shall be located upon the lands described in the Declaration of Covenants and Restrictions for Castle Hill, recorded or to be recorded in the Clerk's Office of the Circuit Court of St. Lucie County, Florida.

Section 1.1 Initial Office. The initial office the Association will be at 301 Indian Grove Drive, Stuart, Florida 34994.

Section 1.2 Fiscal Year. The fiscal year of the Association will be the calendar year.

Section 1.3 Corporate Seal. The seal of the association will bear the name of the Association, the word "Florida", and the words "Corporation not-for-profit" and the year of incorporation.

ARTICLE 2.
MEMBERS' MEETINGS

Section 2.1 Annual Meeting. The annual members' meeting will be held at 7:30 P.M., Eastern Standard Time, on the second Thursday in January of each year, or at such other date and/or time determined by the Board of Directors, for the purpose of electing directors and transacting any other business authorized to be transacted by the members; provided, however, if that day is legal holiday, the meeting will be held at the same hour on the next day that is not a holiday.

Section 2.2 Special Meetings. Special members' meetings will be held whenever called by the President or by a majority of the Board of Directors; and must be called by such officers upon receipt of a written request from members entitled to cast one-third of the votes of the entire membership.

Section 2.3 Notice. Notice of all members' meetings stating the time and place and the objects for which the meeting is called

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will be given by the President or Secretary unless waived in writing. Such notice will be in writing to each member at his address as it appears on the books of the Association and will be mailed not less than fourteen (14) days prior to the date of the meeting. Notice of a meeting may be waived before or after the meeting.

Section 2.4 Quorum. A quorum at members' meetings will consist of persons entitled to cast a majority of the votes of the entire membership. The acts approved by a majority of the votes present at a meeting at which a quorum is present will constitute the acts of the members, except when approval by a greater number of members is required by the Declaration of Covenants and Restrictions, the Articles of Incorporation or these By-Laws.

Section 2.5 Voting.

(a) The owner of each lot will be entitled to one vote, and if one owner owns more than one lot, he will be entitled to one vote for each lot owned; however, until the control of Developer, is terminated pursuant to ARTICLE 5 of the Declaration of Covenants and Restrictions for BAY TREE, only the Developer shall be entitled to vote.

(b) If a lot is owned by one person, his right to vote will be established by the record title to his lot. If a lot is owned by more than one person, or is under lease, the person entitled to cast the vote for the lot will be designated by a certificate signed by all of the record owners of the lot and filed with the Secretary of the Association. If a lot is owned by a corporation, the person entitled to cast the vote for the lot will be designated by a certificate signed by the President and attested by the Secretary of the corporation and filed with the Secretary of the Association. Such certificates will be valid until revoked or until superseded by a subsequent certificate or until a change in the ownership of the lot concerned. A certificate designating the person entitled to cast the vote of a lot may be revoked by any of the owners of a lot. If such a certificate is not on file, the vote of such owners will not be considered in determining the requirement for a quorum nor for any other purpose.

Section 2.6 Proxies. Votes may be cast in person or by proxy. A proxy may be made by any person entitled to vote and will be valid only for the particular meeting designated in the proxy and must be filed with the Secretary before the appointed time of the meeting or any adjournment of the meeting.

Section 2.7 Adjourned Meetings. If any meeting of members cannot be organized because a quorum has not been attained, the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present.

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Section 2.8 Order of Business. The order of business at annual members' meetings and as far as practical at other members' meetings, will be:

- (a) Election of chairman of the meeting
- (b) Calling of the roll and certifying of proxies
- (c) Proof of notice of meeting of waiver of notice
- (d) Reading and disposal of any unapproved minutes
- (e) Reports of Officers
- (f) Reports of committees
- (g) Election of Directors
- (h) Unfinished business
- (i) New business
- (j) Adjournment

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Section 2.9 Proviso. Provided, however, that until the Developer has completed all of the contemplated improvements and has closed the sales of all of the lots established by it upon said land (as anticipated) or until complete turnover of the Association has occurred pursuant to the Declaration of Covenants and Restrictions, the proceedings of all meetings of members of the Association will have no effect unless approved by the Board of Directors.

**ARTICLE 3.
DIRECTORS**

Section 3.1 Membership. The affairs of the Association will be managed by a board of three (3) directors.

Section 3.2 Election. Election of Directors will be conducted as follows:

(a) At the first annual meeting of members and at each annual meeting thereafter, the members shall elect directors to hold office until the next succeeding annual meeting of members. There shall be no cumulative voting.

(b) Except as to vacancies provided by removal of directors by members, vacancies in the Board of Directors occurring between annual meetings of members will be filled by the remaining directors.

(c) Any director may be recalled and removed from office with or without cause by the vote or agreement in

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writing by a majority of all members. The vacancy so created shall be filled by a majority vote of all members.

(d) Provided, however, that until the Developer has completed all of the contemplated improvements and has closed the sales of all of the lots established by it upon said land (as anticipated), or until complete turnover of the Association has occurred, the first Directors of the Association will serve; and in the event of vacancies the remaining Directors will fill such vacancies and if there are no remaining Directors the vacancies will be filled by the Developer.

Section 3.3 Term. The term of each director's service will extend until the next annual meeting of the members and subsequently until his successor is duly elected and qualified or until he is removed in the manner elsewhere provided.

Section 3.4 Organizational Meeting. The organizational meeting of each newly-elected Board of Directors will be held within ten (10) days of their elections at such place and time as shall be fixed by the directors at the meeting at which they were elected; and no further notice of such organizational meeting will be necessary.

Section 3.5 Regular Meetings. Regular meetings of the board of directors may be held at such time and place as will be determined, from time to time, by a majority of the directors. Notice of regular meetings will be given to each director personally or by mail, telephone or telegraph, at least three (3) days prior to the day named for such meeting.

Section 3.6 Special Meetings. Special meetings of the directors may be called by the President and must be called by the Secretary at the written request of one of the directors. Not less than three (3) days notice of the meeting will be given personally or by mail, telephone or telegraph, which notice will state the time, place and purpose of the meeting.

Section 3.7 Waiver of Notice. Any director may waive notice of a meeting before or after the meeting and such waiver will be deemed equivalent to the giving of notice.

Section 3.8 Quorum. A quorum at directors' meeting will consist of a majority of the entire Board of Directors. The acts approved by a majority of those present at a meeting at which a quorum is present will constitute the acts of the Board of Directors, except when approval by a greater number of directors is required by the Declaration of Covenants and Restrictions, the Articles of Incorporation or these By-Laws.

Section 3.9 Adjourned Meetings. If at any meeting of the Board of Directors there is 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 adjourned meeting any business

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that might have been transacted at the meeting as originally called may be transacted without further notice.

Section 3.10 Joinder in Meeting by Approval of Minutes. A Director may join by written concurrence in any action taken at a meeting of the Board of Directors, but such concurrence may not be used for the purpose of creating a quorum.

Section 3.11 Presiding Officer. The presiding officer of directors' meetings will be the Chairman of the Board of Directors if such an officer has been elected; and if none, the President will preside. In the absence of the presiding officer, the directors present will designate one of their number to preside.

Section 3.12 Order of Business. The order of business at directors' meetings will be:

- (a) Calling of roll
- (b) Proof of due notice of meeting
- (c) Reading and disposal of any unapproved Minutes
- (d) Reports of officers and committees
- (e) Election of officers
- (f) Unfinished business
- (g) New business
- (h) Adjournment

Section 3.13 Directors' Fees. Directors' fees may be paid, as determined from time to time by the Board of Directors.

ARTICLE 4.

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

All of the powers and duties of the Association will be exercised exclusively by the Board of Directors, its agents, contractors or employees, subject only to approval by lot owners when such is specifically herein or elsewhere required. The Board of Directors may contract to pay reasonable fees and salaries for services supplied to the Association.

ARTICLE 5. OFFICERS

Section 5.1 Executive Officers. The executive officers of the Association will be a President, who will be a director, a Vice-President, a Treasurer and a Secretary, all of whom will be elected annually by the Board of Directors and who may be peremptorily removed by vote of the directors at any meeting. Any person may hold two or more offices except that the President shall

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not also be the Secretary. The Board of Directors from time to time will elect such other officers and designate their powers and duties as the Board of Directors shall deem to be required to manage the affairs of the Association. Nothing contained in these By-Laws shall prohibit the Board of Directors, by majority vote, from combining the offices of Secretary and Treasurer into the office of Secretary/Treasurer.

Section 5.2 President. The President will be the chief executive officer of the Association. He will have all of the powers and duties usually vested in the office of the President of an association, including but not limited to the power to appoint committees from among the members from time to time as he, in his discretion, may determine appropriate to assist in the conduct of the affairs of the Association.

Section 5.3 Vice-President. The Vice-President shall exercise the powers and perform the duties of the President in the absence or disability of the President. He also shall assist the President and exercise such other powers and perform such other duties as shall be prescribed by the directors.

Section 5.4 Secretary. The Secretary will keep the minutes of all proceedings of the directors and the members. He will attend to the giving and serving of all notices to the members and directors and other notices required by law. He will keep the records of the Association, except those of the Treasurer, and will perform all other duties incident to the office of the Secretary of the Association and as may be required by the directors or the President.

Section 5.5 Treasurer. The Treasurer shall have custody of all property of the Association, including funds, securities and evidences of indebtedness. He shall keep books of account for the Association in accordance with good accounting practices, which, together with substantiating papers, shall be made available to the Board of Directors for examination at reasonable times. He shall submit a treasurer's report to the Board of Directors at reasonable intervals and shall perform all other duties incident to the office of Treasurer.

Section 5.6 Compensation. The compensation of all officers and employees of the Association shall be fixed by the directors. The provision that directors' fees shall be determined by members shall not preclude the Board of Directors from employing a director as an employee of the Association nor preclude the contracting with a director for the management of the common areas.

ARTICLE 6. FISCAL MANAGEMENT

Section 6.1 Accounts. The receipts and expenditures of the Association will be credited and charged to accounts under the following classifications, as shall be appropriate, all of which expenditures will be common expenses:

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(a) Current expense, which will include all receipts and expenditures within the year for which the budget is made including a reasonable allowance for contingencies and working funds, except expenditures chargeable to reserves, to additional improvements or to operations. The balance in this fund at the end of each year will be applied to reduce the assessments for current expense for the succeeding year.

(b) Reserve for deferred maintenance, which will include funds for maintenance items that occur less frequently than annually.

(c) Reserve for replacement, which will include funds for repair or replacement required because of damage, depreciation or obsolescence.

(d) Betterments, which will include the funds to be used for capital expenditures for additional improvements or additional personal property that will be part of the common elements.

Section 6.2 Budget. The Board of Directors will adopt a budget for each calendar year that will include the estimated funds required to defray the common expenses and to provide and maintain funds for the foregoing accounts and reserves according to good accounting practices as follows:

(a) Current expense.

(b) Deferred maintenance.

(c) Replacements.

(d) Betterments, which shall include the funds to be used for capital expenditures for additional improvements or additional personal property that will be part of the common elements.

Section 6.3 Assessments. Assessments against the lot owners, other than the Developer, for their shares of the items of the budget will be made for the calendar year annually in advance on or before December 20 preceding the year for which the assessments are made. Such assessments will be due in advance in equal quarterly installments on January 1, April 1, July 1, and October 1 of the year for which the assessments are made. If an annual assessment is not made as required, an assessment will be presumed to have been made in the amount of the last prior assessment and quarterly installments on such assessment will be due upon each installment payment date until changed by an amended assessment. In the event the annual assessment proves to be insufficient, the budget and assessments may be amended at any time by the Board of Directors. The unpaid assessment for the remaining portion of the calendar year for which the amended assessment is made will be due upon demand, or as of the date when the next quarterly payment shall be due.

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Section 6.4 Lien for Unpaid Assessments. The Association shall have a lien on each lot for any unpaid assessments with interest at the maximum legal rate allowed by law, plus reasonable attorneys' fees and court costs incurred by the Association incident to the collection of the assessment or enforcement of the lien. Liability for assessments, liens and priority thereof, interest, collection and enforcement shall be governed by and conducted in accordance with Section 718.116, Florida Statutes (1987), being the section of the Florida Condominium Act regarding assessments and collection thereof, as if the Association were a condominium association and the lots within Castle Hill were condominium units, and provisions of such Section 718.116 are incorporated by reference herein, as the same may be amended from time to time.

Section 6.5 Assessments for Emergencies. Assessments for common expenses of emergencies that cannot be paid from the annual assessments for common expenses will be made only after notice of the need for such is given to the lot owner concerned. After such notice and upon approval in writing by persons entitled to cast more than one-half of the votes of the lot owners concerned, the assessment will become effective, and it will be due after thirty (30) days' notice in such manner as the Board of Directors of the Association may require in the notice of assessment.

Section 6.6 Depository. The depository of the Association will be such bank or banks as shall be designated from time to time by the directors and in which the monies of the Association will be deposited. Withdrawal of monies from such accounts will be only by checks signed by such persons as are authorized by the directors.

**ARTICLE 7.
PARLIAMENTARY RULES**

Roberts' Rules of Order (latest edition) will govern the conduct of Association meetings when not in conflict with the Declaration of Covenants and Restrictions, Articles of Incorporation or these By-Laws.

**ARTICLE 8.
AMENDMENTS**

Except as elsewhere provided otherwise these By-Laws may be amended in the following manner:

Section 8.1 Notice. Notice of the subject matter of a proposed amendment will be included in the notice of any meeting at which a proposed amendment is considered.

Section 8.2 Proposal of Amendment. A resolution adopting a proposed amendment may be proposed by either the Board of Directors of the Association or by the members of the Association. Directors and members not present in person or by proxy at the meeting considering the amendment may express their approval in writing, providing such approval is delivered to the Secretary at or prior

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to the meeting. Except as elsewhere provided, such approval must be either by:

(a) Not less than a majority of the entire membership of the Board of Directors and by not less than two-thirds (2/3) of the votes of the entire membership of the Association; or

(b) By not less than three-quarters (3/4) of the votes of the entire membership of the Association; or

(c) Until the first election of Directors, only by all of the directors.

Section 8.3 Proviso. Provided, however, that no amendment will discriminate against any member, unless the member so affected shall consent; and no amendment will impair the validity or priority of any mortgage covering any lot.

The foregoing were adopted as the By-Laws of B.T. HOMEOWNER'S OWNERS ASSOCIATION, INC., a corporation not for profit organized under the laws of the state of Florida, at the first meeting of the Board of Directors held on the 3rd day of August, 1992.

B.T. HOMEOWNER'S OWNERS ASSOCIATION, INC., A Florida Not-For-Profit Corporation

By: 
Its President

[Corporate Seal]

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