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**CERTIFICATE OF RECORDING
AMENDED AND RESTATED COMMUNITY CHARTER FOR TRADITION AND
AMENDED AND RESTATED ARTICLES OF INCORPORATION AND
AMENDED AND RESTATED BY-LAWS OF
TRADITION COMMUNITY ASSOCIATION, INC.**

THIS CERTIFICATE OF RECORDING AMENDED AND RESTATED COMMUNITY CHARTER FOR TRADITION AND AMENDED AND RESTATED ARTICLES OF INCORPORATION AND AMENDED AND RESTATED BY-LAWS OF TRADITION COMMUNITY ASSOCIATION, INC. (this "Certificate") is made this 19th day of February, 2019 by MATTAMY PALM BEACH LLC, a Delaware limited liability company (the "Founder"), joined in by TRADITION COMMUNITY ASSOCIATION, INC., a Florida not-for-profit corporation (the "Association").

WHEREAS, the Community Charter for Tradition was recorded in the Official Records of St. Lucie County, Florida in Official Records Book 1700, Page 868, as amended and supplemented from time to time (the "Charter"); and

WHEREAS, the By-Laws of Tradition Community Association, Inc. were recorded in the Official Records of St. Lucie County, Florida as Exhibit "D" to the Charter (the "By-Laws"); and

WHEREAS, the Articles of Incorporation of Tradition Community Association, Inc. were recorded in the Official Records of St. Lucie County, Florida as Exhibit "E" to the Charter (the "Articles"); and

WHEREAS, pursuant to Section 21.2 of the Charter, Section 10.6(a) of the By-Laws, and Article 13 of the Articles, the Founder has the right to unilaterally amend the Charter, the By-Laws, and the Articles for any purpose until termination of the "Founder Control Period" (as such term is defined in the Charter), which Founder Control Period has not yet terminated; and

WHEREAS, the Founder desires to amend and restate the Charter, the By-Laws, and the Articles, in their entirety, as set out in the Amended and Restated Community Charter for Tradition (the "Amended and Restated Charter"), the Amended and Restated By-Laws of Tradition Community Association, Inc. (the "Amended and Restated By-

Laws"), and the Amended and Restated Articles of Incorporation (the "Amended and Restated Articles"), as further set forth herein.

NOW, THEREFORE, the Founder, with the joinder and consent of the Association, does hereby state and declare:

1. **Recitals**. The foregoing recitations are true and correct and incorporated herein by reference.
2. **Amended and Restated Charter**. The Charter is hereby amended and restated in its entirety as set forth in the Amended and Restated Charter attached hereto as Exhibit "A" and incorporated as if fully set forth herein.
3. **Amended and Restated By-Laws**. The By-Laws are hereby amended and restated in their entirety as set forth in the Amended and Restated By-Laws attached to the Amended and Restated Charter as Exhibit "D" and incorporated as if fully set forth herein
4. **Amended and Restated Articles**. The Articles are hereby amended and restated in their entirety as set forth in the Amended and Restated Articles attached to the Amended and Restated Charter as Exhibit "E" and incorporated as if fully set forth herein

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[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Founder, joined by the Association, has executed this Certificate on the date first written above:

WITNESSES

[Signature]
Signature

Gregory J. Patta
Print Name

[Signature]
Signature

Trisha Ruiz
Print Name

FOUNDER

MATTAMY PALM BEACH LLC,
a Delaware limited liability company

By: [Signature]

Its: Division Vice President

Print Name: ANTHONY J. PALUMBO

[CORPORATE SEAL]

STATE OF FLORIDA)
COUNTY OF Palm Beach) ss:

The foregoing instrument was acknowledged before me this 19th day of February, 2019, by Anthony Palumbo as President of MATTAMY PALM BEACH LLC, a Delaware limited liability company, who is personally known to me, or has produced _____ as identification and did not take an oath.

[Signature]

Notary Public, State of Florida

Trisha Ruiz

Print Name

My commission expires:



**JOINDER AND CONSENT OF
TRADITION COMMUNITY ASSOCIATION, INC.
TO AMENDED AND RESTATED COMMUNITY CHARTER FOR TRADITION AND
AMENDED AND RESTATED ARTICLES OF INCORPORATION AND
AMENDED AND RESTATED BY-LAWS OF
TRADITION COMMUNITY ASSOCIATION, INC.**

Tradition Community Association, Inc., a Florida not-for-profit corporation, hereby consents to and joins the Amended and Restated Community Charter for Tradition, the Amended and Restated Articles of Incorporation of Tradition Community Association, Inc., and the Amended and Restated By-Laws of Tradition Community Association, Inc. on the date set forth below.

WITNESSES

[Signature]
Signature
Gregory J. Pettibone
Print Name
[Signature]
Signature
Trisha Ruiz
Print Name

ASSOCIATION

TRADITION COMMUNITY ASSOCIATION, INC., a Florida not-for-profit corporation
By: *[Signature]*
Its: PRESIDENT
Print Name: Anthony Palumbo
Date: February 19, 2019
[CORPORATE SEAL]

STATE OF FLORIDA)
) ss:
COUNTY OF Palm Beach

The foregoing instrument was acknowledged before me this 19th day of February, 2019, by Anthony Palumbo, as President of **TRADITION COMMUNITY ASSOCIATION, INC.**, a Florida not-for-profit corporation, who is personally known to me, or has produced _____ as identification and did take an oath.

[Signature]
Notary Public, State of Florida
Trisha Ruiz
Print Name

My commission expires:



AMENDED AND RESTATED

COMMUNITY CHARTER

FOR

TRADITION

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**AMENDED AND RESTATED
COMMUNITY CHARTER
FOR
TRADITION**

PREAMBLE

On April 25, 2003, the original Community Charter for Tradition ("**Original Charter**") was recorded in the Official Records of Saint Lucie County, Florida in Official Records Book 1700, Page 868, established a governance structure and a flexible system of standards and procedures for the development, expansion, administration, maintenance, and preservation of Tradition as a master planned community. As an integral part of the development plan, the Tradition Community Association, Inc., a not-for-profit corporation, was formed to own, operate and/or maintain various common areas and community improvements and to administer and enforce the Original Charter and the other Governing Documents referenced in this Charter.

The Original Charter, as previously amended, is hereby further amended and restated in this Amended and Restated Community Charter for Tradition (this "**Charter**"). All "Supplements" (as such term is hereinafter defined) previously recorded in the Official Records of Saint Lucie County, Florida before the recording of this Charter, meaning all Supplements recorded against the Original Charter, remain in full force and effect as to adding or removing real property subjected to this Charter. For reference purposes only, such Supplements include, but are not limited to, those Supplements identified by official record book and page numbers set forth in Exhibit "F", attached hereto and incorporated as if fully set forth herein, and shall remain in full force and effect as if re-recorded with this Charter. Any recorded Supplement shall remain in full force and effect without regard to inclusion in Exhibit "F". It being the intent of the "Founder" (as such term is hereinafter defined) and the "Association" (as such term is hereinafter defined) that such Supplements continue to commit the real property described in such Supplements to the provisions of this Charter, as if specifically re-recorded herein. Similarly, in the event any real property was withdrawn from the provisions of the Original Charter, such withdrawal shall continue to be in full force and effect. It is not the intent of this Charter to alter, add, delete, or otherwise modify the real property that is subjected to both the Original Charter and this Charter, such real property being one and the same. In order to determine the real property that is subjected to this Charter, the legal descriptions as set out in the Original Charter, as supplemented from time to time, along with any and all Supplements recorded after the date of recordation of this Charter must be

examined and together all of which shall comprise the complete real property subjected to this Charter. Except as otherwise set out herein, the exhibits to the Original Charter, as recorded and as may have been amended and/or supplemented prior to the recordation of this Charter, including but not limited to Exhibit "A", the legal description of the "Land Initially Submitted"; Exhibit "B", the legal description of the "Expansion Property"; Exhibit "C", the "Initial Rules"; shall remain in full force and effect and are incorporated as if specifically re-recorded herein. The Amended and Restated By-Laws of Tradition Community Association, Inc. are attached hereto and incorporated herein as Exhibit "D". The Amended and Restated Articles of Incorporation of Tradition Community Association, Inc. are attached hereto and incorporated herein as Exhibit "E".

DECLARATION OF COVENANT

Mattamy Palm Beach LLC, a Delaware limited liability company authorized to do business in Florida, by executing and recording this Charter, declares that the property described in Exhibit "A" and any additional property made subject to this Charter in the future by amendment or supplement, shall constitute the "**Community**" of Tradition referred to in this Charter. This Charter shall run with the title to such property, shall govern the development and use of such property, and shall be binding upon Mattamy Palm Beach LLC, its successors and assigns (the "**Founder**"), and sometimes otherwise known as the Declarant) and the future owners of any portion of the Community, their respective heirs, successors, successors-in-title, and assigns, and any other person or entity that now or hereafter has any legal, equitable, or beneficial interest in any portion of the Community. This Charter shall also be binding upon Tradition Community Association, Inc., its successors and assigns (the "**Association**").

PART ONE: INTRODUCTION TO THE COMMUNITY

Chapter 1

Governing Documents

A community is guided and governed by certain principles that each owner and resident, by choosing to own property or reside in the community, agree to uphold. Those principles are set forth in the community's governing documents, which serve as a tie that binds the community together, give it structure, and provide guidance to all who participate in its growth and evolution.

1.1. Scope and Applicability

The Community has been established and is administered pursuant to various documents that have a legal and binding effect on all owners and occupants of property in the Community, as well as on anyone else that may now or in the future have an interest in any portion of the property comprising the Community. Such documents, referred to in this Charter as the "**Governing Documents**," include this Charter and the other documents described in Table 1.1, as they may be amended. Except as otherwise provided in the Governing Documents, all owners and occupants, as well as their tenants, guests, and invitees, are required to comply with the Governing Documents, as they may be amended from time to time.

1.2. Additional Covenants

The owner of any property within the Community may impose additional covenants on its property with such approval as may be required pursuant to Section 18.5. If the provisions of any such additional covenants are more restrictive than the provisions of this Charter, the more restrictive provisions control. The Association and the Founder shall have standing and the power, but not the obligation, to enforce any such additional covenants.

Governing Documents

| GOVERNING DOCUMENTS | |
|--|---|
| Community Charter: (recorded) | this Amended and Restated Community Charter for Tradition, which creates obligations that are binding upon the Association and all present and future owners of property in Tradition |
| Supplement: (recorded) | a recorded Supplement to this Charter, which may submit additional property to this Charter, create easements over the property described in the Supplement, impose additional obligations or restrictions on such property, designate special areas as described in Chapter 3, or any of the foregoing |
| Articles of Incorporation: (filed with Secretary of State and attached as Exhibit "E") | the Amended and Restated Articles of Incorporation of Tradition Community Association, Inc., as amended from time to time, which establish the Association as a not-for-profit corporation under Florida law |
| By-Laws: (attached as Exhibit "D") | the Amended and Restated By-Laws of Tradition Community Association, Inc., as amended from time to time, which govern the Association's internal affairs, such as voting, elections, meetings, etc. A copy of the By-Laws is attached as Exhibit "D" |
| Design Guidelines: (Founder adopts) | the design standards and architectural and aesthetics guidelines adopted pursuant to Chapter 5, as they may be amended, which govern new construction and modifications to property in Tradition, including structures, landscaping, and other items, constructed or installed by anyone other than the Founder |
| Rules: (initial set attached as Exhibit "C") | the rules of the Association adopted pursuant to Chapter 7, as same may be amended, which regulate use of property, activities, and conduct within Tradition |
| Board Resolutions: (Board adopts) | the resolutions which the Board adopts to establish rules, policies, and procedures for internal governance and Association activities and to regulate the operation and use of property which the Association owns or controls |

Table 1.1 - Governing Documents

1.3. Conflicts

If there are conflicts between any of the Governing Documents and Florida law, Florida law shall control. If there are conflicts between or among any of the Governing Documents, then the Charter, the Articles, and the By-Laws (in that order) shall control. If there is a conflict between the Governing Documents and any additional covenants recorded on any property within the Community (or the rules or policies adopted pursuant to any such additional covenants), the Governing Documents shall control.

The Governing Documents use diagrams, tables, and keynotes (text set apart in boxes with

"key" icons) to illustrate concepts and assist the reader. If there is a conflict between any diagram and the text of the Governing Documents, the text shall control.

Space has been set aside throughout this Charter to allow the reader to make notes. Any such notes are not part of this Charter and have no legal or binding effect.

If any court determines that any provision of this Charter is invalid, or invalid as applied in a particular instance, such determination shall not affect the validity of other provisions or applications of such provision in other instances.

Governing Documents

1.4. Definitions

Capitalized terms used in the Governing Documents have the meaning described in the paragraph where they first appear in bold print. An index to defined terms may be found at the end of this Charter. All other terms used in the Governing Documents have their natural, commonly accepted definitions.

1.5. Interpretation of Certain References

Consent or Approval. All references in the Governing Documents to "**consent**" or "**approval**" shall refer to permission or approval, which unless otherwise expressly qualified in the specific provision, may be granted or withheld in the discretion of the Person whose consent or approval is required.

Discretion and Determination. All references in the Governing Documents to "**discretion**" or to the right to "determine" any matter shall refer to the sole and absolute power or right to decide or act. Unless otherwise expressly limited in the Governing Documents or by law, any one authorized in the Governing Documents to exercise its discretion or make a determination may do so without regard to the reasonableness of, and without the necessity of justifying, the decision, determination, action, or inaction.

Person. References in the Governing Documents to a "**Person**" or "**Persons**" shall refer to an individual, a corporation, a partnership, a limited liability company, or any other legal entity.

Recording. All references in the Governing Documents to a "**recorded**" legal instrument, or to recordation or the recording of a legal instrument, shall refer to an instrument filed or the filing of a legal instrument in the official public records of St. Lucie County, or such other place designated as the official location for filing documents affecting title to real estate in St. Lucie County in order to make them a matter of public record.

Community-Wide Standard. Where the Governing Documents require compliance with the "**Community-Wide Standard**," the standard to be applied is the highest of: (a) the standard of use, conduct, architecture, landscaping, or aesthetic matters generally prevailing in the Community, or (b) the minimum standards described in this Charter, the Design Guidelines, the Rules, and Board resolutions. The Community-Wide Standard may contain objective elements, such as specific maintenance requirements, and subjective elements, such as matters subject to the discretion of the Board or the Reviewer (as defined in Chapter 5). The Community-Wide Standard may or may not be set out in writing. The Founder initially shall establish such standard; however, the Community-Wide Standard may evolve as development progresses and as Tradition matures.

Maintenance. All references in this Charter to "**maintenance**" shall refer to maintenance, repair, and replacement.

NOTES

Chapter 2

Community Administration

Vibrant communities depend upon all of their stakeholders working together to uphold community standards and achieve the vision and goals for the community. The Founder, the Association, the owners, the builders, and others have a role in the functioning of the community and in helping to fulfill that vision. This chapter identifies these stakeholders and describes their roles in administering the Community.

2.1. The Founder

The Founder has established the vision for the Community and, through the Governing Documents, has set forth the founding principles that will guide the Community during the initial period of development and sale and thereafter. The Founder's proposed plan for development of the Community is presently described in the land use plan(s) for Tradition as it may be supplemented and amended from time to time, which encompasses all of the property described in Exhibit "A" and all or a portion of the property described in Exhibit "B" (the "Master Plan"). However, the Founder reserves the right, in its sole discretion, to make changes in the Master Plan and is not obligated to submit property shown on the Master Plan to this Charter. In addition, the Founder may, in its sole discretion, submit property to this Charter that is not shown on the Master Plan. No representation is made that Tradition will be developed as shown on the Master Plan.

The Founder has reserved various rights in the Governing Documents with respect to development and administration of the Community. The Founder may exercise certain of these rights throughout the "Development and Sale Period," which is the period of time during which the Founder or any "Founder Affiliate" owns real property in the Community or has an unexpired option to expand the Community pursuant to

Chapter 17. A "Founder Affiliate" is any Person that controls, is controlled by, or is under common control with the Founder, and any Person that is an owner, a member, a partner, or a shareholder of the Founder.

The Founder has reserved other rights that may be exercised only during the "Founder Control Period," which is the period of time that the Founder is entitled to appoint a majority of the members of the Association's board of directors ("Board"). The Founder Control Period begins on the date of the Association's incorporation and terminates upon the first of the following to occur:

- (a) when 90% of the total number of Units permitted by applicable zoning existing from time to time for the property described in the Master Plan, have been conveyed to persons other than builders holding title for purposes of construction and resale and the Founder no longer has an option to expand the Community pursuant to Section 17.1;
- (b) December 31, 2060; or
- (c) when, in its discretion, the Founder so determines and declares in a recorded instrument.

The Founder has certain approval rights for a limited period as provided in the By-Laws after the termination of the Founder Control Period.

Whenever the Founder's approval, consent or other authorization is required under the Governing Documents, such approval, consent or authorization shall not be effective against the Founder unless such approval, consent or authorization is in writing.

Community Administration

The Founder may assign in writing (in whole or in part) its status and rights as the Founder under the Governing Documents to any person who takes title to any portion of the property described in Exhibit "A" or "B" for the purpose of development and/or sale. Such assignment shall be made only in a recorded instrument signed by both parties.

2.2. The Association

The Founder has established the Association as the primary entity responsible for administering Tradition in accordance with the Governing Documents. On most matters, the Association acts through the Board. However, in some instances the Governing Documents or applicable law limit the Board's ability to act without the approval of the Association's members or Founder. Unless the Governing Documents or Florida law specifically provide otherwise, the Board may exercise the Association's rights and powers without a vote of the membership.

2.3. The Board

The Association may exercise all rights and powers which the Governing Documents and Florida law expressly grant to it, as well as any rights and powers that may reasonably be implied under the Governing Documents. It may also take any action reasonably necessary to effectuate any such right or privilege.

The Board may institute, defend, settle, or intervene on behalf of the Association in mediation, binding or non-binding arbitration, litigation, or administrative proceedings in matters pertaining to the Area of Common Responsibility, as defined in Section 3.1, enforcement of the Governing Documents, or any other civil claim or action. However, the Board has no legal duty to institute litigation or any other proceeding on behalf of or in the name of the Association or its members.

In exercising the Association's rights and powers, making decisions on the Association's behalf

(including, without limitation, deciding whether to file a lawsuit or take other legal action under any circumstances) and conducting the Association's affairs, Board members and the Association's officers are required to comply with, and shall be judged by, the standards set forth in the By-Laws.

2.4. The Owners

Each Person that holds record title to a Unit, as defined in Section 3.1, is referred to in the Governing Documents as an "Owner." However, a Person who holds title merely as security for the performance of an obligation (such as a lender holding a mortgage or similar security instrument) is not considered an "Owner." If a Unit is sold under a recorded contract of sale, and the contract specifically so states, the purchaser (rather than the holder of fee simple title) will be considered the Owner. If a Unit has more than one Owner, all Co-Owners are jointly and severally obligated to perform the responsibilities of the Owner under the Governing Documents.

Every Owner has a responsibility to comply with the Governing Documents and uphold the community standards described in Part Two of this Charter.

2.5. Builders

Much of the responsibility and credit for helping to create Tradition rests with the "Builders" -- those Persons who purchase one or more unimproved lots or parcels of land within Tradition for further subdivision or development and resale in the ordinary course of their business. Except as otherwise set forth in the Governing Documents or unless otherwise agreed upon in writing between the Builder and the Founder at the time of the Builder's acquisition of land within Tradition, the Builders have the same privileges and responsibilities as Owners during the time that they own property in Tradition for development, construction, and/or resale, including the privileges of membership in the Association for each Unit that they own. In addition, the Founder may extend

Community Administration

any of the rights it has reserved under the Governing Documents with respect to development, marketing, and sale of property in the Community to such Builders as it may designate.

2.6. Neighborhood Associations

Portions of the Community may be developed under a condominium form of ownership or may have special requirements that lead the Builder to establish a separate condominium or homeowners association to administer additional covenants applicable to that particular area ("**Neighborhood Association**"). In addition, a Builder may also desire to form Sub-Neighborhood Associations within a given Neighborhood Association. However, nothing in this Charter requires the creation of a Neighborhood Association or a Sub-Neighborhood Association, and the jurisdiction of any Neighborhood Association shall be subordinate to that of the Association.

Any Neighborhood Association shall be responsible for administering the additional covenants applicable to the property within its jurisdiction and for maintaining, in accordance with the Community-Wide Standard, any property which it owns or which its covenants designate as being for the common benefit of its members. Any Neighborhood Association shall also be responsible for payment to the Association of the full amount of any and all Base Assessments, Service Area Assessments and Special Assessments levied by the Association pursuant to Chapter 12, on Units within the Neighborhood Association, and for enforcement of obligations for payment of Assessments levied by the Association on Units within the Neighborhood Association.

(a) Based upon the obligations of the Neighborhood Association(s) as set forth in this Charter, and more specifically and without limitation in this Section 2.6 and Chapter 12, each Neighborhood Association shall provide a copy of their Neighborhood Association budget and any amendment(s) as may be adopted, as applicable, to the Association.

In addition, each Neighborhood Association shall provide such other financial records and documentation, as may be reasonably requested in writing by the Association within ten (10) days of receipt of such request, that are deemed reasonably necessary for the operation of the Association.

2.7. Mortgagees

If a Unit is made subject to a mortgage or other form of security instrument affecting title to a Unit ("**Mortgage**"), then the holder or beneficiary of that Mortgage ("**Mortgagee**") also has an interest in the administration of the Community. The Governing Documents contain various provisions for the protection of Mortgagees, including those set forth in Chapter 16.

2.8. Community Development Districts

The property within Tradition will be subject to the jurisdiction of one or more community development districts. A community development district ("**Community Development District**") is a special taxing district established pursuant to Florida Statutes Chapter 190, that may issue bonds to provide financing for roads, sewer and stormwater management facilities, and other infrastructure and improvements made by the district for the benefit of the property within the district. A COMMUNITY DEVELOPMENT DISTRICT MAY IMPOSE AND LEVY TAXES OR ASSESSMENTS, OR BOTH TAXES AND ASSESSMENTS, ON THE PROPERTY WITHIN ITS JURISDICTION. THESE TAXES AND ASSESSMENTS PAY THE CONSTRUCTION, OPERATION, AND MAINTENANCE COSTS OF CERTAIN PUBLIC FACILITIES AND SERVICES OF THE DISTRICT AND ARE SET ANNUALLY BY THE GOVERNING BOARD OF THE DISTRICT. THESE TAXES AND ASSESSMENTS ARE IN ADDITION TO COUNTY AND OTHER LOCAL GOVERNMENTAL TAXES AND ASSESSMENTS, ASSESSMENTS LEVIED BY THE ASSOCIATION AND ANY

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NEIGHBORHOOD ASSOCIATION, AND ALL OTHER TAXES AND ASSESSMENTS PROVIDED FOR BY LAW. IF NOT PAID, SUCH TAXES WILL CONSTITUTE A LIEN ON THE PROPERTY AGAINST WHICH THEY ARE ASSESSED AND SUCH LIEN MAY BE FORECLOSED IN THE MANNER PROVIDED BY FLORIDA LAW.

NOTES

Chapter 3

Community Structure and Organization

The Community consists of parcels of property, referred to as Units, which are intended for the exclusive use of the Owner and other occupants of such Unit and their guests and invitees, as well as property that is intended for common use. Units are grouped into Neighborhoods and Election Districts to facilitate voting on Association matters. Units may be assigned to Service Areas to permit the Association to provide special services and benefits to particular areas of the Community.

3.1. Designations of Properties Comprising the Community

Units. The Governing Documents refer to the homes and home sites and to parcels conveyed for the purpose of creating homes or home sites in Tradition as "**Units**." A Unit is a lot or parcel in Tradition or a separate condominium unit identified in a recorded declaration of condominium, which may be independently owned and conveyed and is zoned or otherwise intended for development, use, and occupancy as a residence for a single family. The term "Unit" refers to the land, if any, which is part of the Unit, as well as to any structures or other improvements on the Unit. In addition, a parcel of land conveyed by the Founder for further subdivision and development into one or more Units is considered a single Unit until a subdivision plat, survey, or condominium instrument is recorded subdividing it into more than one Unit, unless Founder, at the time of conveyance of such a parcel to a Builder, designates such parcel by Supplement for a maximum number of Units. In that event, the parcel shall be considered as containing the maximum number of Units so designated until one or more subdivision plats or declarations of condominium are recorded for the entire parcel.

Common Area. Any property and facilities that the Association owns or in which it otherwise holds possessory or use rights for the common use

or benefit of more than one Unit is referred to as "**Common Area**." Unless otherwise proposed in a Supplement or set forth at the time the property is conveyed or dedicated to the Association, all property dedicated or conveyed to the Association will be Common Area. The Common Area also includes any property that the Association holds under a lease and any easements in favor of the Association.

Limited Common Area. Certain portions of the Common Area may be designated as "**Limited Common Area**" and assigned for the exclusive use or primary benefit of two or more Units in specified portions of the Community. Limited Common Areas might include such things as entry features, recreational facilities, lakes, and landscaped medians and cul-de-sacs, among other things.

The Founder may designate property as Limited Common Area and assign it to particular Units on the recorded plat depicting such property, in the deed conveying such property to the Association, or in the Supplement by which the property is submitted to the terms of this Charter. At any time during the Development and Sale Period, the Founder may assign use of the same Limited Common Area to additional Units.

Shared Common Area. Certain portions of the Common Area may be designated as "**Shared Common Area**" and assigned for the benefit of both residential and non-residential portions of Tradition. Shared Common Areas might include, for example, landscaping along portions of certain roadways and certain parks.

The Founder may, in its sole discretion, designate at any time (even if previously made a Common Area or conveyed to the Association) certain property and/or facilities as Shared Common Area

Community Structure and Organization

on the plat depicting such property, in the deed conveying such property, or in the Supplement.

Area of Common Responsibility. All of the properties and facilities for which the Association has responsibility under the Governing Documents, or for which the Association otherwise agrees to assume responsibility, are collectively referred to in the Governing Documents as the "**Area of Common Responsibility**," regardless of who owns them. The Area of Common Responsibility includes all of the Common Area, the Shared Common Area and may also include Units or portions of Units and property dedicated to the public, such as public rights-of-way. The initial Area of Common Responsibility is described in Chapter 9.

Neighborhood Common Area. Some areas within Tradition may be subject to the jurisdiction of a Neighborhood Association as described in Section 2.6. Any private streets, entry gates, recreational facilities, or other property which a Neighborhood Association owns for the common use and benefit of two or more Units within its jurisdiction is referred to in this Charter as "**Neighborhood Common Area**."

3.2. Neighborhoods

Units are grouped into "**Neighborhoods**" to facilitate a system of representative voting on matters as to which the Governing Documents require approval of the Association's membership. A Neighborhood may be comprised of any number of Units and may include Units of more than one housing type, as well as Units that are not contiguous to one another. Each Neighborhood will elect one "Voting Delegate" to cast the votes allocated to Units in that Neighborhood on matters requiring a vote of the Owners, as described in Chapter 4.

The Founder initially will assign Units to a specific Neighborhood (by name or other identifying designation) either in Exhibit "A" or in a Supplement. During the Development and Sale Period, the Founder may unilaterally record a Supplement, or an amendment to this Charter or any previously recorded Supplement, to designate or change Neighborhood boundaries. Thereafter, the Board may amend this Charter or any Supplement to re-designate Neighborhood boundaries; however, the Board may not combine two or more existing Neighborhoods without the consent of Owners of a majority of the Units in the affected Neighborhoods.

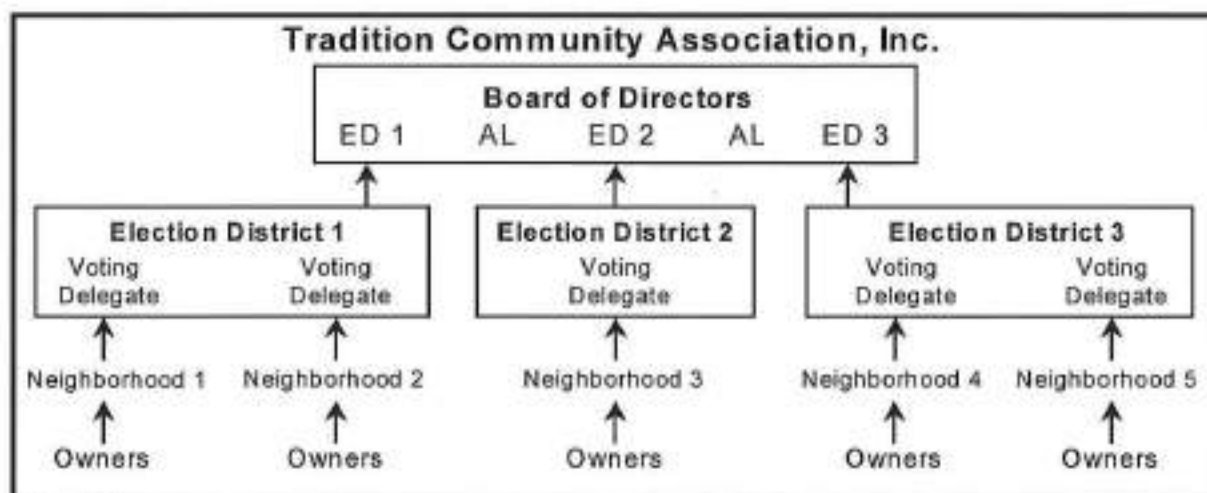


Diagram 3.1

Community Structure and Organization

3.3. Election Districts

The Founder or the Board may designate "Election Districts," consisting of the Units within one or more Neighborhoods, for the purpose of electing directors to the Board. The By-Laws set forth the method of establishing Election Districts. The number of Election Districts shall not exceed the total number of directors on the Board. The purpose of Election Districts is to provide for representation on the Board by groups with potentially dissimilar interests and to avoid a situation in which particular groups are able to elect the entire Board due to the number of votes they represent.

Diagram 3.1 illustrates the Association's organizational structure and the manner in which each Election District will elect representatives to the Board after the Founder Control Period.

3.4. Service Areas

Units also may be part of one or more "Service Areas" in which the Units share Limited Common Areas or receive special benefits or services from the Association that it does not provide to all Units within the Community. A Unit may be assigned to more than one Service Area, depending on the number and types of special benefits or services it receives. A Service Area may be comprised of Units of more than one housing type and may include Units that are not contiguous.

The Founder may initially designate Service Areas (by name or other identifying designation) and assign Units to a particular Service Area either in Exhibit "A" or in a Supplement. During the Development and Sale Period, the Founder may unilaterally amend this Charter or any Supplement to change Service Area boundaries.

In addition, the Board may, by resolution, designate Service Areas and assign Units to them upon petition of Owners of at least 67% of the Units affected by the proposed designation pursuant to Section 10.2.

The Owners of Units within each Service Area may elect a "Service Area Committee" in accordance with the By-Laws to represent and act on behalf of the Owners with respect to the services and benefits that the Association provides to the Service Area. References to Service Areas in the Governing Documents also shall refer to such Service Area Committees, if appropriate from the context.

NOTES

Chapter 4

Association Membership and Voting Rights

The Association is an entity through which each Owner can participate in the governance and administration of Tradition. While many powers and responsibilities are vested in the Board in order to facilitate day-to-day management and operation, the membership and voting rights vested in the Owners allow the Owners to participate in administration of the Community.

4.1. Membership

The Association initially has two classes of membership: the Owner membership, which is comprised of all Owners, including Builders, and the Founder membership, which consists solely of the Founder.

(a) Owner Membership. Every Owner is automatically a member of the Association. However, there shall be only one membership per Unit. Thus, if a Unit has more than one Owner, all co-Owners of the Unit shall share the privileges of such membership, subject to reasonable Board regulation and the restrictions on voting set forth below and in the By-Laws. If an Owner is a corporation, a partnership, or other legal entity, its membership rights may be exercised by any officer, director, partner, or trustee, or by an individual the Owner designates from time to time in a writing to the Association's Secretary, except that only the individuals residing in the Unit shall be entitled to use any Common Area recreational facilities available for use by Owners.

(b) Founder Membership. The Founder holds the sole Founder membership. The Founder membership shall terminate upon expiration of the Founder Control Period, or on such earlier date as the Founder determines and declares in a recorded instrument.

The Founder may, by Supplement, create additional classes of membership comprised of the owners of Units within any portion of the additional property submitted to this Charter. The Founder shall specify in any such Supplement the rights, privileges, and obligations of the members of any class of membership created by that Supplement.

4.2. Voting

Each Unit is assigned one equal vote, subject to the limitations on voting set forth in this Charter and the other Governing Documents. No vote shall be exercised for any property exempt from assessment under Section 12.8. Further, during such time as there is a Founder membership, no vote shall be exercised for Units that the Founder owns; rather, the Founder's consent shall be required for various actions of the Board, the membership, and committees, as specifically provided elsewhere in the Governing Documents.

Due to the number of Units that may be developed in Tradition, the Governing Documents provide for a representative system of voting. The Owners of Units in each Neighborhood elect a "**Voting Delegate**" and an alternative Voting Delegate, in the manner provided in the By-Laws, to cast the votes of all Units in the Neighborhood on matters requiring a vote of the membership, except where the Governing Documents specifically require a vote of the Owners. However, until such time as the Board first calls for election of a Voting Delegate for a particular Neighborhood, each Owner of a Unit in such Neighborhood shall be considered a "Voting Delegate" and may personally cast the vote allocated to such Owner's Unit on any issue requiring a vote of the Voting Delegates under the Governing Documents. In the event that a Neighborhood Association exists,

Association Membership and Voting Rights

then the President and Vice-President of that Neighborhood Association shall serve as the Voting Delegate and alternative Voting Delegate respectively, and no separate election to select a Voting Delegate and alternate is required. Such President and Vice-President shall serve in this capacity whether or not the Board has called for election of a Voting Delegate for a particular neighborhood, and shall cast votes for the Neighborhood as described below.

The Voting Delegate or, in his or her absence, the alternative Voting Delegate, attends Association meetings and casts all votes allocated to Units in the Neighborhood that he or she represents on any matters as to which such Voting Delegate is entitled to vote under the Governing Documents. A Voting Delegate may vote all votes it is entitled to cast in its discretion and may, but need not, poll the Owners of Units in the Neighborhood which he or she represents prior to voting. On any matter, other than election of directors, for which a Voting Delegate is entitled to cast more than one vote, the Voting Delegate may cast all such votes as a block or split them but shall not be entitled to fractionalize any single vote.

Voting Delegates are subordinate to the Board, and their responsibility and authority does not extend to policymaking, supervising, or otherwise being involved in Association governance beyond voting on matters put to a vote of the membership.

In any situation in which an Owner is entitled personally to exercise the vote for his or her Unit, if there is more than one Owner of such Unit, the vote shall be exercised as the co-Owners determine among themselves and advise the Association's Secretary in writing prior to the vote being taken. Absent such advice, the Unit's vote shall be suspended if more than one Person seeks to exercise it.

NOTES

PART TWO: COMMUNITY STANDARDS

Chapter 5

Architecture, Landscaping and Aesthetic Standards

The Community derives its unique character from a mix of compatible architectural styles and from the cooperation of all Builders and Owners in upholding minimum design, landscaping, and aesthetic standards. This chapter explains how these standards are established and how they are applied and maintained through a process requiring prior approval for construction on and exterior modifications to improvements on property within Tradition initiated by anyone other than the Founder or the Association during the Founder Control Period.

5.1. General

All site work, landscaping, structures, antenna, satellite dishes, improvements, sports, play, and maintenance equipment, yard and decorative items, and similar items placed or stored on any property in Tradition in a manner or location visible from outside of any existing structure ("**Improvements**") are subject to standards for design, landscaping, and aesthetics adopted pursuant to this chapter ("**Design Guidelines**") and the approval procedures set forth in this chapter, except as this chapter or the Design Guidelines may otherwise specify.

No prior approval is necessary to repaint the exterior of existing structures using the most recently approved color palette approved for the Community and on file with the Founder or Founder's delegate or with the DRC, or to rebuild or restore any damaged structures in a manner consistent with the plans and specifications most recently approved for such structures. Generally, no approval is required for work done to the interior of a structure; however, modifications to the interior of screened porches, patios, garages and any other portions of a structure visible from outside of the structure do require prior approval.

Any dwelling constructed on a Unit shall be designed by and built in accordance with the plans and specifications of a licensed architect unless the

Founder or its designee in its sole discretion otherwise approves.

Approval under this chapter shall be obtained prior to requesting or submitting any documentation to any governmental authority whose review or approval may be required for the proposed work. The Founder and the Association shall have the right and standing to take action to suspend or enjoin processing of any request for review or approval by a governmental authority submitted prior to any necessary approval being granted hereunder. Approval under this chapter is not a substitute for any approvals or reviews required by the City of Port St. Lucie, St. Lucie County or any municipality or governmental agency or entity having jurisdiction over architectural or construction matters.

This chapter shall not apply to the Founder's design and construction activities or to the Association's activities during the Founder Control Period.

5.2. Design Review Authority

(a) **Founder.** The Founder shall have exclusive authority to review and act upon all applications for review of proposed Improvements until the later of (i) the expiration of the Development and Sale Period, or (ii) such time as all Units planned for the property described in Exhibits "A" and "B" have been improved with dwellings for which a certificate of occupancy has been issued. The Founder may designate one or more persons to act on its behalf in reviewing any application. In reviewing and acting upon any request for approval, or otherwise exercising or declining to exercise its authority under this chapter, the Founder and its designee act solely in the Founder's interest and owe no duty and shall have no liability to the Association or any other Person.

Architecture, Landscaping and Aesthetic Standards

From time to time, the Founder may delegate any or all of its rights under this chapter to other Persons or committee, including the committee appointed pursuant to Section 5.2(b). Any such delegation shall be in writing, shall specify the scope of responsibilities delegated, and shall be subject to (i) the Founder's right to revoke such delegation at any time and reassume its prior control, and (ii) the Founder's right to veto any decision which it determines, in its discretion, to be inappropriate or inadvisable. So long as the Founder has any rights under this chapter, the jurisdiction of others shall be limited to such matters as the Founder specifically delegates.

The Founder may also delegate some or all of the rights to review and act upon applications for proposed Improvements under this chapter to a Neighborhood Association by a Supplement assigning such rights to a Neighborhood Association. Any Neighborhood Association may adopt more stringent policies and procedures on site plan and architectural review than those set forth in the Master Declaration and the design and development guidelines. So long as the Founder has any rights under this Chapter, the Founder may veto any policy or procedure adopted by a Neighborhood Association regarding site plan and architectural review and may veto any decision or action taken by a Neighborhood Association with respect to such matters. The Founder's right to amend the Design Guidelines under Section 5.3 (a) shall continue even if it delegates some or all of its rights as Reviewer to a Neighborhood Association.

(b) Committee. Upon the Founder's total and irrevocable delegation of all of its authority pursuant to Section 5.2(a), or upon expiration or termination of the Founder's rights under this chapter, the Board shall appoint a Design Review Committee ("**Design Review Committee**" or "**DRC**") to assume jurisdiction over matters within the scope of the delegated authority or this chapter, respectively. The DRC shall consist of at least three, but not more than seven, persons, who shall serve and may be removed and replaced in the Board's discretion. DRC members need not

be Owners or representatives of Owners. The DRC may, but need not, include architects, engineers, or similar professionals. The Association may compensate DRC members in such manner and amount, if any, as the Board may determine appropriate.

Until expiration of the Founder's rights under this chapter, the DRC shall notify the Founder in writing within five business days of any action (*i.e.*, approval, partial approval, or disapproval) it takes under this chapter. A copy of the application and any additional information the Founder may require shall accompany the notice. The Founder shall have 10 business days after receipt of such notice to veto any such action, in its discretion, by written notice to the DRC. This notice provision to Founder shall not apply during the time that Founder acts as the Reviewer or delegates less than total reviewing authority to the DRC. Further, approval by the Founder during the Founder Control Period will constitute approval by the DRC.

Unless and until such time as the Founder delegates all of its reserved rights to the DRC or the Founder's rights under this chapter terminate, the Association shall have no jurisdiction over architectural matters.

(c) Reviewer. For purposes of this chapter, the entity having jurisdiction in a particular case shall be referred to as the "**Reviewer**."

(d) Fees; Assistance. The Reviewer may establish and charge reasonable fees for its review of applications and may require that such fees be paid in advance. Such fees also may include reasonable costs incurred in having professionals review any application. The Board may include the compensation of such persons in the Association's annual operating budget.

5.3. Guidelines and Procedures

(a) Design Guidelines. The Founder may prepare the initial Design Guidelines, which may

Architecture, Landscaping and Aesthetic Standards

contain general provisions applicable to all of Tradition as well as specific provisions that vary among uses or locations within the Community. The Design Guidelines are intended to provide guidance to Owners and contractors regarding matters of particular concern to the Reviewer. The Design Guidelines are not the exclusive basis for the Reviewer's decisions, and compliance with the Design Guidelines does not guarantee approval.

The Founder shall have sole and full authority to amend the Design Guidelines for so long as it has review authority under Section 5.2(a). The Founder's right to amend the Design Guidelines shall continue even if it delegates reviewing authority to the DRC, unless the Founder also delegates the power to amend to the DRC. Upon termination or delegation of the Founder's right to amend, the DRC may amend the Design Guidelines with the Board's consent.

Amendments to the Design Guidelines shall apply prospectively only. They shall not require modifications to or removal of any structures previously approved once the approved construction or modification has begun. However, any new work on such structures must comply with the Design Guidelines as amended. There shall be no limitation on the scope of amendments to the Design Guidelines, and such amendments may eliminate requirements previously imposed or otherwise make the Design Guidelines less restrictive.

The Reviewer shall make the Design Guidelines available to Owners and their contractors upon request and may charge a reasonable fee to cover reproduction costs. In the Founder's discretion, such Design Guidelines may be recorded, in which event the recorded version, as it may be amended from time to time, shall control in the event of any dispute as to which version of the Design Guidelines was in effect at any particular time.

(b) Procedures. Unless the Design Guidelines provide otherwise, no activities within the scope of this Chapter (as described in Section 5.1)

may begin on any portion of Tradition until a written application is submitted to and approved by the Reviewer. The application must be accompanied by plans and specifications and such other information as the Reviewer or the Design Guidelines require.

After the expiration of Founder's authority under this Chapter, notice of any meeting of the DRC to consider an application for architectural review shall be given in the same manner as notice of Board meetings, as provided in the By-Laws. Meetings of the DRC shall be open to all members, subject to the same exceptions as Board meetings under the By-Laws. This provision shall not apply during the time the Founder is the Reviewer.

In reviewing each application, the Reviewer may consider any factors it deems relevant, including, without limitation, harmony of the proposed external design with surrounding structures and environment. Decisions may be based on purely aesthetic considerations. Each Owner acknowledges that such determinations are purely subjective and that opinions may vary as to the desirability and/or attractiveness of particular improvements.

The Reviewer shall have the sole discretion to make final, conclusive, and binding determinations on matters of aesthetic judgment, and such determinations shall not be subject to the procedures in Chapter 19 or judicial review so long as they are made in good faith and in accordance with required procedures.

The Reviewer shall make a determination on each application after receipt of a completed application with all required information and fees. The Reviewer may permit or require that an application be submitted or considered in stages, in which case a final decision shall not be required until after the final, required submission. The Reviewer may (i) approve the application with or without conditions; (ii) approve a portion of the application and disapprove other portions; or (iii) disapprove the

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application. No approval may be inconsistent with the Design Guidelines unless a variance has been granted pursuant to Section 5.5.

The Reviewer shall notify the applicant in writing of the final determination on any application no later than 30 business days after its receipt of a completed application, applicable fees and all required submissions; however, with respect to any DRC determination subject to the Founder's veto right under Section 5.2(b), the Reviewer shall notify the applicant of the final determination within 40 business days after its receipt of the final determination and all required submissions. An application shall not be deemed to be completed until any additional information requested by the Reviewer is received or the applicant has advised the Reviewer in writing that no further information will be provided. Notice shall be deemed given at the time the envelope containing the response is deposited in the U.S. mail. Hand delivery, facsimile, electronic mail, or similar delivery of such written notice also shall be sufficient and shall be deemed given at the time of confirmed delivery to the applicant.

If the Reviewer fails to respond within the time required under the preceding paragraph, approval shall be deemed denied, unless this provision is amended by Supplement or by agreement between the Founder and a Builder.

As part of any approval, the Reviewer may require that construction commence within a specified time period. If construction does not commence within the required period, the approval shall expire, and the Owner must reapply for approval before commencing any activities. Once construction is commenced, it shall be diligently pursued to completion. All work shall be completed within one year of commencement unless otherwise specified in the notice of approval or unless the Reviewer, in its discretion, grants an extension in writing.

The Reviewer may exempt certain activities from the application and approval requirements of

this chapter, if such activities are undertaken in compliance with the Design Guidelines and the Community-Wide Standard.

(c) Appeals Process. After the Board's appointment of the DRC, an applicant may appeal any disapproval of its application to the Board. To request an appeal, the applicant must submit to the Association's Secretary, no later than 15 days after the delivery of the notification of disapproval, a copy of the original application, the notification of disapproval, and a letter requesting review of the decision. The appeal request also shall contain a response to any specific concerns or reasons for disapproval listed in the notification of disapproval. The Board may (i) affirm the DRC's decision, (ii) affirm a portion and overturn a portion of the DRC's decision, or (iii) overturn the DRC's entire decision. The Board shall notify the applicant and the DRC in writing of its decision no later than 30 days after its receipt of the request for appeal with all required information. The Board's decision shall include a description of its reasons for overturning the DRC's decision. During the appeal process the Owner shall not commence any work requiring approval hereunder. This Section 5.3 shall not apply while the Founder is the Reviewer.


5.4. No Waiver of Future Approvals

The people reviewing applications under this chapter will change from time to time, and opinions on aesthetic matters, as well as interpretation and application of the Design Guidelines, may vary accordingly. It may not always be possible to identify objectionable features until work is completed. In such cases, the Reviewer may elect not to require changes to objectionable features. However, the Reviewer may refuse to approve similar proposals in the future. Approval of applications or plans shall not constitute a waiver of the right to withhold approval as to any similar applications, plans, or other matters subsequently or additionally submitted for approval.

Architecture, Landscaping and Aesthetic Standards

5.5. Variances

The Reviewer may authorize variances from compliance with any of the Design Guidelines and any procedures set forth in this Article or in the Design Guidelines when, in its judgment, circumstances justify an exception. No variance shall (a) be effective unless in writing; (b) be contrary to this Charter; or (c) prevent the Reviewer from denying a variance in other circumstances. A variance requires the Founder's written consent during the Development and Sale Period and, thereafter, requires the Board's written consent.



When unusual circumstances exist that make it difficult or impossible to comply with a particular requirement of the Design Guidelines, the Owner may file a request with the Reviewer to be excused from complying with such requirement. The Reviewer has the discretion to determine when a variance is appropriate.

5.6. Limitation of Liability

This chapter establishes standards and procedures as a mechanism for maintaining and enhancing the overall aesthetics of Tradition; it does not create any duty to any Person. Review and approval of any application pursuant to this chapter may be based purely on aesthetic considerations. The Reviewer is not responsible for the structural integrity or soundness of approved construction or modifications, for compliance with building codes and other governmental requirements, or for ensuring that all dwellings are of comparable quality, value, size, or design, or are aesthetically pleasing or otherwise acceptable to other Owners.

With respect to any property owned or improved by any Person subject to the requirements of this Article, the Founder, the Association, its officers, the Board, any committee, and member of any of the foregoing shall not be liable for (a) soil conditions, drainage, or other general site work; (b) any defects in plans revised or approved hereunder; (c) any loss or damage arising out of

the action, inaction, integrity, financial condition, or quality of work of any contractor or its subcontractors, employees, or agents, whether or not the Founder has approved or featured such contractor as a Builder; or (d) any injury, damages, or loss arising out of the manner or quality or other circumstances of construction or modifications, whether or not approved hereunder. In all such matters, the Association shall defend and indemnify the Board, the Founder, the Reviewer, and the members of each, as provided in the By-Laws.

5.7. Final "As Built" Plans.

Upon completion of subdivision improvements, a dwelling, or other structural improvements approved pursuant to this chapter, the Owner shall submit to the Reviewer a final, "as built" site plan and such final, "as built" construction plans as the Design Guidelines or the Reviewer may require.

5.8. Certificate of Compliance

Any Owner may request in writing that the Reviewer issue a certificate of compliance certifying that there are no known violations of this chapter or the Design Guidelines. The Reviewer shall either grant or deny such written request within 30 days after receipt and may charge a reasonable administrative fee. Issuance of such a certificate shall prevent the Association from taking enforcement action against an Owner for any condition known to the Association or the Reviewer on the date of such certificate.

NOTES

Chapter 6

Maintenance, Repair and Replacement

One of the benefits of owning property in a planned community is the commitment among neighbors to maintain their property in a neat, attractive, and well-landscaped condition to enhance the overall beauty and aesthetic appeal of the community. This chapter describes the Owners' responsibilities for maintenance and repair of their Units and for insuring their Units against property damage so that funds will be available for repair and restoration if needed.

6.1. Maintenance of Units

Each Owner shall maintain his or her Unit, including all structures, landscaping, and other improvements comprising the Unit, in a manner consistent with the Governing Documents and the Community-Wide Standard, unless such maintenance responsibility is otherwise assumed by or assigned to the Association or a Neighborhood Association pursuant to this Charter, any Supplement, or by law. In addition to any other standards that may be imposed by the Governing Documents and the Community-Wide Standard, no trees shall be removed from any Unit without prior written approval of Founder, during the Founder Control Period, the Board or its designee.

Each Owner also shall be responsible for maintaining and irrigating the landscaping within that portion of any adjacent Common Area or public right-of-way lying between the Unit boundary and any wall, fence, or curb located on the Common Area or public right-of-way within 10 feet of the Unit boundary. However, Owners may not install or remove trees, shrubs, or similar vegetation from this area without prior approval pursuant to Chapter 5.

6.2. Maintenance of Neighborhood Property

A Neighborhood Association shall maintain its Neighborhood Common Area, if any, and any

other property for which it has maintenance responsibility in a manner consistent with the Governing Documents, the Community-Wide Standard, and all applicable covenants.

Any Neighborhood Association also shall be responsible for maintaining and irrigating the landscaping within that portion of any adjacent Common Area or public right-of-way lying between the boundary of its common property and any wall, fence, or curb located on the Common Area or public right-of-way within sixty (60) feet of its boundary. A Neighborhood Association shall not install or remove trees, shrubs, or similar vegetation from this area without prior approval pursuant to Chapter 5.

The Association may assume maintenance responsibility for property in any Neighborhood, either upon designation of the Neighborhood as a Service Area pursuant to Section 3.4 or upon the Board's determination, pursuant to Chapter 8, that the level and quality of maintenance then being provided is not consistent with the Community-Wide Standard, and may assess the subject Neighborhood for the cost of said maintenance and any applicable administrative costs. The Association need not treat all similarly situated Neighborhoods the same.

6.3. Responsibility for Repair and Replacement

Unless otherwise specifically provided in the Governing Documents or in other instruments creating and assigning maintenance responsibility, responsibility for maintenance shall include responsibility for repair and replacement necessary to maintain the property to a level consistent with the Community-Wide Standard.

Maintenance, Repair and Replacement

Each Owner shall carry property insurance for the full replacement cost of all insurable improvements on his or her Unit, less a reasonable deductible, unless either a Neighborhood Association (if any) or the Association carries such insurance (which they may but are not obligated to do). If the Association assumes responsibility for insuring a Unit, the premiums for such insurance shall be levied as a Specific Assessment against the benefited Unit and the Owner.

Within 90 days after any damage to or destruction of a structure on a Unit, the Owner shall promptly repair or reconstruct in a manner consistent with the original construction or such other plans and specifications as are approved pursuant to Chapter 5 unless the Board, in its discretion, agrees to extend such period. Alternatively, the Owner shall demolish the damaged structure and clear the Unit of debris and maintain it in a neat and attractive landscaped condition consistent with the Community-Wide Standard. The Owner shall pay any costs that insurance proceeds do not cover.

Additional recorded covenants applicable to any Neighborhood or Service Area may establish additional insurance requirements and more stringent standards for rebuilding or reconstructing structures on Units and for clearing and maintaining the Units in the event the structures are not rebuilt or reconstructed.

This Section shall apply to a Neighborhood Association with respect to its Neighborhood Common Area in the same manner as if the Neighborhood Association was an Owner and the Neighborhood Common Area was a Unit.

6.4. Maintenance and Repair of Party Walls and Similar Structures

Except as may otherwise be provided in any Supplement or additional covenants applicable to the Units, each wall, fence, driveway, or similar structure built as part of the original construction on the Units that serves and/or separates any two

adjoining Units shall be considered a party structure. The cost of reasonable repair and maintenance of a party structure shall be shared equally by the Owners who use the party structure.

If a party structure is destroyed or damaged by fire or other casualty, then to the extent that such damage is not covered by insurance and repaired out of the proceeds of insurance, any Owner who has used the structure may restore it. If other Owners thereafter use the structure, they shall contribute to the restoration cost in equal proportions. However, such contribution will not prejudice the right to call for a larger contribution from the other users under any rule of law regarding liability for negligent or willful acts or omissions.

The right to and the obligation of contribution for party walls and similar structures between Owners, as provided in this Section, shall be appurtenant to the land and shall pass to such Owner's successor-in-title.

To the extent not inconsistent with the provisions of this Section, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply to any party structure. Any dispute concerning a party structure shall be subject to the provisions of Chapter 19.

NOTES

Chapter 7

Use and Conduct

In order to maintain a residential environment that encourages respect for and courtesy among neighbors and minimizes the potential for disputes, this chapter sets forth basic standards regarding use, occupancy, and transfer of interests in Units. In addition, it provides a procedure by which the Board and the membership can adopt and change rules regulating use, conduct, and activities within the Community to address particular needs and desires of the Community over time.

7.1. Use, Occupancy, and Transfer of Interests in Units

(a) Residential and Related Uses. Units may be used only for residential and related purposes, except as the Founder may otherwise authorize in writing. Common Areas may not be used for any business activity other than administrative or management offices for the Association except as the Founder may otherwise authorize in writing with respect to construction, marketing, and sale activities of the Founder and Builders it designates. Neighborhood Common Areas shall not be used for any business activity other than administrative or management offices for the Neighborhood Association, except as the Founder may otherwise authorize in writing with respect to construction, marketing, and sale activities of the Founder and Builders it designates. Builders may use Units within a parcel for models for sales of Units within that parcel.

A business activity within a Unit shall be considered "related" to a residential use and thus permitted under this Section only if conducted by a person or persons residing in the Unit and only if the business activity:

(i) is not apparent or detectable by sight, sound, or smell from outside of a permitted structure;

(ii) complies with applicable zoning requirements;

(iii) does not involve regular visitation of the Unit by employees who do not reside in the Unit, clients, customers, suppliers, or other business invitees, or door-to-door solicitation within the Community;

(iv) is consistent with Tradition's residential character and does not constitute a nuisance or a hazardous or offensive use, or threaten the security or safety of others, as the Board determines in its discretion; and

(v) does not involve a title insurance agency, mortgage brokerage activities or real estate brokerage or sales activities other than the Founder or Builders that the Founder may authorize in writing, unless the Founder has specifically approved such activities in writing.

"Business" shall have its ordinary, generally accepted meaning and shall include, without limitation, any occupation, work, or activity undertaken on an ongoing basis which involves providing goods or services to Persons other than the family of the producer and for which the producer receives a fee, compensation, or other form of consideration, regardless of whether (i) such activity is engaged in full or part time; (ii) such activity is intended to or does generate a profit; or (iii) a license is required.

Leasing a Unit for residential purposes shall not be considered a "business" within the meaning of this subsection. For purposes of this Charter, the terms "**Lease**" and "**Leasing**" shall refer to the regular, exclusive occupancy of a Unit by any Person other than the Owner, for which the Owner receives any consideration or benefit.

(b) Leasing. Except as otherwise provided in this Section 7.1(b), any dwelling that is leased

Use and Conduct

shall be leased only in its entirety. Separate rooms, floors, or other areas within a dwelling may not be separately leased, nor may any detached "in-law suite" or "guest house" be leased separate from the main dwelling. Notwithstanding the foregoing, dwellings located in the Neighborhood known as "Bedford Park at Tradition" that contain "Studio Apartments" as hereinafter defined may, subject to governmental restrictions, lease said Studio Apartment separate from the main dwelling. The term "Studio Apartment" shall mean and refer to the living quarters built over a detached garage that is initially constructed at the same time as the main dwelling and which contains its own kitchenette, laundry hook-up, and sleeping quarters and is not a detached in-law suite or guest house.

All leases shall be in writing and shall disclose that the tenants and all occupants of the leased Unit are bound by and obligated to comply with the Governing Documents. However, the Governing Documents shall apply regardless of whether such a provision is specifically set forth in the lease.

Within 10 days of a lease being signed, the Owner of the leased Unit shall notify the Board or the Association's managing agent of the lease and provide any additional information the Board may reasonably require. The Owner must give the tenant copies of the Governing Documents. In addition to, but consistent with this sub-section, the Association or the Board may adopt Rules governing leasing and subleasing. Neighborhood Associations may adopt their own rules governing leasing and sub-leasing, subject to the Founder's written approval during the Founder Control Period.

(c) Transfer of Title. Any Owner desiring to sell or otherwise transfer title to his or her Unit shall give the Board at least seven days' prior written notice of the name and address of the purchaser or transferee, the date of such transfer of title, and such other information as the Board may reasonably require. The Person transferring title

shall continue to be jointly and severally responsible with the Person accepting title for all obligations of the Owner, including all fees and assessment obligations imposed up to the date of transfer of title and written notice of such transfer given to the Association, notwithstanding the transfer of title.

(d) Subdivision and Combination of Units. No Person other than the Founder and Builders whom the Founder may authorize in writing shall subdivide or change the boundary lines of any Unit or combine Units without the Board's prior written approval. Any such action that the Board approves shall be effective only upon recording of a plat or other legal instrument reflecting the subdivision or new boundaries of the affected Unit(s). In the absence of such recorded instrument, adjacent Units owned by the same Owner shall continue to be treated as separate Units for purposes of voting and assessment, even though such Units may be improved with a single dwelling.

(e) Timesharing. No Unit shall be used for operation of a timesharing, fraction-sharing, or similar program whereby the right to exclusive use of the Unit rotates among participants in the program on a fixed or floating time schedule over a period of years, unless such program is established by the Founder or with the Founder's prior written approval.

(f) Age Restrictions. No Unit shall be restricted as to occupancy on the basis of age, except for a facility or community established by the Founder as housing for older persons under applicable state and federal laws or with the Founder's prior written approval.

(g) Prohibited Uses. No Unit may be used for the purpose of conducting a title insurance business, mortgage brokerage activities, or real estate brokerage or sales activities except as may be specifically authorized by the Founder in writing.

(h) Sign Restrictions. No sign of any kind that is visible from the outside of any structure

Use and Conduct

shall be erected on any Unit without receiving approval pursuant to Chapter 5, unless specifically authorized by the Founder in writing.

(i) Storm shutters, limited to such materials as approved in this Charter, as set forth in the Design Guidelines, the Community-Wide Standard or such specifications established by the Design Review Committee, shall only be installed or otherwise erected upon any structure within the Community not more than three (3) days prior to a name storm event expected to strike within a two-hundred and fifty (250) mile radius of the Community as determined by the National Weather Service or similar entity. All such devices shall be removed within seven (7) days following the termination of the warning or threat by the National Weather Service or similar entity. Nothing contained herein shall prevent an Owner from installing storm shutter tracks and other mounting hardware necessary for the purpose of the later installation of windstorm protective devices so long as such installation is approved as otherwise provided in this Charter.

(j) *Human Signs.* It is strictly prohibited for any individual or group of persons to actively market a product, service, and/or event by way of handheld, vehicular, costume or portable signs at intersections and/or along or within roadways without first acquiring the written consent of the Founder, during the Founder Control Period, and thereafter the Board and as otherwise required by the Tradition Master Sign Program.

7.2. Rulemaking Authority and Procedures

The Governing Documents establish a framework of covenants and conditions that govern the Community. The initial Rules attached as Exhibit "C" are a part of that framework. However, within that framework, the Association must be able to respond to unforeseen issues and changes affecting the Community. Therefore, the Board is authorized to change the Rules in accordance with

the following procedures, subject to the limitations set forth in Section 7.3.

(a) *Board Authority.* Subject to the Board's duty to exercise judgment and reasonableness on behalf of the Association and its Members, the Board may adopt new Rules and modify or rescind existing Rules by majority vote of the directors at any Board meeting.

(b) *Service Area Authority.* The Owners representing a majority of the Units within any Service Area may adopt new rules and modify existing rules applicable only to Units in that Service Area at any meeting of Owners in the Service Area duly called for such purpose on not less than 10 days written notice to each Owner of a Unit in the Service Area. However, as long as the Founder membership exists, any such action shall be subject to the Founder's approval.

(c) *Notice.* The Board shall post notice concerning any proposed Rule change in a conspicuous place in Tradition at least 48 hours prior to the meeting at which such action is to be considered. At any such meeting, Voting Delegates shall have a reasonable opportunity to be heard before the proposed action is put to a vote.

This notice requirement does not apply to administrative and operating policies that the Board may adopt relating to the Common Areas, such as hours of operation of a recreational facility, speed limits on private roads, and the method of allocating or reserving use of a facility (if permitted) by particular individuals at particular times, notwithstanding that such policies may be published as part of the Rules. During the Founder Control Period no rule shall be adopted which shall be binding on the Founder without Founder's prior written consent.

(d) *Effective Date.* A Rules change adopted under this Section shall take effect 30 days after the date on which written notice of the proposed Rules change is given to the affected Owners pursuant to subsection (c).

Use and Conduct



Since it is impossible to foresee all potential situations and problems that may arise within the Community, the Board has the authority to adopt and modify rules as needed to address these changing circumstances.

(e) *Conflicts.* No action taken under this Section shall have the effect of modifying or repealing the Design Guidelines or any provision of this Charter other than the Rules. In the event of a conflict between the Design Guidelines and the Rules, the Design Guidelines shall control. In the event of a conflict between the Rules and any provision of this Charter (exclusive of the Rules), the Charter shall control.

7.3. Protection of Owners and Others

Except as may be set forth in this Charter (either initially or by amendment) or in the initial Rules set forth in Exhibit "C," all Rules shall comply with the following provisions:

(a) *Similar Treatment.* Similarly situated Units shall be treated similarly; however, the Rules may vary by Neighborhood or Service Area.

(b) *Displays.* No Rule shall abridge an Owner's right to display one United States Flag as permitted by Florida law.

(c) *Household Composition.* No Rule shall interfere with an Owner's freedom to determine household composition, except that the Association may impose and enforce reasonable occupancy limitations and conditions based on Unit size and facilities and its fair share use of the Common Area.

(d) *Activities Within Dwellings.* No Rule shall interfere with the activities carried on within a dwelling, except that the Association may prohibit activities not normally associated with residential property or which violate the intent of any provision of the Governing Documents and may adopt rules to further define, clarify, and imple-

ment the restrictions in Section 7.1, subject to obtaining the Founders written approval. It also may restrict or prohibit activities that create monetary costs for the Association or other Owners, that create a danger to anyone's health or safety, that generate excessive noise or traffic, that create unsightly conditions visible from outside the dwelling, or that are an unreasonable source of annoyance, subject to obtaining the Founder's written approval.

(e) *Allocation of Burdens and Benefits.* No Rule shall alter the allocation of financial burdens among the various Units or rights to use the Common Area to the detriment of any Owner over that Owner's objection expressed in writing to the Association. Nothing in this provision shall prevent the Association from changing the Common Area available, from adopting generally applicable rules for use of Common Area, or from denying use privileges to those who are delinquent in paying assessments, abuse the Common Area, or violate the Governing Documents. This provision does not affect the right to increase the amount of assessments as provided in Chapter 12.

(f) *Leasing and Transfer of Units.* No Rule shall prohibit leasing or transfer of any Unit; however, the Rules may require a minimum lease term of up to 12 months. Minimum lease terms may vary by Neighborhoods or Service Areas. The Rules also may require that Owners use Board-approved lease forms (or include specific lease terms), may impose a reasonable review or administrative fee in connection with the Board's review of a lease, and may require that tenants provide security deposits to the Association.

(g) *Abridging Existing Rights.* No Rule shall require that an Owner dispose of personal property kept in or on a Unit in compliance with the Rules in effect at the time such personal property was brought onto the Unit. This exemption shall apply only during the period of such Owner's ownership of the Unit and shall not apply to subsequent Owners who take title to the Unit after adoption of the Rule.

Use and Conduct

(h) *Reasonable Rights to Develop.* No Rule may unreasonably interfere with the Founder's ability to own, develop, market, and sell property in Tradition, or be binding on the Founder or its designees without written consent of the Founder.

(i) *Interference with Easements.* No Rule may unreasonably interfere with the exercise of any easement, except as set forth in Section 13.1(d).

7.4. Owners' Acknowledgment and Notice to Purchasers

By accepting a deed, each Owner acknowledges and agrees that the use, enjoyment, and marketability of his or her Unit is limited and affected by the Rules, which may change from time to time. All Unit purchasers are hereby notified that the Association may have adopted changes to the Rules and that such changes may not be set forth in a recorded document. A copy of the current Rules and all administrative policies are available from the Association upon request. The Association may charge a reasonable fee to cover its reproduction cost.

NOTES

Chapter 8

Compliance and Enforcement

The covenants, standards, and rules set forth in the Governing Documents are for the benefit of all Owners and occupants of the Community. However, if they are to have any real meaning, there must be a commitment by the stakeholders in the Community to comply with them and there must be a mechanism in place to enforce that compliance in the event that someone fails or refuses to do so. This chapter sets forth the obligation to comply and the remedies available to the Association for non-compliance.

8.1. Compliance



All Owners are required to abide by the Governing Documents. If an Owner fails or refuses to obey the Governing Documents the Owner may be subject to various penalties including fines and the loss of the right to use the Common Areas. In addition, the Owner may be subject to Specific Assessments levied to cover the cost of bringing the Owner's Unit or Neighborhood Association into compliance.

Every Owner, occupant and visitor to a Unit must comply with the Governing Documents and shall be subject to sanctions for violations as described in this chapter. In addition, each Owner shall be responsible for, and may be sanctioned for, all violations of the Governing Documents by the occupants of or visitors to their Units, and for any damage to the Area of Common Responsibility that such occupants or visitors cause.

8.2. Remedies for Non-Compliance

The Association, the Founder and every affected Owner shall have the right to file suit at law or in equity to enforce the Governing Documents. In addition, the Board may impose sanctions for violation of the Governing Documents, including those listed below and any others described elsewhere in the Governing Documents. A delay in

the pursuit of any remedy by Founder or the Association shall not constitute a waiver of the right to enforce the Governing Documents nor grounds to bar such enforcement on the theory of estoppel.

In addition to any remedies described below, the Association may impose an administrative fee for bringing any violator into compliance.

In no event shall the Board, the Founder or any other entity authorized to enforce the Governing Documents be required to competitively bid any goods or services used in the course of remedying any violation.

The Association may delegate some or all of its rights of enforcement to a Neighborhood Association so long as the governing documents of the Neighborhood Association are at least as strict as those of the Association with respect to the areas of enforcement being delegated and the procedure for enforcement.

(a) Sanctions Requiring Prior Notice and Hearing. Pursuant to section 720.305, Florida Statutes, as amended from time to time, the Board may:

(i) impose reasonable monetary fines, in an amount which may exceed \$100.00 per violation as determined by the Board in its sole discretion. A fine may be levied on the basis of each day of a continuing violation, with a single opportunity for notice and hearing and may exceed \$1,000.00 in the aggregate, and therefore, may constitute a lien upon the violator's Unit. In the event that any occupant, guest, or invitee of a Unit violates the Governing Documents and a fine is imposed, the fine may, but need not, first be assessed against the violator; however, if the fine is not paid by the violator within the time period set by the Board, the Owner shall pay the fine upon notice from the Board;

Compliance and Enforcement

(ii) suspend any Person's right to use any Common Area facilities (A) for any period during which any charge against such Owner's Unit remains delinquent, and (B) for a period not to exceed 30 days for a single violation or for a longer period in the case of any continuing violation (except that no hearing is required if the Owner is more than 90 days delinquent in paying any monetary obligation owed the Association and the suspension is because of the failure to pay the monetary obligation); however, nothing herein shall authorize the Board to limit ingress or egress to or from a Unit; and/or

(iii) suspend services (by way of example and not limitation, cable service and internet service) the Association provides (except that no hearing and written notice is required if the Owner is more than 10 days delinquent in paying any assessment or other charge owed to the Association and the suspension is because of the failure to pay the assessment or charge). The terms "cable service" and "internet service" refer to discretionary services to be provided by the Association to only those Members who are current in their monetary obligations to the Association and such term shall not be considered to be "utility services" as such term is set forth in Section 720.305, Florida Statutes, as amended. The terms "utility" and "utility services" as used in section 720.305, Florida Statutes, as amended, shall, for the purposes of this Charter, mean and refer to utilities and services that are essential to homeownership and/or the ability to reside in a residential dwelling such as and without limitation electric, water, and sewer services. All disconnect and re-connect charges incurred by the Association in the suspension of a service shall be responsibility of the Owner that is delinquent in paying any assessment or other charge owed to the Association which said charge shall be a Specific Assessment(s) against the Unit as further set forth in Section 12.4 of this Charter. Nothing herein shall authorize the Board to suspend essential utilities (i.e., electricity, natural gas, or water).

(iv) Pursuant to section 720.305, Florida Statutes, as amended from time to time, the foregoing sanctions may not be imposed unless such sanction is first levied by the Board and the individual sought to be suspended or fined has had an opportunity to appear at a hearing before a compliance committee (the "Compliance Committee"), which shall take place not sooner than fourteen (14) days from the date the notice of the hearing is mailed to the violating individual. The Compliance Committee shall consist of at least three (3) Owners appointed by the Board, who are not officers, directors, or employees of the association, or the spouse, parent, child, brother, or sister of an officer, director, or employee. Only if the Compliance Committee, by majority vote, approves the sanction at such hearing can the sanction be imposed. The fine is effective upon mailing or hand delivering written notice to the violator of the fine or such earlier date as set out in the written notice which fine shall not commence earlier than the date of the Board's levy of the fine, and the fine payment is due five (5) days after the date of the Compliance Committee meeting at which the fine is approved. The suspension of use rights and/or services is effective upon mailing or hand delivering written notice to the violator of such suspension.

(b) Other Sanctions. The Board may take the following actions to obtain compliance with the Governing Documents without prior notice or a hearing:

(i) suspend the vote allocated to any Unit if the Owner is more than 90 days delinquent in paying any Base Assessment levied on the Unit pursuant to Chapter 12;

(ii) exercise self-help or take action to abate a violation on a Unit in any situation which requires prompt action to avoid potential injury or damage or unreasonable inconvenience to other persons or their property (specifically including, but not limited to, the towing of vehicles that are in violation of parking rules and regulations);

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(iii) exercise self-help or take action to abate a violation on the Common Area under any circumstances;

(iv) require an Owner or a Neighborhood Association, at its own expense, to perform maintenance or to remove any structure or improvement on such Owner's Unit or on the Neighborhood Association's property, respectively, that is in violation of the Community-Wide Standard or other requirements under the Governing Documents and to restore the property to its previous condition;

(v) enter the property and exercise self-help to remove or cure a violating condition if an Owner or Neighborhood Association fails to take action as required pursuant to subsection (iv) above within 10 days after receipt of written notice to do so, and any such entry shall not be deemed a trespass; or

(vi) bringing suit at law for monetary damages or in equity to stop or prevent any violation, or both.

(vii) exercise self-help or take action to abate any violation of the Governing Documents in a non-emergency situation (including removing personal property that violates the Governing Documents);

(viii) without liability to any Person, preclude any contractor, subcontractor, agent, employee, or other invitee of an Owner who causes damage to any property in Tradition owned by others or fails to comply with the terms and provisions of Chapter 5 and the Design Guidelines from continuing or performing any further activities in Tradition;

(ix) levy Specific Assessments to cover costs the Association incurs in bringing a Unit into compliance with the Community-Wide Standard or other requirements under the Governing Documents, or in repairing damage to any portion of the Area of Common Responsibility resulting

from actions of any Owner or occupant of a Unit, their contractors, subcontractors, agents, employees, or invitees; and/or

(x) record a notice of violation with respect to any Unit on which a violation exists.

(c) Additional Powers Relating to Neighborhood Associations. In addition to the foregoing sanctions, the Association shall have the power to require specific action to be taken by any Neighborhood Association in connection with its obligations and responsibilities, such as requiring specific maintenance or repairs or aesthetic changes to be effectuated and requiring that a proposed budget include certain items and that expenditures be made therefor.

A Neighborhood Association shall take appropriate action required by the Association in a written notice within the reasonable time frame set by the Association in the notice. If the Neighborhood Association fails to comply, the Association shall have the right to effect such action on behalf of the Neighborhood Association and levy Specific Assessments to cover the costs, as well as an administrative charge and sanctions.

(d) Founder's Right to Impose Sanctions. In the event that the Association fails or refuses to take action or impose sanctions under this Article after notice from the Founder of a violation of the Governing Documents, the Founder shall have the right to levy monetary fines on behalf of the Association after notice and hearing in the same manner as the Association under Section 8.2(a). In addition, the Founder may exercise self-help or take action to abate a violation or bring suit and law or in equity in the same manner as the Association under Section 8.2(b).

8.3. Board Decision to Pursue Enforcement Action

The Association's decision to pursue enforcement action in any particular case shall be left to the Board's discretion, except that the Board shall

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not be arbitrary or capricious in taking enforcement action. For example, the Board may determine that, in a particular case:

(a) the Association's position is not strong enough to justify taking any or further action;

(b) the covenant, restriction or rule being enforced is, or is likely to be construed as, inconsistent with applicable law;

(c) although a technical violation may exist or may have occurred, it is not of such a material nature as to be objectionable to a reasonable person or to justify expending the Association's resources; or

(d) that it is not in the Association's best interests, based upon hardship, expense, or other reasonable criteria, to pursue enforcement action.

A decision not to enforce a particular provision shall not prevent the Association from enforcing the same provision at a later time or prevent the enforcement of any other covenant, restriction, or rule.

8.4. Attorneys' Fees and Costs

In the event the Association or the Founder engages the services of an attorney to seek enforcement of any of the provisions of the Governing Documents, the Association and the Founder shall be entitled to reimbursement of their attorneys' fees, costs, and expenses incurred to bring about compliance, regardless of whether litigation is necessary for the enforcement. In any action to enforce the Governing Documents, if the Association or Founder prevails, it shall be entitled to recover all costs, including, without limitation, attorneys' fees, expenses, and court costs (including appeals, if any), reasonably incurred in such action. The attorneys' fees, costs, and expenses (including appeals, if any) incurred by the Association and the Founder to bring about compliance and/or to obtain a judgment should litigation be necessary

shall be levied as a Specific Assessment and collectible in the same fashion as any other assessment as provided in this Charter.

8.5. Enforcement of Ordinances

The Association, by contract or other agreement, may enforce applicable laws, regulations, ordinances, and governmental requirements. In addition, St. Lucie County, and any Community Development District or other governmental entity having jurisdiction, may enforce laws, regulations, ordinances, and governmental requirements within Tradition.

NOTES

PART THREE: ASSOCIATION OPERATIONS

Chapter 9

Property Management

One of the Association's primary functions is maintaining and operating property and facilities for the common benefit of the Owners and residents of Tradition. This chapter establishes the Association's obligation to accept property that the Founder designates as Common Area, Limited Common Area or Shared Common Area and to maintain, operate, and insure it, along with certain other properties, for the benefit of Tradition.

9.1. Acceptance and Control of Association Property

(a) *Transfers and Conveyances by Founder.* The Founder and its designees may transfer or convey to the Association interests in real or personal property within or for the benefit of the Community, and the Association shall accept such transfers and conveyances. Such property may be improved or unimproved and may consist of fee simple title, easements, leases, licenses, or other real or personal property interests.

Upon the Founder's written request, the Association shall reconvey to the Founder or Founder's designee, any real property that the Founder originally conveyed to the Association for no payment.

(b) *Management and Control.* The Association is responsible for management, operation, and control of the Common Area, subject to any covenants set forth in the deed or other instrument transferring the property to the Association. The Association may enter into leases, licenses, easements or operating agreements with respect to portions of the Common Area, for payment or no payment, as the Board deems appropriate, subject to the requirements of Florida law. The Association may permit use of Common Area facilities by persons other than Owners and occupants of Units and may charge use fees, in such amount as the Board may establish, for such use.

9.2. Maintenance of Area of Common Responsibility

The Association shall maintain the Area of Common Responsibility in accordance with the Community-Wide Standard. The Area of Common Responsibility may be more specifically designated by supplement, or as designated upon a recorded plat, and includes, but is not limited to:

(a) the Common Area, including any private streets or gated entryways in Tradition; and

(b) landscaping within public rights-of-way within or abutting Tradition to the extent not maintained to the Community-Wide Standard by appropriate governmental authorities; and

(c) such portions of any additional property as may be dictated by the Founder, this Charter, any Supplement, or any covenant or agreement for maintenance entered into by, or otherwise binding on the Association; and

(d) any property and facilities that the Founder owns and makes available, on a temporary or permanent basis, for the primary use and enjoyment of the Association and its Members. The Founder shall identify any such property and facilities by written notice to the Association, and they shall remain part of the Area of Common Responsibility until the Founder revokes such privilege of use and enjoyment by written notice to the Association.

The Community Development District shall be responsible for proper functioning of certain stormwater drainage systems serving the Community, including maintenance, repair and replacement, as needed, of pipes, culverts, and other structures and equipment comprising the system. To the extent that such maintenance responsibility is not borne by the Community Development District or some other governmental authority, then

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the Association shall be responsible for such maintenance. The Association shall have no responsibility for landscaping or other maintenance of Units burdened by stormwater drainage easements unless otherwise specifically set forth in a Supplement or in a recorded agreement or plat.

The Association may maintain other property it does not own, including, without limitation, Units, property dedicated to the public, or property owned or maintained by a Neighborhood Association (and may assess said Neighborhood Association for the costs thereof), if the Board determines that such maintenance is necessary or desirable to maintain the Community-Wide Standard. The Association shall not be liable for any damage or injury occurring on, or arising out of the condition of, property it does not own except to the extent that it has been negligent in performing its maintenance responsibilities.

9.3. Discontinuation of Operation

After termination of the Founder Control Period, the Association shall continue to maintain the Common Area facilities in continuous operation unless the Founder, during the Development and Sale Period, and Voting Delegates representing 75% of the total votes in the Association, consent in writing to discontinue such operation. If the property is Limited Common Area, any discontinuation also shall require the approval in writing of at least 75% (or such higher percentage as a Supplement may require) of the Owners to whom such Limited Common Area is assigned. This Section shall not apply during the Founder Control Period or to restrict the Board's ability to establish reasonable operating hours, which may vary by season, nor to preclude temporary closures or interruptions in operation as the Board may determine appropriate to perform maintenance or repairs.

9.4. Restoring Damaged Improvements

In the event of damage to or destruction of portions of the Area of Common Responsibility

for which the Association has insurance responsibility, the Board or its duly authorized agent shall file and adjust all insurance claims and obtain reliable and detailed estimates of the cost of repairing or restoring the property to substantially its condition prior to the damage, allowing for changes or improvements necessitated by changes in applicable building codes.

The Association shall repair or reconstruct damaged Common Area improvements unless the Founder, during the Development and Sale Period, or Voting Delegates representing at least 75% of the total votes in the Association, after the Development and Sale Period, decide within 60 days after the loss not to repair or reconstruct. If the damage is to Limited Common Area or Units within a Service Area, any decision not to restore the damaged improvements after the Development and Sale Period also shall require the approval of at least 75% of the Owners of Units in the affected Service Area. If either the insurance proceeds or estimates of the loss, or both, are not available to the Association within such 60-day period, then the period shall be extended until such funds or information are available. No Mortgagee shall have the right to participate in determining whether the damage or destruction to the Common Area shall be repaired or reconstructed.



This provision ensures that desirable Common Area improvements will be replaced if destroyed, but it also makes it possible *not* to repair or rebuild if the Owners who benefit from the Common Area prefer not to rebuild.

If a decision is made not to restore the damaged improvements and no alternative improvements are authorized, the affected property shall be cleared of all debris and ruins and thereafter shall be maintained by the Association in a neat and attractive condition consistent with the Community-Wide Standard.

The Association shall retain and place in a capital improvements account for the benefit of all

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Owners, or the Owners of Units within the affected Service Area, as appropriate, any insurance proceeds remaining after paying the costs of repair or reconstruction or after such settlement as is necessary and appropriate. This is a covenant for the benefit of Mortgagees and may be enforced by the Mortgagee of any affected Unit.

If insurance proceeds are insufficient to cover the costs of repair or reconstruction, the Board may, without a vote of the Voting Delegates, levy Special Assessments to cover the shortfall against those Owners responsible for the premiums for the applicable insurance coverage under Section 11.4.

9.5. Relationships with Other Properties

The Association may contract with the owner of any neighboring property or Private Amenity to provide for sharing of costs associated with (a) maintenance and operation of mutually beneficial properties or facilities, or (b) provision of mutually beneficial services.

9.6. Surface Water and Storm Water Management System

The Community Development Districts are primarily responsible for the surface Water and Storm Water System serving Tradition. The Association may agree to assume certain maintenance obligations for the Water and Storm Water System from the Community Development Districts, in the event that the Association deems it appropriate to do so, and the Founder consents in writing to such agreement. Such assumed maintenance obligations might include, for example, maintenance of grass and other plantings, lake banks and easements. All such maintenance shall, however, be in compliance with conditions of the permits, as required by the South Florida Water Management District, Corps of Engineers, the City of Port St. Lucie, St. Lucie County, or such other local governmental entity having permitting authority.

The Association may enter into an agreement with the Community Development District to allow the Association to use the water area of the Surface Water Management System; which agreement may require the Association to indemnify the Community Development District with respect to such use.

(a) *Shared Facilities.* Certain portions of the Surface Water and Storm Water Management System may serve the drainage needs of adjacent lands not within the Community. The Founder reserves the right to grant such drainage and/or use easements and rights as the Founder may deem necessary or appropriate for accomplishing the drainage needs of the Community and/or lands located outside the Community, provided that such agreements shall not unreasonably interfere with the use of the system by the Owners or unreasonably increase the cost of maintenance of the system by the Association.

(b) Compliance with Permits

(i) The Association shall not interfere with the establishment and survival of littoral areas, if any, provided for storm water quality treatment in wet detention systems.

(ii) It shall be the responsibility of each Owner at the time of construction of a building, residence, or other structure on such Owner's Unit, to comply with the construction plans for the Surface Water and Storm Water Management System pursuant to Chapter 40D, F.A.C., approved and on file with the South Florida Water Management District.

(iii) It is the Owner's responsibility not to remove native vegetation (including cattails) that become established within the wet detention ponds abutting their Unit. Removal includes dredging, the application of herbicide, the introduction of carp grass and cutting. If the Community includes a wetland mitigation area or wet detention pond, no vegetation in such area shall be removed, cut, trimmed, or sprayed with herbicide.

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without specific written approval from the Community Development District, the South Florida Water Management District and the Corps of Engineers to the extent required by any of the applicable permits. Owners should address any question regarding authorized activities within any wet detention pond to any applicable Community Development District, the South Florida Water Management District and the Corps of Engineers.

(iv) No Owner may construct or maintain any building, residence, or structure or undertake or perform any activity in the wetland(s), wetland mitigation area(s), buffer area(s), upland conservation area(s), and drainage easement(s) described in approved permits and recorded Plats, unless prior approval is received from both the South Florida Water Management District pursuant to Chapter 40D, F.A.C., and from the City of Port St. Lucie, St. Lucie County or such other local governmental entity having permitting authority. If such activities are subject to Corps of Engineers or State of Florida permits, approval of those agencies shall also be obtained before any such activity is commenced.

(v) Neither the Association nor any Owner shall engage in any construction related activities within any part of the Surface Water and Storm Water Management System or wetlands unless such activities have been approved in writing by the South Florida Water Management District (to the extent such approval is required by the applicable permits), the Community Development District, and, during the Development and Sale Period, by the Founder. Without limitation, the following activities are deemed construction related and are prohibited unless authorized in accordance with this subsection: digging or excavation; depositing fill, debris, or any other material or item; constructing or altering any water control structure; or any other construction to modify the Surface Water and Storm Water Management System or wetland facilities. If such activities are subject to the Corps of Engineers, St. Lucie County or such other local governmental entity having permitting authority, or State of Florida permits,

approval of those agencies shall also be obtained before any such activity is commenced.

(vi) Any tract identified on the recorded plats of the Community as a "Mitigation Area" is to be preserved in its natural state in perpetuity in accordance with applicable U. S. Army Corps of Engineers permits. These natural preserve areas shall not be disturbed by any dredging, filling, land clearing, agricultural activities, planting, or other construction work whatsoever. In addition, no motorized vehicles shall be permitted within any such Mitigation Area. Owner shall not be permitted to disturb or modify the upland or wetland preserve without the consent of the Association.

(vii) The Association, through its Board, shall be responsible for enforcing the provisions of this Charter; however, in addition to enforcement by the Association, the Founder hereby reserves unto itself, and grants to any applicable governmental authority, the non-exclusive right, but not the obligation, to enforce the provisions of this Charter concerning compliance with the Surface Water and Storm Water Management System and wetland permits, all applicable federal, state, and local laws, ordinances, and regulations, and all applicable rules and regulations of the Association against any person or entity in violation including the Owners, the Association, and Builders by the exercise of any remedies available at law or in equity, or otherwise provided in this Charter for the protection and benefit of the Association, the Owners, and the Community. Notwithstanding anything in this Charter to the contrary, in the event that the local governmental entity having permitting authority or the South Florida Water Management District elects to take enforcement action against any Owner, the Association, or any other Person for violation of the terms of any permit, law, ordinance, rule, or regulation, such enforcement shall not be subject to the dispute resolution provision of Chapter 19 of this Charter.

(viii) Each Owner and Builder shall comply with all permits applicable to such Owner's Unit, including, but not limited to, those issued by the

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U.S. Army Corps of Engineers and the South Florida Water Management District (collectively "Permits"). In the event that any Owner or Builder fails to comply with any of the Permits, the Association may, at its option, perform all actions necessary to ensure compliance with the Permits, including, but not limited to, completing any ownership transfer form required by the U.S. Army Corps of Engineers, the South Florida Water Management District and/or any other federal, state or local agency having jurisdiction, and accepting an assignment(s) of the applicable Permit as it relates to the Unit and assess the Owner of the non-complying Unit, as a Specific Assessment, for all costs incurred in enforcing the provisions of the applicable permit, including, but not limited to, all attorneys' fees and costs incurred by the Association. The Association (at its sole discretion) may accept assignment of any Permits and administer same on behalf of any Owner, with the costs of said compliance to be considered a Specific Assessment applicable to said Owner's Unit. Upon acquiring title to any portion of the Community, the Owner and/or Builder owning such portion of the Community shall be deemed to have assumed the obligations under the Permits relating solely to such portion of the Community which is acquired by such Owner and/or Builder.

9.7. Recreational Use Agreement

Tradition Community Development District No. 1 and the Association have entered into that certain August 14, 2007 Recreational Use Agreement, as it may be amended from time to time, which in part governs the activities that may take place in and upon the certain "Designated Tradition Lakes" and which Recreational Use Agreement provides that the Association is responsible for managing activities and enforcing all provisions of the "Operating Rules" (as such term is hereinafter defined) governing the use of the Designated Tradition Lakes. A complete copy of the "Operating Rules" (a/k/a the "Rules and Regulations for Use of Designated Tradition Lakes" as adopted by the Association and as may be later amended from

time to time by the Association) is available for review. For a listing of all of the Designated Tradition Lakes, please refer to the Recreational Use Agreement.

NOTES

Chapter 10

Provision of Services

In addition to its property management role, the Association is a vehicle for providing a variety of services for the benefit of the Community at large and individual Units. This chapter describes some of the services the Association may provide, limitations on liability and the mechanism by which it may provide varying levels and types of services to different areas of the Community.

10.1. Provision of Services to Units

The Association may arrange for or provide services to Owners and their Units, directly or through contracts with the Founder or other third parties. The Association may enter into bulk service agreements by which a particular service is provided to all Units, to specific units (such as Service Areas), and/or it may offer various services at the option of each Owner. By way of example and not limitation, such services might include such things as cable television, telecommunication facilities, utilities, fire protection, security, trash collection, landscape maintenance, pest control, caretaker services and technology services.

Any Association contract for services may require individual Owners or occupants to execute separate agreements directly with the Persons providing components or services in order to gain access to or obtain specified services. Such contracts and agreements may contain terms and conditions that, if violated by the Owner or occupant of a Unit, may result in termination of services provided to such Unit. Any such termination shall not relieve the Owner of the continuing obligation to pay assessments for any portion of the charges for such service that are assessed against the Unit as a Common Expense or Service Area Expense pursuant to Chapter 12. Notwithstanding, the foregoing and any other term to the contrary as may be set forth in this Charter, the Association shall be under no obligation to provide such bulk services to a member who is delinquent in any monetary obligation to the Association so long as

such service is not essential to homeownership and/or the ability to reside in a residential dwelling such as and without limitation: electric, water and sewer services.

In its discretion, the Board may discontinue offering particular services and may modify or cancel existing contracts for services, subject to the contract terms and any provision that may exist elsewhere in the Governing Documents requiring the Association to provide such services.

10.2. Provision of Services to Service Areas

(a) Service Areas Designated by Founder. The Association shall provide services to Units within any Service Area designated by the Founder pursuant to Section 3.4 as required by the terms of any Supplement applicable to the Service Area.

(b) Service Areas Designated by Board. In addition to Service Areas which the Founder may designate pursuant to Section 3.4, any group of Owners may petition the Board to designate their Units as a Service Area for the purpose of receiving from the Association (i) special benefits or services which are not provided to all Units, or (ii) a higher level of service than the Association otherwise provides. Any such petition shall be signed by Owners of a majority of the Units within the proposed Service Area. Upon receipt of such petition, the Board shall investigate the terms upon which the requested benefits or services might be provided and notify the Owners in the proposed Service Area of such terms and the initial fees for providing the requested service, which may include a reasonable administrative charge. If Owners of at least 67% of the Units within the proposed Service Area approve the proposal in writing, and with the Founder's approval during the Development and Sale Period, the Board shall designate the Units as a Service Area and include the

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fees for such service as a line item in the Service Area budget pursuant to Section 12.2(c).

10.3. Community Technology

(a) *Community Systems.* Without limiting the generality of Sections 10.1 and 10.2, the Association is specifically authorized to provide, or to enter into contracts with other Persons to provide, central telecommunication receiving and distribution systems (e.g., cable television, high speed data/Internet/intranet services, and security monitoring) and related components, including associated infrastructure, equipment, hardware, and software, to serve the Community ("Community Systems"). Any such contracts may provide for installation, operation, management, maintenance and upgrades or modifications to the Community Systems as the Board determines appropriate. The Association shall have no obligation to utilize any particular provider(s). However, except for cause (as defined by written agreement with the provider), the Association may not, without the Founder's consent, terminate any contract entered into during the Founder Control Period.

The Association has entered into or expects to enter into an agreement with Home Town Cable TV of St. Lucie County, LLC, for certain telecommunications services and the Founder has entered into or expects to enter into a separate agreement whereby Home Town Cable TV of St. Lucie County, LLC will make certain payments to the Founder. Neither the Association nor the Owners shall have any interest in such payments. Builders should contact the Association regarding any applicable wiring specifications.

(b) *Opportunities for Community Interaction.* The Association may make use of computers, the Internet, and expanding technology to facilitate community interaction and communication.

10.4. Irrigation Services Provider

Irrigation water is to be provided to each Unit and all Common Areas through the irrigation service provider having a franchise for the Community ("Irrigation Service Provider"). Founder, for itself and its designees, hereby reserves the right to drill irrigation wells to service the property located within the Community where and when necessary, but Founder and its designees shall not be required to do. The drilling of wells by any Builder or Owner is specifically prohibited in the property located within the Community without the prior written consent of the Founder and the Association, which consent may be arbitrarily withheld.

10.5. Limitations on Liability

NOTWITHSTANDING ANY PROVISION OF THIS AMENDED AND RESTATED CHARTER, THE FOUNDER AND THE ASSOCIATION DO NOT MAKE ANY REPRESENTATION WHATSOEVER AS TO THE SECURITY OF THE COMMUNITY OR THE EFFECTIVENESS OF ANY MONITORING SYSTEM OR SECURITY SERVICE WHETHER SAME ARE PROVIDED THROUGH THE COMMUNITY SYSTEMS OR OTHERWISE. ALL OWNERS AGREE TO HOLD THE FOUNDER AND THE ASSOCIATION HARMLESS FROM ANY AND ALL LOSS OR CLAIM ARISING FROM THE OCCURRENCE OF ANY CRIME OR OTHER ACT. THE FOUNDER AND THE ASSOCIATION SHALL NOT IN ANY WAY BE CONSIDERED INSURERS OR GUARANTORS OF SECURITY OR SAFETY WITHIN THE COMMUNITY, AND THE FOUNDER AND THE ASSOCIATION DO NOT GUARANTEE OR WARRANT, EXPRESSLY OR IMPLIEDLY, THE MERCHANTABILITY OR FITNESS FOR USE OF ANY SUCH

MONITORING SYSTEM OR SECURITY SERVICE, OR THAT ANY SYSTEM OR SERVICES WILL PREVENT INTRUSIONS, FIRES, DAMAGE, INJURY, DEATH OR OTHER OCCURRENCES, OR THE CONSEQUENCES OF SUCH OCCURRENCES, REGARDLESS OF WHETHER OR NOT THE SYSTEM OR SERVICES ARE DESIGNED TO MONITOR SAME. THE FOUNDER AND THE ASSOCIATION SHALL NOT BE HELD LIABLE FOR ANY LOSS OR DAMAGE BY REASON OF FAILURE TO PROVIDE ADEQUATE SECURITY OR INEFFECTIVENESS OF SECURITY MEASURES UNDERTAKEN, IF ANY, EVEN IF CAUSED BY THE NEGLIGENCE OF THE FOUNDER OR THE ASSOCIATION. ALL MEMBERS, OWNERS, TENANTS, GUESTS, OCCUPANTS, INVITEES, AND LICENSEES OF ANY UNIT ACKNOWLEDGE THAT THE FOUNDER, THE ASSOCIATION, AND THE BOARD DO NOT REPRESENT OR WARRANT THAT: (A) ANY FIRE PROTECTION SYSTEM, BURGLAR ALARM SYSTEM OR OTHER SECURITY SYSTEM (WHETHER SAME ARE PROVIDED THROUGH THE COMMUNITY SYSTEM OR OTHERWISE), IF ANY, RECOMMENDED BY, OR INSTALLED ACCORDING TO GUIDELINES ESTABLISHED BY THE FOUNDER, THE ASSOCIATION, OR THE DESIGN REVIEW COMMITTEE, MAY NOT BE COMPROMISED OR CIRCUMVENTED, OR (B) THAT ANY FIRE PROTECTION OR BURGLAR ALARM SYSTEMS OR OTHER SECURITY SYSTEM (WHETHER SAME ARE PROVIDED THROUGH THE COMMUNITY SYSTEMS OR OTHERWISE) WILL IN ALL CASES PROVIDE THE

DETECTION OR PROTECTION FOR WHICH THE SYSTEM IS DESIGNED OR INTENDED, EACH MEMBER, OWNER, TENANT, GUEST, OCCUPANT, INVITEE, AND LICENSEE OF ANY UNIT ACKNOWLEDGES AND UNDERSTANDS THAT THE FOUNDER, THE ASSOCIATION, THE BOARD, AND THE DESIGN REVIEW COMMITTEE ARE NOT INSURERS OR GUARANTORS AND THAT EACH MEMBER, OWNER, TENANT, GUEST, OCCUPANT, INVITEE, AND LICENSEE OF ANY UNIT ASSUMES ALL RISKS FOR LOSS OR DAMAGE TO PERSONS, TO UNITS, AND TO THE CONTENTS OF UNITS AND FURTHER ACKNOWLEDGES THAT THE FOUNDER, THE ASSOCIATION, THE BOARD, AND THE DESIGN REVIEW COMMITTEE HAVE MADE NO REPRESENTATIONS, WARRANTIES AND/OR GUARANTEES, NOT HAS ANY MEMBER, OWNER, TENANT, GUEST, OCCUPANT, INVITEE, AND LICENSEE OF ANY UNIT RELIED UPON ANY REPRESENTATIONS OR WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, RELATIVE TO ANY FIRE AND/OR BURGLAR ALARM SYSTEMS OR OTHER SECURITY SYSTEMS (WHETHER SAME ARE PROVIDED THROUGH THE COMMUNITY SYSTEMS OR OTHERWISE) RECOMMENDED OR INSTALLED, IF ANY, OR ANY SECURITY MEASURES UNDERTAKEN WITHIN THE COMMUNITY.

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Chapter 11

Association Insurance

The Association is responsible for insuring against various types of risks, including property damage, personal injury, and liability. This chapter describes the types and amounts of coverage that the Association should obtain, the specific requirements for such policies, and the handling of deductibles and premiums for such insurance.

11.1. Coverages

The Association may obtain and maintain in effect the following insurance coverage, if reasonably available, or if not reasonably available, the most nearly equivalent coverage as is reasonably available:

(a) Blanket property insurance covering "risks of direct physical loss" on a "special form" basis (or comparable coverage by whatever name denominated) for all insurable improvements on

(i) the Common Area;

(ii) other portions of the Area of Common Responsibility, to the extent that the Association has responsibility for repair or replacement in the event of a casualty; and

(iii) any Service Area, to the extent specified or authorized by any applicable Supplement.

If such coverage is not generally available at reasonable cost, then "broad form" coverage may be substituted. The limits of Association property insurance policies should be sufficient to cover the full replacement cost of the insured improvements under current building ordinances and codes.

In addition, if a Supplement so specifies, the Association shall obtain and maintain property insurance on the insurable improvements within a Service Area, which insurance shall comply with the above requirements.

(b) Commercial general liability insurance on the Area of Common Responsibility, insuring the Association and its Members for damage or injury caused by the negligence of the Association or any of its Members, employees, agents, or contractors while acting on its behalf. If generally available at reasonable cost, such coverage should have a limit of at least \$1,000,000.00 per occurrence with respect to bodily injury, personal injury, and property damage. Such coverage may be provided through a combination of primary and umbrella policies. However, if additional coverage and higher limits are available at reasonable cost that a reasonably prudent person would obtain, the Association may obtain such additional coverages or limits;

(c) Workers compensation insurance and employers liability insurance, if and to the extent required by law;

(d) Directors and officers liability coverage; and

(e) Commercial crime insurance, including fidelity insurance covering all Persons responsible for handling Association funds in an amount determined in the Board's business judgment but not less than an amount equal to one-fourth of the annual Base Assessments on all Units plus reserves on hand. Fidelity insurance policies shall contain a waiver of all defenses based upon the exclusion of Persons serving without compensation.

The Association may arrange for an annual review of the sufficiency of its insurance coverage by one or more qualified Persons, at least one of whom must be familiar with insurable replacement costs in the metropolitan St. Lucie area. In the exercise of its business judgment, the Board may obtain additional insurance coverage and higher limits than this Section provides.

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11.2. Deductibles



The Board may hold any Persons who cause damage to insured improvements responsible for the insurance deductible payable on any insurance claim related to such damage.

The Association's policies may contain a reasonable deductible, which shall not be subtracted from the face amount of the policy in determining whether the policy limits satisfy the requirements of Section 11.1. In the event of an insured loss, the deductible shall be treated as a Common Expense or a Service Area Expense in the same manner as the premiums for the applicable insurance coverage. However, if the Board reasonably determines that the loss is the result of the negligence or willful misconduct of one or more Owners, their guests, invitees, or lessees, then the Board may assess the full amount of such deductible against such Owner(s) and their Units as a Specific Assessment.

11.3. Policy Requirements

All Association policies shall provide for a certificate of insurance to be furnished to the Association and, upon written request, to each Owner who so requests such certificate.

To the extent available at reasonable cost and terms, all Association insurance shall:

(a) be written with a company authorized to do business in Florida which satisfies the requirements of the Federal National Mortgage Association, or such other secondary mortgage market agencies or federal agencies as the Board deems appropriate;

(b) be written in the name of the Association as trustee for the benefited parties. All policies shall be for the benefit of the Association and its members, except that policies on Limited Common Area shall be for the benefit of the Owners of Units within the Service Area to which the Limited

Common Area is assigned and their Mortgagees, as their interests may appear;

(c) not be brought into contribution with insurance purchased by Owners, occupants, or their Mortgagees individually;

(d) contain an inflation guard endorsement;

(e) include an agreed amount endorsement, if the policy contains a co-insurance clause;

(f) provide that each Owner is an insured person with respect to liability arising out of such Owner's status as a member of the Association;

(g) provide a waiver of subrogation against any Owner or household member of an Owner; and

(h) include an endorsement precluding cancellation, invalidation, suspension, or non-renewal by the insurer on account of any act or omission of one or more Owners, unless acting on the Association's behalf within the scope of their authority, or on account of any curable defect or violation, without prior written demand to the Association and allowance of a reasonable time to cure the defect or violation.



Subrogation is a legal concept by which one person is substituted in the place of another with respect to a lawful claim or right. For example, once they have paid a claim by an insured party, insurance companies generally have the right to step into the shoes of the insured party and sue any one that the insured party could have sued.

In addition, the Board shall use reasonable efforts to secure insurance policies that list the Owners as additional insureds and provide:

(a) a waiver of subrogation as to any claims against the Association's directors, officers, employees, and manager;

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(b) a waiver of the insurer's right to repair and reconstruct instead of paying cash;

(c) an endorsement excluding Owners' individual policies from consideration under any "other insurance" clause;

(d) an endorsement requiring at least 30 days' prior written notice to the Association of any cancellation, substantial modification, or non-renewal;

(e) a cross liability provision; and

(f) a provision vesting in the Board exclusive authority to adjust losses. However, Mortgagees having an interest in such losses may not be precluded from participating in the settlement negotiations, if any, related to the loss.

11.4. Insurance Premiums

Premiums for all Association insurance shall be a Common Expense, except that premiums for property insurance on Units within, or Limited Common Areas assigned to, a particular Service Area shall be a Service Area Expense, unless the Board reasonably determines that other treatment of the premiums is more appropriate.

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Chapter 12

Association Finances

This chapter provides for various types of funding to cover expenses that the Association incurs or expects to incur in exercising its authority and performing its responsibilities under the Governing Documents. The primary source of funding is the assessments which this chapter authorizes the Association to levy against the Units and collect from the Owner of each Unit. Assessments are secured by a lien on each Unit as described in this chapter.

12.1. Association Expenses

(a) **Common Expenses.** Except as the Governing Documents otherwise specifically provide, all of the expenses that the Association incurs, or expects to incur, in connection with the ownership, maintenance, and operation of the Area of Common Responsibility, and otherwise for the general benefit of the Owners, are considered "**Common Expenses.**" Common Expenses include such operating reserves and reserves for repair and replacement of capital items within the Area of Common Responsibility as the Board finds necessary or appropriate.

Common Expenses shall not include any expenses of or charges assessed by any Community Development District.

The characterization of a particular expense as a "Common Expense" shall not preclude the Association from seeking reimbursement for, or a contribution toward, such expenses from other Persons who may be responsible for the expenses incurred or for sharing such expenses pursuant to this Charter, any Supplement, or any other recorded covenants or agreements.

(b) **Service Area Expenses.** All expenses that the Association incurs or expects to incur in connection with the ownership, maintenance, and operation of Limited Common Areas, or in providing other benefits and services to a Service

Area, including any operating reserve or reserve for repair and replacement of capital items maintained for the benefit of the Service Area, are considered "**Service Area Expenses.**" Service Area Expenses may include a reasonable administrative charge in such amount as the Board deems appropriate, provided that any such administrative charge is applied at a uniform rate per Unit among all Service Areas receiving the same service.

Service Area Expenses also may include an activity fund for use by the Service Area Committee to fund activities for the benefit of the Service Area without Board involvement or approval.

12.2. Budgeting for and Allocating Association Expenses

(a) **Preparation of Budget.** The Board shall prepare a budget of the estimated Common Expenses for the coming year. In addition, the Board shall prepare a separate budget for each Service Area reflecting the estimated Service Area Expenses that the Association expects to incur for the benefit of such Service Area in the coming year.

The estimated expenses in each budget may include (with the Founder's written consent during the Founder Control Period), in addition to any operating reserves, a reasonable contribution to a reserve fund for repair and replacement of any capital items to be maintained as a Common Expense or as a Service Area Expense of the Service Area for whom the budget is prepared, as applicable.

Each budget shall reflect sources and estimated amounts of funds to cover anticipated expenses, including any income expected from sources other than assessments levied against the Units, and the amount to be generated through the levy of Base Assessments and Service Area Assessments pursuant to subsections (b) and (c). The budgets shall

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set out separately any fees or charges for use of recreational amenities in the Community.

(b) Calculation of Base Assessments. The total budgeted Common Expenses, less any income anticipated from sources other than assessments against the Units, shall be allocated equally among all Units subject to assessment under Section 12.5 and levied as a "**Base Assessment.**"

(c) Calculation of Service Area Assessments. The total Service Area Expenses budgeted for each Service Area, shall be allocated among all Units in the Service Area that are subject to assessment under Section 12.4 and levied as a "**Service Area Assessment.**" Unless otherwise specified in any Supplement applicable to a Service Area, Service Area Assessments shall be set at a uniform rate per Unit in the Service Area, except that any portion of the assessment intended for exterior maintenance of structures, insurance on structures, or replacement reserves which pertain to particular structures may be levied on each of the benefited Units in proportion to the benefit received, as the Board may reasonably determine.

All amounts the Association collects as Service Area Assessments shall be held in trust for and expended solely for the benefit of the Service Area for which they were collected and shall be accounted for separately from the Association's general funds.

(d) Founder's Subsidy Option. The Founder may, but shall not be obligated to, reduce the Base Assessment for any fiscal year by payment of a subsidy (in addition to any amounts paid by the Founder under Section 12.6(b)). Any such subsidy may be treated as a contribution, an advance against future assessments due from the Founder, or a loan, in the Founder's discretion. Payment of such subsidy in any year shall not obligate the Founder to continue payment of such subsidy in future years, unless otherwise provided in a written agreement between the Association and the Founder.

(e) Notice of Budget and Assessment. At least 14 days prior to the meeting at which such budget is to be adopted, the Board shall send a notice to each Owner that a copy of each applicable budget, together with the amount of the proposed Base Assessment and any Service Area Assessment to be levied pursuant to the budgets, is available upon request at no charge.

If the Board fails for any reason to determine the budget for any year, then the budget most recently in effect, increased by 10%, shall continue in effect until a new budget is determined. The Association and the Board shall have no liability for failure to adopt a budget within the time period specified in this Section 12.2, and failure to adopt a budget shall not excuse any Owner from payment of assessments for expenses incurred during the period prior to adoption of a new budget.

(f) Budget Revisions. The Board may revise the budget and adjust the Base Assessment or Service Area Assessments anytime during the year, subject to the same notice requirement set forth in subsection (e) above.

12.3. Special Assessments

The Association may levy "**Special Assessments**" to cover Common Expenses or Service Area Expenses that are non-routine, unanticipated, or in excess of those anticipated in the applicable budget. Except as otherwise specifically provided in this Charter, any Special Assessment for Common Expenses shall be allocated equally among all such Units. Any Special Assessment for Service Area Expenses shall be allocated in the same manner as Service Area Assessments under Section 12.2 (c). In addition, during the Founder Control Period, any Special Assessment shall be subject to the Founder's written consent. Special Assessments shall be payable in such manner and at such times as the Board determines and may be payable in installments extending beyond the fiscal year in which the Special Assessment is approved.

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12.4. Specific Assessments

The Association may levy "Specific Assessments" against a particular Unit as follows:

(a) to cover the costs, including overhead and administrative costs, of providing services to the Unit upon request of the Owner pursuant to any menu of optional services which the Association may offer (which might include the items identified in Section 10.1). Specific Assessments for optional services may be levied in advance of the provision of the requested service;

(b) to cover costs, including attorneys fees, incurred in bringing the Unit into compliance with the Governing Documents or costs, including attorneys fees, incurred as a consequence of the conduct of the Owner or occupants of the Unit, their agents, contractors, employees, licensees, invitees, or guests; however, the Board shall give the Unit Owner prior written notice and an opportunity for a hearing in accordance with the By-Laws, before levying any Specific Assessment under this subsection (b); and

(c) to cover the Unit's pro rata share of any costs, including attorneys fees, that the Association incurs in bringing the Neighborhood of which the Unit is a part into compliance with the provisions of the Governing Documents; however, the Board must give prior written notice to the Owners of Units in the Neighborhood and an opportunity for such Owners to be heard before levying any such assessment.

In no event shall the Association be required to competitively bid the procurement of goods or services used in conjunction with costs levied in conjunction with Specific Assessments, including any of the work performed by the Association.

12.5. Authority to Assess Owners; Time of Payment

The Founder hereby establishes and the Association is hereby authorized to levy assessments as provided for in this chapter and elsewhere in the

Governing Documents. The obligation to pay assessments shall commence as to each Unit on the first day of the month following: (a) the date on which the Association first adopts a budget and levies assessments or (b) the date on which the Unit is made subject to this Charter, whichever is later. The first annual Base Assessment and Service Area Assessment, if any, levied on each Unit shall be adjusted according to the number of months remaining in the fiscal year at the time assessments commence on the Unit.

Assessments shall be paid in such manner and on such dates as the Board may establish. If the Board so elects, assessments may be paid in two or more installments. Unless the Board otherwise provides, the Base Assessment and any Service Area Assessment shall be due and payable quarterly in advance on the first day of each fiscal quarter. The Board may require advance payment of assessments at closing of the transfer of title to a Unit and impose special requirements for Owners with a history of delinquent payment. If any Owner is delinquent in paying any assessments or other charges levied on his Unit, the Board may accelerate the entire amount for any and all assessments for the remainder of the year, notwithstanding any provisions for the payment of such assessments in installments, and require the outstanding balance on all assessments to be paid in full immediately.

The Founder may, in its sole discretion, by written agreement with a Builder and filed with the Association, elect to defer payment of some or all Association Assessments which would be otherwise owned by that Builder for some or all of the Units sold to the Builder for a period not to exceed two (2) years from the date of the Builder's acquisition of the Units.

The budget may also provide for mandatory fees ("Mandatory Fees") for cable television, high-speed internet service, alarm monitoring and other such services to be levied as part of the assessments. That portion of the assessment that is for Mandatory Fees shall not commence for a Unit

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until a certificate of occupancy for a dwelling has been issued for that Unit, and the Unit has been conveyed or leased to a third party other than a Builder.

(a) As further set forth in Section 2.6 of the Charter as originally recorded, the Neighborhood Association(s) are responsible for payment to the Association for the full amount of all Base Assessments, Service Area Assessments and Special Assessments levied by the Association pursuant to Chapter 12 on Units within the Neighborhood Association, and for enforcement of obligations for payment of Assessments levied by the Association on Units within the Neighborhood Association.

Notwithstanding such obligation of the Neighborhood Association(s), the Association, at its sole option and discretion, may collect some or all amounts of Base Assessments, Service Area Assessments, and Special Assessments levied by the Association as authorized by this Charter on Units within the Neighborhood Association, and for enforcement of obligations for payment of Assessments levied by the Association on Units within a Neighborhood Association by invoicing the Owner(s) of the Neighborhood Association which shall in no way diminish or otherwise alter a Neighborhood Association's(s) obligation to the Association as set forth elsewhere in this Charter. Nothing herein contained shall serve in any fashion to limit the Association's legal remedies against an Owner and/or Neighborhood Association that fails to timely pay their monetary obligations to the Association.

12.6. Obligation for Assessments

(a) *Personal Obligation.* By accepting a deed or entering into a recorded contract to purchase any Unit, each Owner covenants and agrees to pay all assessments authorized in the Governing Documents. All assessments, together with interest (computed from its due date at a rate of 12% per annum or such higher rate as the Board may establish, subject to the limitations of Florida law), a late fee not to exceed the greater of twenty-five

dollars (\$25.00) or five percent (5%) of the amount of each installment that is paid past the due date or such greater amount as permitted by Florida law, and as determined by the Board, costs, and reasonable attorneys' fees, shall be the personal obligation of each Owner and a lien upon each Unit until paid in full. Upon a transfer of title to a Unit, the transferee, buyer or grantee, as the case may be, shall be jointly and severally liable for any assessments and other charges due at the time of conveyance.

The Board's failure to fix assessment amounts or rates or to deliver or mail each Owner an assessment notice shall not be deemed a waiver, modification, or a release of any Owner from the obligation to pay assessments. In such event, each Owner shall continue to pay Base Assessments and Service Area Assessments on the same basis as during the last year for which an assessment was made, if any, until a new assessment is levied, at which time the Association may retroactively assess any shortfall.

No Owner may exempt himself or herself from liability for assessments by non-use of Common Area, abandonment of his or her Unit, or non-use of services provided to all Units or to all Units within the Service Area to which the Unit is assigned. The obligation to pay assessments is a separate and independent covenant on the part of each Owner. No diminution or abatement of assessments or set-off shall be claimed or allowed for any alleged failure of the Association or Board to take some action or perform some function required of it, or for inconvenience or discomfort arising from the making of repairs or improvements, or from any other action it takes.

Upon written request, the Association shall furnish to any Owner liable for any type of assessment a certificate signed by an Association officer setting forth whether such assessment has been paid. Such certificate shall be conclusive evidence of payment. The Association may require the advance payment of a reasonable processing fee for the issuance of such certificate.

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(b) Founder's Financial Obligations to Association. The Founder shall be liable for assessments on any Units it owns that are subject to assessment under this Section, except that during the Founder Control Period, the Founder may satisfy its obligation to pay Base Assessments and Special Assessments for Common Expenses on Units it owns either by paying such assessments in the same manner as any other Owner, or by paying (i) any shortfall under the Common Expense budget resulting from events other than failure of other Owners to pay their assessments, and (ii) any budgeted contributions to reserves in accordance with the Common Expense budget. The Founder shall elect annually whether it will pay assessments or fund the operating deficit. After termination of the Founder Control Period, the Founder shall pay Base Assessments on any Units it owns that are subject to assessment under Section 12.6 in the same manner as any other Owner liable for such assessments.

Regardless of the Founder's election under this Section, any of the Founder's financial obligations to the Association may be satisfied in the form of cash or by "in kind" contributions of services or materials, or by a combination of these.

12.7. Lien for Assessments

(a) Existence of Lien. As of the Original Charter, the Association shall have a lien against each Unit to secure payment of assessments, as well as interest, late charges (subject to the limitations of Florida law), and costs of collection (including attorneys fees and expenses). Such lien shall be superior to all other liens, except (a) the liens of all taxes, bonds, assessments, and other levies which by law would be superior, and (b) the lien or charge of any recorded Mortgage made in good faith and for value having first priority over any other Mortgages on the Unit. Such lien shall also relate back to the date of recording of the Original Charter.

Although no further action is required to create or perfect the lien, the Association may, as further

evidence and notice of the lien, execute and record a document setting forth as to any Unit the amount of the delinquent sums due the Association at the time such document is executed and the fact that a lien exists to secure the repayment thereof. However, the failure of the Association to execute and record any such document shall not affect the validity, enforceability, or priority of the lien.

(b) Enforcement of Lien. The Association may bid for the Unit at the foreclosure sale and acquire, hold, lease, mortgage, and convey the Unit. While a Unit is owned by the Association following foreclosure: (a) no right to vote shall be exercised on its behalf; (b) no assessment shall be levied on it; and (c) each other Unit shall be charged, in addition to its usual assessment, its pro rata share of the assessment that would have been charged such Unit had it not been acquired by the Association. The Association may sue for unpaid assessments and other charges authorized hereunder without foreclosing or waiving the lien securing the same, in addition to pursuing any and all remedies allowed by law to enforce the lien.

(c) Effect of Sale or Transfer as to all mortgages that were recorded against a Unit prior to January 12, 2010. Sale or transfer of any Unit shall not affect the assessment lien or relieve such Unit from the lien for any subsequent assessments. However, the sale or transfer of any Unit pursuant to foreclosure of the first Mortgage shall extinguish the lien as to any installments of such assessments due prior to the Mortgagee's foreclosure. The subsequent Owner of the foreclosed Unit shall not be personally liable for assessments on such Unit due prior to such acquisition of title. Such unpaid assessments shall be deemed to be Common Expenses collectible from Owners of all Units subject to assessment under Section 12.6, including such acquirer, its successors and assigns.

(d) Effect of Sale or Transfer as to all mortgages that were recorded against a Unit after January 12, 2010:

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Liability for Assessments. An Owner, regardless of how title is acquired, including by purchase at a foreclosure sale or by deed in lieu of foreclosure, shall be liable for all Assessments and other charges coming due while that person owns the Unit. Except as may be otherwise provided in this Section 12.7, all such Owners shall also be jointly and severally liable with the previous Owner for all unpaid Assessments and other charges that came due up to the time of the transfer of title. This liability is without prejudice to any right the Owner may have to recover from the previous Owner the amounts paid by the Owner. The person acquiring title shall pay the amount owed to the Association at closing, and if not, then within thirty (30) days after transfer of title. Failure to pay the full amount when due shall entitle the Association to record a claim of lien against the Unit and proceed in the same manner as provided herein and in Chapter 720 Florida Statutes, as amended from time to time, for the collection of unpaid Assessments. The liability for Assessments may not be avoided by waiver of the use or enjoyment of any common areas or other Association property or by the abandonment of the Unit for which the Assessments are made or otherwise. All unpaid assessments shall be deemed to be Common Expenses collectible from Owners of all Units subject to assessment under Section 12.6, including such acquirer, its successors and assigns.

First Mortgage. Sale or transfer of any Unit shall not affect the assessment lien or relieve such Unit from the lien for any subsequent assessments. However, the first Mortgagee is liable for the share of common expenses or assessments or other charges imposed by the Association pertaining to such Unit which became due prior to acquisition of title as a result of the foreclosure or the acceptance of such deed; provided, however, the first Mortgagee's liability is limited to the maximum amount set forth in Chapter 720, Florida Statutes, as same may be amended from time to time. A first Mortgagee acquiring title to a Unit as a result of foreclosure of its first mortgage, or by deed in lieu of foreclosure, may not, during the period of its ownership of such parcel, whether or

not such parcel is unoccupied, be excused from the payment of some or all of the common expenses coming due during the period of such ownership.

If any unpaid share of common expenses or assessments or other charges is extinguished by foreclosure of a superior lien or by a deed in lieu of foreclosure thereof, or for any other reason, the unpaid share of common expenses, assessments or other such charges are Common Expenses collectible from all of the Unit Owners, including such acquirer, and such acquirer's successors and assigns.



If an Owner does not pay his or her assessments on time, the Association may foreclose its lien on the Owner's Unit, causing it to be sold to pay the past due assessments. The Association also may sue an Owner in court to recover past due assessments.

12.8. Exempt Property

The following property shall be exempt from payment of Base Assessments, Service Area Assessments, and Special Assessments:

- (a) All Common Area and such portions of the property owned by the Founder as are included in the Area of Common Responsibility;
- (b) Any property dedicated to and accepted by any governmental authority or public utility; and
- (c) Property owned by any Neighborhood Association for the common use and enjoyment of its members, or owned by the members of a Neighborhood Association as tenants-in-common.

In addition, the Association may, with the written approval of the Founder during the Founder Control Period, by resolution grant exemptions to certain Persons qualifying for tax-exempt status under Section 501(c) of the Internal Revenue Code so long as such Persons own property subject

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to this Charter for purposes listed in Section 501(c) of the Internal Revenue Code.

12.9. Capitalization of Association

The first Owner of each Unit other than the Founder or a Builder designated by the Founder shall make a contribution to the working capital of the Association in an amount equal to one-sixth of the annual Base Assessment per Unit for that year. This amount shall be in addition to, not in lieu of, the annual Base Assessment and any Service Area Assessment levied on the Unit and shall not be considered an advance payment of such assessments. This amount shall be due and payable to the Association immediately upon transfer of title, for its use in covering initial start-up expenses, operating expenses and other expenses which it incurs pursuant to this Charter and the By-Laws, and shall be collected by the Builders upon the sale of a Unit to an Owner and remitted to the Association within 15 days of the closing. These funds may be used by the Founder or the Association before the Founder is obligated to fund any deficit in the Association's budget.

12.10. Use and Consumption Fees

The Board may charge use and consumption fees to any Person using Association services or facilities and may determine the amount and method of determining such fees. Different fees may be charged to different classes of users (*e.g.*, Owners and non-Owners).

12.11. Community Enhancement Fee

(a) **Authority.** As an additional funding source, the Board, as set forth herein, may establish and collect a "Community Enhancement Fee" (as hereinafter defined) upon each transfer of title to a Unit. The fee shall be charged to the purchaser/transferee of the Unit, shall be payable to the Association at the closing of the transfer, and shall be secured by the Association's lien for assessments under Section 12.7. Each Owner shall notify the Association's Secretary or designee at

least seven days prior to the scheduled closing and provide the name of the buyer, the total sales price, the date of title transfer, and other information the Board may reasonably require.

(b) **Fee Limit.** Commencing upon the first transfer of title to a Unit after the first transfer of title to a Unit from the Builder to a non-Builder and thereafter, at the closing of each transfer of title to such Unit, the purchaser/transferee shall pay to the Association a community enhancement fee (the "Community Enhancement Fee") of up to one percent (1%) (the "Limit") of the "Gross Unit Price" (as hereinafter defined) of the Unit as determined by the Founder, during the Founder Control Period and thereafter, the Board. For the purpose of determining the amount of the Community Enhancement Fee, the "Gross Unit Price" shall be the total consideration paid or given by the purchaser/transferee to purchase the Unit. The Community Enhancement Fee, as determined by the Founder, shall be one-tenth of one percent (.1%) of the Gross Unit Price provided however, the Founder may increase the Community Enhancement Fee at any time during the Founder Control Period by providing written notice to the Association so long as the increase does not raise the Community Enhancement Fee above the Community Enhancement Fee Limit.

(c) **Purpose.** All Community Enhancement Fees which the Association collects shall be deposited into a segregated account or accounts and used to provide funding for cultural, educational, charitable, recreational, environmental, conservation or other similar activities benefiting the Owners and for such other purposes as the Board deems beneficial to the general good and welfare of Tradition, the Owners and Neighborhood Associations and/or such other purposes as deemed appropriate by the Board. For example, the Community Enhancement Fees might be used for among other purposes to assist in funding:

(i) programs and activities which enhance the welfare, benefit, and lifestyle of residents within and outside of Tradition;

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(ii) the preservation and maintenance of natural areas, wildlife preserves, or similar conservation areas and sponsorship of educational programs and activities that contribute to the overall understanding, appreciation, and preservation of the natural environment within and surrounding Tradition;

(iii) programs, services, and activities which serve to promote a sense of community within Tradition, such as recreational leagues, cultural programs, educational programs, festivals and holiday celebrations and activities, a community computer network, and recycling programs; and

(iv) social services, educational programs, community outreach programs, and other causes;

(v) parks, waterparks, club houses and other facilities.

(d) *Exempt Transfers.* Notwithstanding the above, no Community Enhancement Fee shall be levied upon transfer of title to a Unit:

(i) by or to the Founder;

(ii) by the initial Builder (i.e. the Builder who acquires the title from the Founder or its designee) who held title solely for purposes of development and resale;

(iii) by a co-owner to any Person who was a co-owner immediately prior to such transfer;

(iv) to the Owner's estate, surviving spouse, or heirs at law upon the death of the Owner;

(v) to an entity wholly owned by the grantor or to a family trust created by the grantor for the benefit of grantor, his or her spouse, and/or heirs at law; provided, upon any subse-

quent transfer of an ownership interest in such entity, the Community Enhancement Fee shall become due;

(vi) to an institutional lender pursuant to a Mortgage or upon foreclosure of a Mortgage or deed in lieu of foreclosure; or

(vii) under circumstances which the Founder, during the Founder Control Period and thereafter, the Board, in its discretion, deems to warrant classification as an exempt transfer (e.g., a transfer made solely for estate planning purposes may be, but is not required to be, deemed exempt from payment of the Community Enhancement Fee).



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PART FOUR: RELATIONSHIPS WITHIN AND OUTSIDE THE COMMUNITY

Chapter 13

Easements

The easements created in this chapter establish the rights of Owners to use the Common Area and create various rights for the benefit of owners, the Founder, the Association, and others over property within the Community. Some of these rights are related to development and construction within the Community and on adjacent property, while others relate to the rights of Association to come upon property of others to fulfill its responsibilities and the interrelationships between the Community and the owners of adjacent property.

13.1. Easements in Common Area



An easement is one person's right to go onto the property of another.

The Founder grants to each Owner a nonexclusive right and easement of use, access, and enjoyment in and to the Common Area, subject to:

- (a) The Governing Documents and any other applicable covenants;
 - (b) Any restrictions or limitations contained in any deed conveying such property to the Association;
 - (c) Certain Owners' rights to the exclusive use of those portions of the Common Area designated "Limited Common Area;" and
 - (d) The Board's right to:
 - (i) adopt rules regulating Common Area use and enjoyment, including rules limiting the number of guests who may use the Common Area, and to charge use fees for such use except that no such rule shall unreasonably restrict an Owner's right to peaceably assemble on the Common Area, or to invite public officers or candidates for public office to appear and speak on the Common Area;
 - (ii) suspend an Owner's right to use Common Area facilities;
 - (iii) dedicate or transfer all or any part of the Common Area, subject to such approval requirements as may be set forth in this Charter;
 - (iv) impose reasonable membership requirements and charge reasonable admission or other use fees for the use of any recreational facility situated upon the Common Area;
 - (v) rent any portion of any clubhouse or other Common Area recreational facilities on an exclusive or non-exclusive short-term basis to any Person;
 - (vi) permit use of any recreational facilities situated on the Common Area by the general public, which use may be subject to admission charges, membership fees, or other user fees established in the Board's discretion; and
 - (vii) mortgage, pledge, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred, subject to the approval requirements set forth in Section 16.9.
- Any Owner may extend his or her right of use and enjoyment to the members of his or her family, lessees, and social invitees, as applicable, subject to reasonable Board regulation. An Owner who leases his or her Unit shall be deemed to have assigned all such rights to the lessee of such Unit for the period of the lease.

13.2. Easements of Encroachment



An encroachment occurs when a person's home, fence, or other structure extends onto his or her neighbor's property. This section permits minor, inadvertent encroachments to remain.

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The Founder grants reciprocal appurtenant easements of encroachment, and for maintenance and use of any permitted encroachment, between each Unit and any adjacent Common Area and between adjacent Units. A permitted encroachment is a structure or fixture that extends unintentionally from one person's property onto another's a distance of less than three feet, as measured from any point on the common boundary along a line perpendicular to such boundary. An encroachment easement shall not exist if the encroachment results from willful and knowing conduct on the part of, or with the knowledge and consent of, the Person claiming the benefit of such easement.

13.3. Easements for Utilities, Etc.

(a) Installation and Maintenance. During the Development and Sale Period, the Founder reserves for itself and grants to the Association and all utility providers, perpetual non-exclusive easements throughout Tradition (but not through a structure) to the extent reasonably necessary to:

(i) install utilities and infrastructure to serve Tradition, other Community Systems, security and similar systems, and drainage systems;

(ii) install walkways, pathways and trails, street lights, and signage on property the Founder or the Association owns or within public rights-of-way or easements reserved for such purpose on a recorded plat;

(iii) inspect, maintain, repair, and replace the utilities, infrastructure, and other improvements described above; and

(iv) access and read utility meters.

Notwithstanding the above, the Founder reserves the right to deny access to any utility or service provider, to the extent permitted by law, or to condition such access on negotiated terms.

(b) Specific Easements. The Founder also reserves the non-exclusive right and power to

grant and record such specific easements consistent with Section 13.3(a) as it deems necessary to develop the property described in Exhibits "A" and "B." The location of the specific easement shall be subject to the written approval of the Owner of the burdened property, which approval shall not unreasonably be withheld, delayed, or conditioned.

(c) Minimal Interference. All work associated with the exercise of the easements described in subsections (a) and (b) of this section shall be performed so as to minimize interference with the use and enjoyment of the property burdened by the easement. Upon completion of the work, the Person exercising the easement shall restore the property, to the extent reasonably possible, to the condition existing prior to the commencement of the work. The exercise of these easements shall not extend to permitting entry into the structures on any Unit, nor shall it unreasonably interfere with the use of any Unit and, except in an emergency, entry onto any Unit shall be made only after reasonable notice to the Owner or occupant.

13.4. Easements to Serve Additional Property


The Founder hereby reserves for itself and its duly authorized agents, successors, assigns, designees, and Mortgagees, an easement over the Common Area for the purposes of enjoyment, use, access, and development of the property described in Exhibit "B," regardless of whether such property is made subject to this Charter. This easement includes, but is not limited to, a right of ingress and egress over the Common Area for construction of roads and for connecting and installing utilities on such property. The Person exercising such easement rights shall be responsible for any damage caused to the Common Area as a result of their actions in connection with development of such property.

If the above easement grants permanent access to any property which is not submitted to this Charter, the Founder, or its successors or assigns,

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shall enter into a reasonable agreement with the Association to share the cost of maintenance that the Association provides for the benefit of the easement holder. The shared maintenance costs may include maintenance to or along any roadway providing access to the benefited property.

13.5. Easements for Maintenance, Emergency, and Enforcement

 The Association may come onto the exterior portions of a Unit to do maintenance or to address violations of the covenants but will give prior notice unless there is an urgent need to enter the property before notice can be given.

By this Charter, the Founder grants to the Association easements over such portions of the Units and Neighborhood Common Area within Tradition as necessary to enable the Association to exercise its authority and fulfill its maintenance responsibilities under Chapter 6 and to exercise its enforcement rights under Section 8.2. The Association also shall have the right, but not the obligation, to enter upon any Unit for emergency, security, and safety reasons, to perform maintenance, to inspect for compliance with the Governing Documents, and to enforce the Governing Documents. Any member of the Board and its duly authorized agents and assignees and all emergency personnel in the performance of their duties may exercise such right. Except in an emergency situation, entry shall only be during reasonable hours and after notice to the Owner.

13.6. Easements for Lake and Pond Maintenance and Flood Water

 The Founder, any Community Development District, and the Association have the right to access property adjacent to wetlands and water bodies to perform maintenance and for irrigation purposes. They also have the right to cause water levels in lakes or ponds in Tradition to rise above normal or recede below normal. They will be responsible for repairing any damage they cause in so doing.

The Founder reserves for itself, any Community Development District having jurisdiction, the Association, and their respective successors, assigns, and designees, the nonexclusive right and easement, but not the obligation, to enter upon bodies of water and wetlands located within the Area of Common Responsibility to (a) install, operate, maintain, and replace pumps to supply irrigation water to the Area of Common Responsibility; (b) construct, maintain, and repair structures and equipment used for retaining water; and (c) maintain such areas in a manner consistent with the Community-Wide Standard. The Founder, any Community Development District having jurisdiction, the Association, and their respective successors, assigns, and designees shall have an access easement over and across any portion of Tradition which abuts or contains bodies of water or wetlands, to the extent reasonably necessary to exercise their rights under this section.

The Founder further reserves for itself, any Community Development District having jurisdiction, the Association, and their respective successors, assigns, and designees, a perpetual, non-exclusive right and easement of access and encroachment over the Common Area and Units (but not the dwellings thereon) adjacent to or within 50 feet of bodies of water and wetlands within Tradition, in order to (a) temporarily flood and back water upon and maintain water over such property; (b) alter in any manner and generally maintain the bodies of water and wetlands within

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the Area of Common Responsibility; and (c) maintain and landscape the slopes and banks pertaining to such areas. All Persons entitled to exercise these easements shall use reasonable care in and repair any damage resulting from the intentional exercise of such easements. Nothing herein shall be construed to make the Founder or any other Person liable for damage resulting from flooding due to weather events or other natural occurrences.

The bodies of water and wetlands within the Community, including those within the Area of Common Responsibility, are for the purpose of water management and are not designed as aesthetic features. The bodies of water and wetlands may therefore be extremely shallow during several months of the year as a result of permitting requirements. Neither the Founder nor the Association has any control over such elevations. No portion of the bodies of water or wetlands may be altered, modified, expanded or filled without written approval of the Founder. The use of the bodies of water within the Community for irrigation purposes is specifically prohibited without the prior written consent of the Founder and the Association, which consent may be arbitrarily withheld. The Founder reserves for itself, the Association and the Irrigation Service Provider, and their respective successors, assigns and designees (as designated by Founder), the nonexclusive right and easement, but not the obligation, to utilize the bodies of water within the Community for irrigation purposes.

13.7. Private Roadways

(a) *Roadways.* The private roadways within the Community ("**Roadways**"), as depicted on any recorded plat of the Community, shall be owned by the Association as part of the Common Area, except that such Roadways may be specifically conveyed to an appropriate Community Development District or to a Neighborhood Association for use by that Neighborhood or to such other entity as the Association may deem appropriate, provided during the Founder Control Period any

such conveyance shall require the written approval of the Founder. Use of such Roadways shall be subject to and in accordance with any rights and easements set forth in this Charter or shown on the recorded plats and such reasonable Rules as the Association may adopt from time to time consistent with this Charter, the plats, and any law, ordinance, or regulation governing the Community.

(b) *Access Easements.* The Founder hereby reserves for itself, any Community Development District having jurisdiction, and their respective agents, employees, successors, and assigns, an easement over the Roadways for the purpose of constructing, maintaining, repairing, or rebuilding any public infrastructure or subdivision improvements installed or to be installed in the Community and for performing any other work within the Community which the Founder, or any Community Development District having jurisdiction, deems reasonably necessary, in its discretion, or which the Founder is required to perform pursuant to a contract with any Owner or pursuant to the requirements of any government agency having jurisdiction over the Community. With regard to construction on any of the Units by the Owners thereof, the contractors, subcontractors, laborers, materialmen, and other Persons providing construction services and materials to any such Units shall have access to such Units over the Roadways subject to such Rules as the Association may adopt; however, during the Founder Control Period, the Founder shall have the right to prohibit the use of the Roadways by such Persons and to designate alternate access easements for such Persons.

The Founder hereby creates a perpetual, non-exclusive easement for access, ingress, and egress over the Roadways for law enforcement, fire-fighting, paramedic, rescue, and other emergency vehicles, equipment, and personnel; for school buses; for U.S. Postal Service delivery vehicles and personnel; and for vehicles, equipment, and personnel providing garbage collection service to the Community, provided that such easement shall

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not authorize any such Persons to enter the Community except while acting in their official capacities.

The existence of this easement shall not preclude the Association from maintaining gates or other devices or systems designed to limit general vehicular access to the Community, provided that the Association at all times maintains systems and/or procedures to permit the uncontested entry of Persons authorized to exercise the easements granted in this subsection without unreasonable interference or delay.

(c) The Founder, during the Founder Control Period, and thereafter the Board, in their respective sole discretion, may cause re-routing of traffic and/or close a portion of any Roadway for designated periods of time in an effort to provide a safe environment for children who may be arriving to or departing from any educational facility not limited to elementary, junior high school and high school for school related activities such as, but not limited to, drop off and pick up and special events.

(d) The Founder, during the Founder Control Period, and thereafter the Board, in their respective sole discretion, may cause re-routing of traffic and/or close a portion of any Roadway for designated periods of time in an effort to provide a safe environment for Owners, their children, guests and invitees during special events and promotional activities.

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Chapter 14

Private Amenities

Various recreational and other facilities may be located within or in the vicinity of the Community that are privately owned and operated by Persons other than the Association. Those facilities are not part of the Common Area of the Community and ownership of property in the Community does not give any person the right to use them. This chapter explains the right of the owners of those facilities to determine if and on what terms they wish to make their facilities available for use by Owners. It also establishes certain rights for the benefit of the owners of such facilities.

14.1. General

Any property and facilities located within, adjacent to, or near Tradition which Persons other than the Association own and operate for recreational and related purposes are "**Private Amenities.**"

Neither membership in the Association nor ownership or occupancy of a Unit shall confer any ownership interest in or right to use any Private Amenity. Rights to use the Private Amenities will be granted only to such persons, and on such terms and conditions, as the owners of the Private Amenities may determine. The owners of the Private Amenities shall have the right, from time to time in their sole and absolute discretion and without notice, to amend or waive the terms and conditions of use of their respective Private Amenities, including, without limitation, eligibility for and duration of use rights, categories of use and extent of use privileges, and number of users, and also shall have the right to reserve use rights and to terminate use rights altogether, subject to the terms of any written agreements with their respective members.

14.2. Conveyance of Private Amenities

All Persons, including Owners, are hereby advised that no representations or warranties have

been or are made by the Founder, the Association, any Buikler, or by any Person acting on behalf of any of the foregoing, with regard to the continuing ownership or operation of any Private Amenity. No purported representation or warranty in such regard, either written or oral, shall be effective unless specifically set forth in a written instrument executed by the record owner of the Private Amenity. Ownership or operation of the Private Amenity may change at any time by virtue of, but without limitation, (a) the sale to or assumption of operations of any Private Amenity by a Person other than the current owner or operator; (b) the establishment of, or conversion of the membership structure to, an "equity" club or similar arrangement whereby the members of the Private Amenity or an entity owned or controlled by its members become the owner(s) and/or operator(s) of the Private Amenity; or (c) the conveyance of any Private Amenity to one or more Founder Affiliates. Consent of the Association, any Neighborhood Association, any Voting Delegate, or any Owner shall **not** be required to effectuate any change in ownership or operation of any Private Amenity, for or without consideration and subject to or free of any mortgage, covenant, lien, or other encumbrance.

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Chapter 15

Disclosures and Waivers

This chapter discloses some important information about the Community for the benefit of prospective purchasers of property in the Community. Each Owner, by accepting a deed to property in the Community, also accepts and agrees to the matters set forth in this Declaration.

15.1. Facilities and Services Open to the Public

Certain facilities and areas within Tradition may be open for use and enjoyment of the public. Such facilities and areas may include, by way of example: greenbelts, trails and paths, parks, and other neighborhood spots conducive to gathering and interaction, roads, sidewalks, and medians. The Founder may designate such facilities and areas as open to the public at the time the Founder makes them a part of the Area of Common Responsibility, or the Board may so designate at any time thereafter.

15.2. Safety and Security

Each Owner and occupant of a Unit, and their respective guests and invitees, shall be responsible for their own personal safety and the security of their property in Tradition. The Association may, but shall not be obligated to, maintain or support certain activities within Tradition designed to promote or enhance the level of safety or security which each person provides for himself or herself and his or her property. However, neither the Association nor the Founder shall in any way be considered insurers or guarantors of safety or security within Tradition, nor shall either be held liable for any loss or damage by reason of failure to provide adequate security or ineffectiveness of security measures undertaken.

No representation or warranty is made that any systems or measures, including security monitoring systems or any mechanism or system for limiting access to Tradition, cannot be compromised or circumvented, nor that any such systems or security measures undertaken will in all cases prevent loss or provide the detection or protection for which the system is designed or intended. Each Owner acknowledges, understands, and shall be responsible for informing any tenants and other occupants of such Owner's Unit, that the Association, its Board and committees, and the Founder are not insurers or guarantors of security or safety and that each Person within Tradition assumes all risks of personal injury and loss or damage to property, including Units and the contents of Units, resulting from acts of third parties.

15.3. Changes in Master Plan

Founder reserves the right to make changes in the Master Plan in its sole discretion, subject to such governmental approvals as may be required. Each Owner and Neighborhood Association acknowledges that Tradition is a master planned community, the development of which is likely to extend over many years, and agrees that neither the Association nor any Neighborhood Association shall, without the Founder's prior written consent, engage in, or use Association or Neighborhood Association funds to support, any protest, challenge, or other form of objection to (a) changes in uses or density of property within Tradition, or (b) changes in the Master Plan.

15.4. View Impairment

Neither the Founder nor the Association guarantee or represent that any view over and across the Units or any open space within the Community will be preserved without impairment. The Founder, Founder Affiliates, and the Association

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shall have no obligation to relocate, prune, or thin trees or other landscaping. The Association has the right to add trees and other landscaping from time to time, subject to applicable law. There shall be no express or implied easements for view purposes or for the passage of light and air.

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15.5. Notices and Disclaimers as to Community Systems

Each Owner acknowledges that interruptions in cable television and other Community Systems and services will occur from time to time. The Founder, Founder Affiliates, or any of their respective successors or assigns shall not be liable for, and no Community System or service user shall be entitled to refund, rebate, discount, or offset in applicable fees for, any interruption in Community Systems and services, regardless of whether or not such interruption is caused by reasons within the service provider's control.

Chapter 16

Rights of Lenders

In order to enhance each Owner's ability to obtain financing for the purchase of his or her Unit, this chapter sets forth various provisions for the benefit of lenders who make mortgage loans and for the benefit of those agencies which guarantee and insure mortgage loans made by institutional lenders.

The following provisions are for the benefit of holders, insurers and guarantors of first Mortgages on Units in Tradition. The provisions of this Chapter apply to both this Charter and to the By-Laws, notwithstanding any other provisions contained therein.

16.1. Notices of Action

An institutional holder, insurer, or guarantor of a first Mortgage which provides a written request to the Association (such request to state the name and address of such holder, insurer, or guarantor and the street address of the Unit to which its Mortgage relates, thereby becoming an "Eligible Holder"), will be entitled to timely written notice of:

(a) Any condemnation loss or any casualty loss which affects a material portion of Tradition or which affects any Unit on which there is a first Mortgage held, insured, or guaranteed by such Eligible Holder; and

(b) Any delinquency in the payment of assessments or charges owed by a Unit subject to the Mortgage of such Eligible Holder, where such delinquency has continued for a period of 60 days, or any other violation of the Governing Documents relating to such Unit or the Owner or occupant which is not cured within 60 days.

(c) Any lapse, cancellation, or material modification of any insurance policy maintained by the Association; or

(d) Any proposed action that would require the consent of a specified percentage of Eligible Holders.

16.2. Special FHLMC Provision

If a condominium has been established in the Community, then so long as required by the Federal Home Loan Mortgage Corporation, the following provisions apply in addition to and not in lieu of the foregoing. Unless at least 67% of the first Mortgagees or Voting Delegates representing at least 67% of the total votes in the Association consent, the Association shall not:

(a) By act or omission seek to abandon, partition, subdivide, encumber, sell, or transfer all or any portion of the real property comprising the Common Area which the Association owns, directly or indirectly (the granting of easements for utilities or other similar purposes consistent with the intended use of the Common Area shall not be deemed a transfer within the meaning of this subsection);

(b) Change the method of determining the obligations, assessments, dues, or other charges which may be levied against an Owner of a Unit (a decision, including contracts, by the Board or provisions of any declaration subsequently recorded on any portion of Tradition regarding assessments for Service Areas or other similar areas shall not be subject to this provision where such decision or subsequent declaration is otherwise authorized by this Charter);

(c) By act or omission change, waive, or abandon any scheme of regulations or enforcement pertaining to architectural design, exterior appearance, or maintenance of Units and the Common Area (the issuance and amendment of architectural standards, procedures, rules and regulations, or use restrictions shall not constitute a

Rights of Lenders

change, waiver, or abandonment within the meaning of this provision);

(d) Fail to maintain insurance, as required by this Charter; or

(e) Use hazard insurance proceeds for any Common Area losses for other than the repair, replacement, or reconstruction of such property.

First Mortgagees may, jointly or singly, pay taxes or other charges which are in default and which may or have become a charge against the Common Area and may pay overdue premiums on casualty insurance policies or secure new casualty insurance coverage upon the lapse of an Association policy, and first Mortgagees making such payments shall be entitled to immediate reimbursement from the Association.

16.3. Termination of Charter.

To the extent not inconsistent with Florida law, if a condominium has been established in the Community, the consent of Voting Delegates representing at least 67% of the votes in the Association, the consent of the Founder during the Development and Sale Period, and the approval of the Eligible Holders of first Mortgages on Units to which at least 67% of the votes of Units subject to a Mortgage appertain, shall be required to terminate this Charter, except that any election to terminate this Charter after substantial destruction or a substantial taking in condemnation shall only require the approval of the Eligible Holders of first Mortgages on Units to which more than 50% of the votes of Units subject to Mortgages held by such Eligible Holders are allocated.

16.4. Amendments to Documents.

This Section 16.4 shall not apply to amendments to the Governing Documents or termination of the Association as a result of destruction, damage, or condemnation pursuant to Section 16.3, or to the addition of land in accordance with Chapter 17.

If a condominium has been established in the Community, the consent of Voting Delegates representing at least 67% of the votes in the Association, and the consent of the Founder, during the Development and Sale Period, and the approval of Eligible Holders of first Mortgages on Units to which more than 50% of the votes of Units subject to a Mortgage appertain, shall be required materially to amend any provisions of the Charter, By-Laws, or Articles of Incorporation, or to add any material provisions thereto which establish, provide for, govern, or regulate any of the following:

(i) voting;

(ii) assessments, assessment liens, or subordination of such liens;

(iii) reserves for maintenance, repair, and replacement of the Area of Common Responsibility;

(iv) insurance or fidelity bonds;

(v) rights to use the Common Area;

(vi) responsibility for maintenance and repair of the Community;

(vii) expansion or contraction of Community or the addition, annexation, or withdrawal of property to or from the jurisdiction of the Association;

(viii) boundaries of any Unit;

(ix) leasing of Units;

(x) imposition of any right of first refusal or similar restriction of the right of any Owner to sell, transfer, or otherwise convey his or her Unit;

(xi) establishment of self-management by the Association where professional management has been required by an Eligible Holder; or

Rights of Lenders

(xii) any provisions included in the Governing Documents which are for the express benefit of holders, guarantors, or insurers of first Mortgages on Units.

16.5. No Priority

No provision of this Charter or the By-Laws gives or shall be construed as giving any Owner or other party priority over any rights of the first Mortgagee of any Unit in the case of distribution to such Owner of insurance proceeds or condemnation awards for losses to or a taking of the Common Area.

16.6. Notice to Association

Upon request, each Owner shall be obligated to furnish to the Association the name and address of the holder of any Mortgage encumbering such Owner's Unit.

16.7. Failure of Mortgagee to Respond

Any Mortgagee who receives a written request from the Board to respond to or consent to any action shall be deemed to have approved such action if the Association does not receive a written response from the Mortgagee within 30 days of the date of the Association's request, provided such request is delivered to the Mortgagee by certified or registered mail, return receipt requested.

16.8. Construction of Chapter 16

Nothing contained in this Chapter shall be construed to reduce the percentage vote that must otherwise be obtained under this Charter, the By-Laws, or Florida law for any of the acts set out in this Chapter.

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PART FIVE: COMMUNITY DEVELOPMENT

Chapter 17

Expansion of the Community

Due to the need to pace development to the needs of the Community and the market demand for Units or Common Areas, the Community may be developed in phases. The Founder or the Association may expand the initial property submitted to the Charter as set forth in this chapter.

17.1. Expansion by Founder

From time to time, the Founder may submit to the terms of this Charter all or any portion of the property described in Exhibit "B" by recording a Supplement describing the additional property to be submitted. The Founder may record such a Supplement without the consent of any Person except the owner of such property, if not the Founder.

The Founder's right to expand Tradition under this Section expires when all property described in Exhibit "B" has been submitted to this Charter or 60 years after this Charter is recorded, whichever is earlier. Until then, the Founder may transfer or assign this right to any Person who is the developer of at least a portion of the real property described in Exhibit "A" or "B." Any such transfer shall be described in a recorded instrument executed by the Founder.

Nothing in this Charter shall require the Founder or any successor to submit additional property to this Charter or to develop any of the property described in Exhibit "B" in any manner whatsoever.

17.2. Expansion by the Association

The Association also may submit additional property to this Charter by recording a Supplement describing the additional property. Any Supplement which the Association records must be approved by Voting Delegates representing more than 50% of the total votes in the Association at a meeting duly called for such purpose and by

the owner of the property to be submitted. In addition, during the Development and Sale Period, the Founder's consent is required. The Association's President and Secretary, the owner of the property, and the Founder, if the Founder's consent is required, shall sign the Supplement.

17.3. Additional Covenants and Easements

Any Supplement that the Founder records may impose additional covenants and easements on the property described in such Supplement, such as covenants obligating the Association to maintain and insure such property and authorizing the Association to recover its costs through Service Area Assessments. Such provisions may be included in a Supplement submitting new property to this Charter or may be set forth in a separate Supplement applicable to property previously submitted to this Charter. If someone other than the Founder owns the property, then the Supplement must be signed by such owner evidencing such owner's consent. Any Supplement may add to, create exceptions to, or otherwise modify the terms of this Charter as it applies to the property described in the Supplement.

17.4. Effect of Filing a Supplement

A Supplement shall be effective upon recording unless otherwise specified in the Supplement. On the effective date of the Supplement, any additional property made subject to this Charter shall be assigned voting rights in the Association and assessment liability in accordance with the provisions of this Charter.

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Chapter 18

Additional Rights Reserved to the Founder

This chapter reserves various rights to the Founder, in addition to those specifically reserved elsewhere in the Governing Documents, in order to facilitate the Founder's development and sale of property in the Community, to enable the Founder to respond to Owners' concerns, and to protect various property rights and other interests of the Founder.

18.1. Withdrawal of Property

During the Development and Sale Period, the Founder may amend this Charter to remove any portion of Tradition from the coverage of this Charter, provided that (a) it is the owner or has the consent of the owner of the property being withdrawn and (b) such withdrawal would not be contrary to the overall uniform scheme of development established for the Community.

18.2. Marketing and Sales Activities

Notwithstanding anything in the Governance Documents to the contrary, during the Development and Sale Period the Founder and its designees or assigns may construct, use, and maintain upon portions of the Common Area and other property they own, such facilities and activities as, in the Founder's opinion, may be required, convenient, or incidental to the construction or sale of Units. Such permitted facilities and activities shall include trailers, business offices, signs, flags (whether hung from flag poles or attached to a structure), model homes, sales offices, holding or sponsoring special events, and exterior lighting features or displays. In addition, if required, convenient, or incidental to construction or sales activities, the Founder and its employees, agents, and designees may park vehicles in designated parking areas or other areas Founder deems appropriate.

18.3. Right to Improve, Replat

During the Development and Sale Period, the Founder and its employees, agents, and designees shall have a right of access and use and an easement over and upon all of the Common Area for the purpose of making, constructing, and installing such improvements to the Common Area and to such other property as it deems appropriate.

In addition, during the Development and Sale Period, the Founder may replat property that it owns and convert Units it owns into Common Area.

18.4. Right to Approve Changes in Tradition Standards

During the Development and Sale Period, no amendment to or modification of any Rules or Design Guidelines shall be effective without prior notice to and the written approval of the Founder.

18.5. Additional Covenants and Restrictions

During the Development and Sale Period, no one other than the Founder may record any additional covenants or restrictions affecting any portion of the Community without the Founder's written consent. Any instrument recorded without the required consent shall be void and of no force and effect.

18.6. Exclusive Rights to Use Name of Development

No Person shall use the name "Tradition" or any derivative of such name or in any logo or depiction associated with Tradition in any printed or promotional material without the Founder's prior written consent. However, the Association shall

Additional Rights Reserved to the Founder

be entitled to use the word "Tradition" in its name.

18.7. Community Systems

The Founder reserves for itself, Founder Affiliates, and their respective successors and assigns, a perpetual right and easement over all property in Tradition to install and operate such Community Systems as the Founder, in its discretion, deems appropriate to serve any portion of the Community. Such right shall include, without limitation, the Founder's right to select and contract with companies licensed to provide telecommunications, cable television, and other Community Systems services in the region. The Founder also has the right to charge individual users a reasonable fee not to exceed the maximum allowable charge for such service, as from time to time is defined by the laws, rules, and regulations of the relevant government authority, if applicable.

The Association has entered into or expects to enter into an agreement with Home Town Cable TV of St. Lucie County, LLC for certain telecommunications services and the Founder has entered into or expects to enter into a separate agreement whereby Home Town Cable TV of St. Lucie County, LLC will make certain payments to the Founder. Neither the Association nor the Owners shall have any interest in such payments.

Notwithstanding the above, there is no guarantee or representation that any particular Community System will be made available.

18.8. Easement to Inspect and Right to Correct

The Founder reserves for itself and others it may designate the right, but not the obligation, to inspect, monitor, test, redesign, and correct any structure, improvement, or condition which may exist on any portion of the property within Tradition, including Units, and a perpetual nonexclusive easement of access throughout Tradition to the extent reasonably necessary to exercise such

right. Except in an emergency, entry onto a Unit shall be only after reasonable notice to the Owner, and no entry into an enclosed structure shall be permitted without the Owner's consent. Nothing in this paragraph shall relieve an Owner of the responsibility for the maintenance and repair of his or her Unit.



The Founder, or someone it designates, may enter onto any Unit to inspect and correct problems with the Unit. The Founder must give the Owner of the Unit prior notice, and if entering an enclosed structure on the Unit, obtain the Owner's prior consent unless it is an emergency.

18.9. Right to Notice of Design or Construction Claims

No Person shall retain an expert for the purpose of inspecting the design or construction of any structures or improvements within Tradition in connection with or in anticipation of any potential or pending claim, demand, or litigation involving such design or construction unless the Founder and any builder involved in the design or construction have been first notified in writing and given an opportunity to meet with the owner of the property to discuss the owner's concerns and conduct their own inspection.

18.10. Right to Transfer or Assign the Founder's Rights

Any or all of the Founder's rights and obligations set forth in this Charter or the By-Laws may be transferred in whole or in part to other Persons without transferring the status of Founder. However, such a transfer shall not reduce an obligation nor enlarge a right beyond that which Founder has under this Charter or the By-Laws. No such transfer or assignment shall be effective unless it is in a recorded instrument the Founder signs. The foregoing sentence shall not preclude the Founder from permitting other Persons to exercise, on a one-time or limited basis, any right reserved to the Founder in this Charter where the Founder does

Additional Rights Reserved to the Founder

not intend to transfer such right in its entirety. In such case, it shall not be necessary to record any written assignment unless necessary to evidence the Founder's consent to such exercise.

18.11. Termination of Rights

The rights contained in this Chapter shall terminate upon the earlier of (a) termination of the Development and Sale Period; or (b) the Founder's recording of a written statement that all sales activity has ceased and is not expected to resume.

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PART SIX: PROCEDURES FOR AND LIMITATIONS ON CERTAIN ACTIONS

Chapter 19

Dispute Resolution and Limitation on Litigation

From time to time, disputes may arise between Owners, or between an Owner and the Association, the Founder, or others involved in the Community. This chapter commits the parties to any such a dispute to work together in an attempt to resolve the dispute without litigation, in order to facilitate the prompt resolution of such disputes in a manner that respects and builds upon the relationships between the parties. It also requires substantial support of the Association's membership before the Association can engage in certain types of litigation that could result in significant legal and emotional costs to the Community.

19.1. Agreement to Encourage Resolution of Disputes without Litigation

(a) **Bound Parties.** The Founder, the Association and its officers, directors, and committee members, all Persons subject to this Charter (including Owners), and any Person not otherwise subject to this Charter who agrees to submit to this Chapter (collectively, "**Bound Parties**"), agree that it is in the best interest of all concerned to encourage the amicable resolution of disputes involving the Community without the emotional and financial costs of litigation. Accordingly, each Bound Party agrees not to file suit in any court with respect to a Claim described in subsection (b), unless and until it has first submitted such Claim to the alternative dispute resolution procedures set forth in Section 19.2 in a good faith effort to resolve such Claim.

(b) **Claims.** As used in this Chapter, the term "**Claim**" shall refer to any claim, grievance, or dispute arising out of or relating to:

- (i) the interpretation, application, or enforcement of the Governing Documents;
- (ii) the rights, obligations, and duties of any Bound Party under the Governing Documents; or

- (iii) the design or construction of improvements within the Community, other than matters of aesthetic judgment under Chapter 5, which shall not be subject to review.

(c) The following shall not be considered "Claims" unless all parties to the matter otherwise agree to submit the matter to the procedures set forth in Section 19.2:

- (i) any suit by the Association to collect assessments or other amounts due from any Owner;

- (ii) any suit by the Association or Founder to obtain a temporary restraining order (or emergency equitable relief) and such ancillary relief as the court may deem necessary in order to maintain the status quo and preserve the Association's or Founder's ability to enforce the provisions of Part Two of this Charter (relating to creation and maintenance of community standards);

- (iii) any suit that does not include the Founder or the Association as a party, if such suit asserts a Claim that would constitute a cause of action independent of the Governing Documents;

- (iv) any dispute which may affect the material rights or obligations of a party who is not a Bound Party and has not agreed to submit to the procedures set forth in Section 19.2; and

- (v) any suit as to which any applicable statute of limitations would expire within 180 days of giving the Notice required by Section 19.2(a), unless the party or parties against whom the Claim is made agree to toll, or extend, the Claim's statute of limitations to comply with this Chapter.

19.2. Dispute Resolution Procedures

(a) **Notice.** The Bound Party asserting a Claim ("**Claimant**") against another Bound Party

Dispute Resolution and Limitation on Litigation

("Respondent") shall give written notice ("Notice") by mail or personal delivery to each Respondent and to the Board, stating plainly and concisely:

(i) the nature of the Claim, including the Persons involved and the Respondent's role in the Claim;

(ii) the legal basis of the Claim (i.e., the specific authority out of which the Claim arises);

(iii) the Claimant's proposed resolution or remedy; and

(iv) the Claimant's desire to meet with the Respondent to discuss, in good faith, ways to resolve the Claim.

(b) Negotiation. The Claimant and Respondent shall make every reasonable effort to meet in person and confer for the purpose of resolving the Claim by good faith negotiation. If requested in writing, accompanied by a copy of the Notice, the Board may appoint a representative to assist the parties in negotiating a resolution of the Claim.

(c) Mediation. If the parties have not resolved the Claim through negotiation within 30 days of the date of the Notice (or within such other agreed upon period), the Claimant shall have 30 additional days to submit the Claim to mediation with an entity designated by the Association (if the Association is not a party to the Claim) or to an independent agency providing dispute resolution services in the St. Lucie County area. Each Bound Party shall present the mediator with a written summary of the Claim.

If the Claimant does not submit the Claim to mediation within such time, or does not appear for and participate in good faith in the mediation when scheduled, the Claimant shall be deemed to have waived the Claim, and the Respondent shall be relieved of any and all liability to the Claimant (but not third parties) on account of such Claim.

If the parties do not settle the Claim within 30 days after submission of the matter to mediation, or within such time as determined reasonable by the mediator, the mediator shall issue a notice of termination of the mediation proceedings indicating that the parties are at an impasse and the date that mediation was terminated. The Claimant shall thereafter be entitled to file suit or to initiate administrative proceedings on the Claim, as appropriate.

Each Bound Party shall bear its own costs of the mediation, including attorneys fees, and each Party shall pay an equal share of the mediator's fees.

Notwithstanding the above, in any dispute as to which the Association is a party, the parties may waive mediation by mutual agreement and proceed to file suit or initiate other proceedings.

(d) Settlement. Any settlement of the Claim through negotiation or mediation shall be documented in writing and signed by the parties. If any party thereafter fails to abide by the terms of such agreement, then any other party may file suit or initiate administrative proceedings to enforce such agreement without the need to comply again with the procedures set forth in this Section. In such event, the party taking action to enforce the agreement or award shall, upon prevailing, be entitled to recover from the non-complying party (or if more than one non-complying party, from all such parties in equal proportions) all costs incurred in enforcing such agreement or award, including, without limitation, attorneys fees and court costs.

19.3. Initiation of Litigation by Association

In addition to compliance with the foregoing alternative dispute resolution procedures, if applicable, the Association shall not initiate any judicial or administrative proceeding unless first approved by a vote of Voting Delegates entitled to cast 75% of the total votes in the Association, except that no

Dispute Resolution and Limitation on Litigation

such approval shall be required for actions or proceedings:

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(a) initiated during the Founder Control Period;

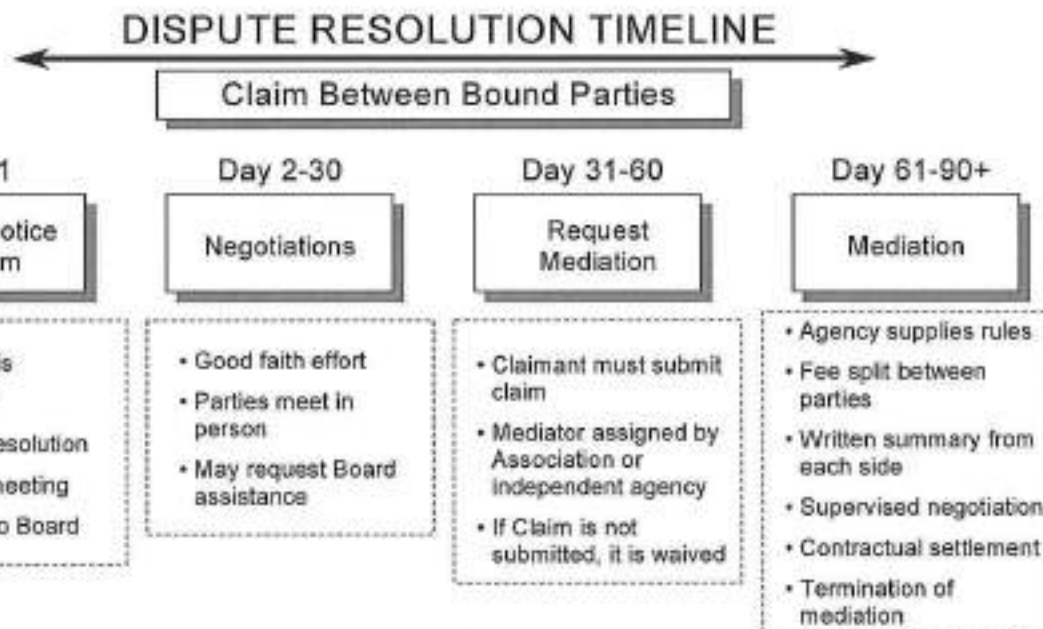
(b) initiated to enforce the provisions of this Charter, including collection of assessments and foreclosure of liens;

(c) initiated to challenge *ad valorem* taxation or condemnation proceedings;

(d) initiated against any contractor, vendor, or supplier of goods or services arising out of a contract for services or supplies; or

(e) to defend claims filed against the Association or to assert counterclaims in proceedings instituted against it.

This Section shall not be amended unless such amendment is approved by the same percentage of votes necessary to institute proceedings.



Chapter 20

Changes in the Common Area

Various influences and circumstance within and outside the Community may give rise to a need or desire to make changes in the ownership of or rights to use Common Area. This chapter explains the procedures for dealing with matters such as changing use rights in Common Area or Limited Common Area, partition of the Common Area, and condemnation.

20.1. Assignment and Reassignment of Limited Common Area

The Board may designate a portion of the Common Area as Limited Common Area, and may reassign Limited Common Area, upon approval of the Board and the vote of Voting Delegates representing a majority of the total votes in the Association, including a majority of the votes attributable to Units to which the Limited Common Area is proposed to be assigned or reassigned. During the Development and Sale Period, any such assignment or reassignment shall also require the Founder's written consent.

Upon approval of a majority of Owners of Units to which any Limited Common Area is assigned, the Association may permit Owners of other Units to use all or a portion of such Limited Common Area upon payment of reasonable user fees, which fees shall be used to offset the Service Area Expenses attributable to such Limited Common Area.

20.2. Condemnation



A public entity such as a town, county, or state has the power to condemn property for its own uses and generally has to pay the value of the property to do so.

If any part of the Common Area is taken by any authority having the power of condemnation or eminent domain, or conveyed by the Association

in lieu of and under threat of condemnation with such approval as may be required under Section 20.4, the condemnation award or proceeds from such conveyance shall be payable to the Association to be disbursed as follows:

If the taking or conveyance involves a portion of the Common Area on which improvements have been constructed, the Association shall restore or replace such improvements on the remaining land included in the Common Area to the extent available, unless within 60 days after such taking the Founder, during the Development and Sale Period, and Voting Delegates representing at least 75% of the total votes in the Association shall otherwise agree. Any such construction shall be in accordance with plans approved by the Board. The provisions of Section 9.4 regarding funds for restoring improvements shall apply.

If the taking or conveyance does not involve any improvements on the Common Area, if a decision is made not to repair or restore, or if net funds remain after any such restoration or replacement is complete, then such award or net funds shall be treated in the same manner as proceeds from the sale of Common Area under Section 20.4.

20.3. Partition

Except as permitted in this Charter, the Common Area shall remain undivided, and no Person shall bring any action to partition any portion of the Common Area without the written consent of all Owners and Mortgagees and, during the Development and Sale Period, the Founder. This Section shall not prohibit the Board from acquiring and disposing of tangible personal property or from acquiring and disposing of real property that may or may not be subject to this Charter, with

Changes in the Common Area

such approval as may be required under Section 20.4.



Partition is a legal action in which a party requests to have a portion of one interest in property split off so that the party can possess that portion or interest separately from other parties who have rights in the property.

20.4. Transfer or Dedication of Common Area

The Association may dedicate portions of the Common Area to the City of Port St. Lucie, Florida; St. Lucie County, Florida; to any Community Development District having jurisdiction; or to any other local, state, or federal governmental or quasi-governmental entity; or may subject Common Area to a security interest, or may transfer or convey Common Area as follows:

(a) if Common Area other than Limited Common Area, upon the written direction of Voting Delegates representing at least 75% of the total votes in the Association, and the Founder during the Development and Sale Period; or

(b) if Limited Common Area, upon written approval of Owners of at least 75% of the Units to which such Limited Common Area is assigned.

Notwithstanding the above, during the Founder Control Period, the Founder may cause the Association to dedicate to the City of Port St. Lucie, Florida; St. Lucie County, Florida; to any Community Development District having jurisdiction; or to any other local, state, or federal governmental or quasi-governmental entity, any streets within Tradition over which access is not limited, without the consent of Voting Delegates or Owners.

The proceeds from the sale or mortgaging of Common Area other than Limited Common Area shall be an asset of the Association to be used as the Board determines. The proceeds from the sale or

mortgaging of Limited Common Area shall be disbursed in the manner approved by the Owners of Units to which the Limited Common Area is assigned at the time such sale or mortgage is authorized.

No conveyance or encumbrance of Common Area may deprive any Unit of rights of access or support.

NOTES

Chapter 21

Termination and Amendment of Community Charter

As the Community matures and grows, the rules by which it is governed must be flexible enough to adapt to changes in the development plan, as well as changes in the needs and desires of the Community that inevitably will occur. This chapter sets out procedures by which either the Founder or the Owners as a group may amend this Charter to address such changes.

21.1. Term and Termination



There is an old concept of law known as the "Rule Against Perpetuities" that restricts how long covenants can affect the title to land. Many jurisdictions no longer observe such rule; however, where the rule applies, the term of the covenants cannot exceed 21 years after the death of a named person who is living at the time the covenants are recorded.

This Charter shall be effective for a minimum of 21 years from the date it is recorded. After 21 years, this Charter shall be extended automatically for successive 10-year periods unless at least 75% of the then Owners sign a document stating that the Community Charter is terminated, with the written agreement of the Founder during the Founder Control Period, and that document is recorded within the year before any extension. In such case, this Charter shall terminate on the date specified in the termination document.

If any provision of this Charter would be unlawful, void, or voidable by reason of any rule restricting the period of time that covenants can affect title to property, that provision shall expire 21 years after the death of the last survivor of the now living descendants of Elizabeth II, Queen of England.

This section shall not permit termination of any easement created in this Charter without the consent of the holder of such easement.

21.2. Amendment

(a) *By Founder.* In addition to specific amendment rights granted elsewhere in this Charter, until termination of the Founder Control Period, the Founder may unilaterally amend this Charter for any purpose.

(b) *By Owners.* Except as otherwise specifically provided above and elsewhere in this Charter, this Charter may be amended only by the affirmative vote or written consent, or any combination thereof, of Voting Delegates representing 67% of the total votes in the Association, including 67% of the total votes held by Owners other than the Founder. In addition, during the Development and Sale Period, any such amendment shall also require the Founder's written consent. The approval requirements set forth in Chapter 16 also shall be met, if applicable.

Notwithstanding the above, the percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause.

(c) *Approval by South Florida Water Management District.* Notwithstanding anything in subsections (a) and (b), any amendment to the Charter that alters any provision relating to the Surface Water and Storm Water Management System, beyond maintenance in its original condition, including the water management portions of the Common Areas, if any, or any amendment to this subsection (c), must have the prior approval of the South Florida Water Management District.

(d) *Validity and Effective Date.* No amendment may remove, revoke, or modify any right or privilege of the Founder or the Founder Member without the written consent of the

Termination and Amendment of Community Charter

Founder or the Founder Member, respectively (or the assignee of such right or privilege).

If an Owner consents to any amendment to this Charter or the By-Laws, it will be conclusively presumed that such Owner has the authority to consent, and no contrary provision in any Mortgage or contract between the Owner and a third party will affect the validity of such amendment.

Any amendment shall become effective upon recording unless a later effective date is specified in the amendment. Any procedural challenge to an amendment must be made within six months of its recordation or such amendment shall be presumed to have been validly adopted. In no event shall a change of conditions or circumstances operate to amend any provisions of this Charter.

(e) *Exhibits.* Exhibits "A" and "B" are incorporated by this reference, and this Chapter shall govern amendment of those exhibits. Exhibit "C" is incorporated by this reference and may be amended under Chapter 7 or pursuant to this Section 21.2. All other exhibits are attached for informational purposes and may be amended as provided in those exhibits or in the provisions of this Charter that refer to such exhibits.

NOTES

THIS AMENDED AND RESTATED COMMUNITY CHARTER FOR TRADITION is made this 19th day of February, 2019, by Mattamy Palm Beach LLC, a Delaware limited liability company authorized to be business in Florida ("Founder"). In witness whereof, the undersigned Founder has executed this Charter the date and year first written above.

Signed, sealed and delivered
in the presence of:



Print Name: Gregory J. Polito



Print Name: Trisha Ruiz

MATTAMY PALM BEACH LLC
a Delaware limited liability company


By: 

Its: Director Vice President

Print Name: ANTHONY PALUMBO

STATE OF FLORIDA)
) ss:
COUNTY OF PALM BEACH)

The foregoing instrument was acknowledged before me this 19th day of February, 2019, by Anthony Palumbo, as President of MATTAMY PALM BEACH LLC, a Delaware limited liability company authorized to do business in Florida, who is personally known to me or has produced _____ as identification.

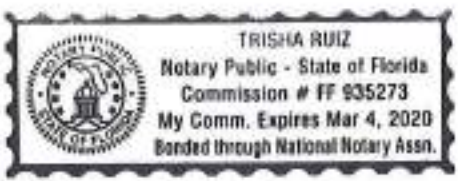


Notary Public, State of Florida

Trisha Ruiz

Print Name of Notary Public

My Commission Expires:



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Exhibit "A"

Land Initially Submitted

See Exhibit "A" to the Community Charter for Tradition as recorded in the Official Records of Saint Lucie County, Florida in Official Records Book 1700, Page 868, as amended and supplemented from time to time.

Exhibit "B"

Expansion Property

See Exhibit "B" to the Community Charter for Tradition as recorded in the Official Records of Saint Lucie County, Florida in Official Records Book 1700, Page 868, as amended and supplemented from time to time.

Exhibit "C"

Initial Rules

See Exhibit "C" to the Community Charter for Tradition as recorded in the Official Records of Saint Lucie County, Florida in Official Records Book 1700, Page 868, as amended and supplemented from time to time.

Exhibit "D"

Amended and Restated By-Laws of Tradition Community Association, Inc.

**AMENDED AND RESTATED BY-LAWS
OF
TRADITION COMMUNITY ASSOCIATION, INC.**

**Article 1
Identification and Definitions**

1.1. Identification.

These are the Amended and Restated By-Laws of Tradition Community Association, Inc. (these "**By-Laws**"). Tradition Community Association, Inc. (the "**Association**") is a not-for-profit corporation organized pursuant to and under Florida law for the purpose, among other things, of administering, managing, operating, and maintaining the residential community known as "**Tradition**". If utilized, the seal of the Association will bear the name of the Association, and the word "Florida", the words "Corporation Not-For-Profit."

1.2. Definitions.

All initially capitalized terms which are defined in the Amended and Restated Community Charter for Tradition, as amended from time to time ("**Charter**"), and not otherwise defined herein, shall have the same meaning as set forth in the Charter to which these By-Laws are attached as Exhibit "D". The term "majority," as used in these By-Laws, means those votes, Owners, or other group, as the context may indicate, totaling more than fifty percent (50%) of the total eligible number.

**Article 2
Membership: Meetings, Quorum, Voting, and Proxies**

2.1. Membership.

The Association shall have two classes of membership, Owner Membership and Founder Membership, as more fully set forth in the Charter. The qualification of Members, the manner of their admission to the membership, the voting rights of such membership, and the termination of such membership shall be as set forth in the Charter. Provisions of the Charter pertaining to membership are incorporated by this reference.

2.2. Place of Meetings.

The Association shall hold meetings at the Association's principal office or at such other suitable place within St. Lucie County, Florida the Board may designate.

2.3. Association Meetings.

(a) **General.** Association meetings shall be of the Voting Delegates unless the Board otherwise specifies or Florida law otherwise requires; provided, until Voting Delegates are

selected, meetings shall be of the Members and references in these By-Laws to Voting Delegates shall be deemed to be references to the Members.

(b) *Annual Meetings.* The Board shall schedule regular annual meetings to occur within ninety (90) days before or after the close of the Association's fiscal year, on such date and at such time and place as the Board shall determine.

(c) *Special Meetings.* Special meetings may be called by the President, by the President or the Secretary if so directed by Board resolution, or upon receipt of a written petition of Voting Delegates representing at least ten percent (10%) of the total votes in the Association.

2.4. Notice of Meetings.

The President, the Secretary, or the officers or other persons calling a meeting of the Voting Delegates shall deliver or cause to be delivered to each Voting Delegate entitled to vote at such meeting a written notice stating the place, day, and hour of the meeting. In the case of a special meeting or when otherwise required by statute, the Charter, or these By-Laws, the purpose or purposes for which the meeting is called shall also be stated in the notice. No business shall be transacted at a special meeting except as stated in the notice.

Such notice shall be delivered by such means as permitted under Section 9.5, at least fourteen (14) days but not more than sixty (60) days before the date of such meeting, except in the event of an emergency.

2.5. Waiver of Notice.

Waiver of notice of an Association meeting shall be deemed the equivalent of proper notice. Any Voting Delegate may waive, in writing, notice of any Association meeting, either before or after such meeting. A Voting Delegate's attendance at a meeting shall be deemed a waiver by such Voting Delegate of notice of the time, date, and place thereof and of all business transacted at such meeting, unless the Voting Delegate specifically objects to lack of proper notice at the time the meeting is called to order.

2.6. Adjournment of Meetings.

If any Association meeting cannot be held because a quorum is not present, the Voting Delegates representing a majority of the votes present at such meeting may adjourn the meeting to a time from time to time to a date, time, and location certain until a quorum is present. At the reconvened meeting, if a quorum is present, any business may be transacted which might have been transacted at the meeting originally called without further notice. If those in attendance at the original meeting do not fix a time and place for reconvening the meeting, or if for any reason a new date is fixed for reconvening the meeting after adjournment, the Board shall provide notice to the Voting Delegates of the date, time, and place for reconvening the meeting in the manner prescribed for regular meetings.

Voting Delegates present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the departure of enough Voting Delegates to leave less than a quorum, provided at least a majority of the votes required to constitute a quorum must approve any action taken.

2.7. Voting Delegates.

(a) *Election of Voting Delegates.* The Owner Members owning Units within each Neighborhood shall elect a Voting Delegate to cast all votes attributable to their Units on all Association matters requiring a membership vote, except as otherwise specified in the Charter or these By-Laws. In addition, each Neighborhood shall elect an alternate Voting Delegate who shall be responsible for casting such votes in the absence of the Voting Delegate.

The first election of a Voting Delegate and alternate Voting Delegate from each Neighborhood shall occur at least 30 days prior to any Association meeting at which the Voting Delegate from such Neighborhood will be entitled to vote. Thereafter, the Board shall call for an election of Voting Delegates and alternates on an annual basis.

Voting Delegate elections shall be by ballots cast by mail or at a meeting of the Owner Members within such Neighborhood, as the Board determines. Upon written petition signed by Owner Members holding at least twenty percent (20%) of the votes attributable to Units within any Neighborhood, the election for such Neighborhood shall be held at a meeting. Candidates for election as Voting Delegates may be nominated by the Board, a nominating committee the Board may appoint, or from the floor at any meeting at which such election is to be held. In addition or in the alternative, any Person may submit his or her name for consideration.

The presence, in person or by proxy, or the filing of ballots of Owner Members representing at least twenty percent (20%) of the total votes attributable to Units in the Neighborhood shall constitute a quorum for any Neighborhood meeting or election. In the event of a failure to obtain a quorum or vacancy in such positions for any Neighborhood, the Board may appoint a Voting Delegate or alternate Voting Delegate to represent such Neighborhood until a successor is elected.

Subject to the above quorum requirement, in any election of Voting Delegates, the candidate who receives the greatest number of votes shall be elected as the Voting Delegate, and the candidate receiving the next greatest number of votes shall be elected as the alternate Voting Delegate. In the event of a tie vote among the leading candidates, the Voting Delegate shall be determined by random drawing, with the first person drawn being the Voting Delegate and the second being the alternate Voting Delegate. The Voting Delegate and the alternate Voting Delegate shall serve a term of one (1) year or until their successors are elected, whichever is longer.

(b) *Removal of Voting Delegates.* Any Voting Delegate may be removed, with or without cause, upon the vote or written petition of Owner Members representing a majority of the total number of Units in the Neighborhood that the Voting Delegate represents.

2.8. Proxies.

Voting Delegates may not vote by proxy but only in person or through their designated alternates; however, any Voting Delegate who is entitled to cast only the vote(s) for his or her own Unit(s) pursuant to the Charter may cast such vote(s) in person or by proxy until such time as the Board first calls for election of a Voting Delegate to represent the Neighborhood of which the Unit is a part. Likewise, if a Member is entitled personally to cast the vote for his or her Unit on any matter, he or she may vote in person or by proxy, subject to the limitations of Florida law and subject to any specific provision to the contrary in the Charter or these By-Laws.

Every proxy shall be in writing; state the date the proxy is given; state the date, time, and location of the meeting for which it was given; identify the Unit for which it is given; be signed by the Member or the Member's duly authorized attorney-in-fact; and be filed with the Association's Secretary prior to the meeting for which it is to be effective. Limited proxies, if provided, shall additionally provide the Member's vote for such specific items as are being voted upon by the Members at the meeting for which the limited proxy is given. Unless the proxy specifically provided otherwise, a proxy shall be presumed to cover all votes which the Member giving such proxy is entitled to cast, and in the event of any conflict between two or more proxies purporting to cover the same voting rights, the later dated proxy shall prevail, or if dated as of the same date, both shall be deemed invalid.

A proxy is effective only for the specific meeting for which it was originally given, as such meeting lawfully may be adjourned and reconvened, and automatically expires ninety (90) days after the date of the meeting for which it was originally given. If the proxy form so provides, the proxy holder may appoint, in writing, a substitute to act in the proxy holder's place. The proxy holder, or substitute proxy holder, must personally attend the meeting for which such proxy is given in order for such proxy to be valid. Every proxy is revocable at any time at the pleasure of the Member who executes the proxy.

2.9. Quorum.

Except as these By-Laws or the Charter otherwise provide, the presence of Voting Delegates representing thirty percent (30%) of the total votes in the Association shall constitute a quorum at all Association meetings, and the vote of Voting Delegates representing a majority of the total eligible votes cast shall constitute the action of the Voting Delegates except when approval by a greater number is required.

2.10. Conduct of Meetings.

The President or a Board-approved designee shall preside over all Association meetings. The Secretary shall ensure that minutes of the meetings are kept and that all resolutions adopted and all other transactions occurring at such meetings are kept with the Association's books.

2.11. Action without a Meeting.

Any action required by the Charter, the Articles, or Florida law to be taken at a meeting of the Members or Voting Delegates may be taken without a meeting, without prior notice, and without a vote if approved by Members or Voting Delegates representing at least the minimum number of votes in the Association necessary to authorize such action at a meeting, if all Members or Voting Delegates entitled to vote were present and voted. Such approval shall be evidenced by one or more written consents specifically authorizing the proposed action, dated, and signed by Members or Voting Delegates holding the requisite votes. The Association need not give prior notice before soliciting such consent; however, the Association must send written consent forms to all Members or Voting Delegates for action authorized pursuant to this section to be valid. Members or Voting Delegates shall sign, date, and deliver such consents to the Association within ninety (90) days after the Association's receipt of the earliest dated consent. The Association's Secretary shall file (or cause to be filed) such consents with the Association's minutes and the consents shall have the same force and effect as a vote of the Members or Voting Delegates at a meeting.

2.12. Member Attendance and Participation.

Subject to the relevant provisions of Chapter 720, Florida Statutes, as amended from time to time, Members have the right to attend all meetings of the Members. No tenants or guests are permitted to attend any meeting of the Members unless otherwise specifically approved by the Board. Members in attendance at a membership meeting shall be entitled to speak for a maximum of three (3) minutes only as to the designated agenda items prior to a vote on such designated agenda items. All Member statements must be made in a respectful and businesslike manner. In the event a Member conducts himself/herself in a manner detrimental to the carrying on of a meeting, in the sole discretion of the chairperson, the Member may be deemed to have voluntarily abrogated such Member's right to speak for the remainder of the meeting or may be expelled from the meeting by any reasonable means which may be necessary to accomplish such an expulsion. The Board may adopt such other written reasonable rules governing the frequency, duration, and other manner of Member statements as it deems appropriate.

Article 3

Board of Directors: Selection, Meetings, Powers

3.1. Governing Body; Qualifications.

The Board shall govern the Association's affairs. Each director shall have one vote. Except with respect to directors appointed by the Founder Member, directors shall be Owners. However, no Owners representing the same Unit may serve on the Board at the same time.

If an Owner is not an individual, any officer, director, partner, or any trust officer of such Owner shall be eligible to serve as a director unless a written notice to the Association signed by the Owner specifies otherwise. However, no Owner may have more than one such representative on the Board at a time except in the case of directors the Founder Member appoints.

3.2. Number of Directors.

The Board shall consist of three (3) to seven (7) directors, as provided in Section 3.3.

3.3. Selection of Directors; Term of Office.

(a) *Initial Board.* The Initial Board shall consist of the three directors identified in the Articles of Incorporation, who shall serve until their successors are appointed or elected as provided in this Section.

(b) *Directors during Founder Control Period.* The Founder Member may appoint, remove, and replace Board members until termination of the Founder Control Period. During the Founder Control Period, the Board may, with the written approval of the Founder Member, increase the number of directors to five (5) and call for an election of the Voting Delegates to elect two (2) of the five (5) directors, who shall be elected at large (i.e., without regard to Election Districts). The directors elected by the Voting Members are referred to as "Owner Directors." The Owner Directors elected during the Founder Control Period shall serve for a term of two (2) years. The remaining directors shall be appointees of the Founder.

(c) *Directors after the Founder Control Period.*

(i) Not later than termination of the Founder Control Period, the Board shall be increased to seven (7) directors. The President shall call for an election by which the Voting Delegates shall be entitled to elect all seven (7) directors, with an equal number of directors elected by the Voting Delegates representing each Election District and any remaining directorships filled at large by the votes of all Voting Delegates. Three (3) directors shall be elected to serve until the second annual meeting following their election and four (4) directors shall be elected to serve until the third annual meeting following their election, as such directors determine among themselves.

(ii) Upon expiration of the term of office of each Owner Director, the Voting Delegates entitled to elect such director shall be entitled to elect a successor to serve a term of two (2) years. Owner Directors shall hold office until their respective successors have been elected. Directors may serve any number of consecutive terms.

3.4. Nomination and Election Procedures.

(a) *Nomination of Candidates.* At least thirty (30) days prior to any election of directors by the Voting Delegates, the Board shall appoint a Nominating Committee consisting of a chairman, who shall be a Board member, and three (3) or more Owners or representatives of Owners. The Nominating Committee shall serve a term of one (1) year or until its successors are appointed. The names of the Nominating Committee members shall be announced in the notice of each election.

In preparation for each election, the Nominating Committee shall meet and make as many nominations for election to the Board as it shall in its discretion determine, but in no event less than the number of positions to be filled by the Voting Delegates at such election. The Nominating

Committee shall nominate separate slates for the directors, if any, to be elected at large by all Voting Delegates, and for the director(s) to be elected by the Voting Delegates within each Election District. In making its nominations, the Nominating Committee shall use reasonable efforts to nominate candidates representing the diversity that exists within the pool of potential candidates. Nominations shall also be permitted from the floor at the meeting at which any election is held. All candidates shall have a reasonable opportunity to communicate their qualifications to the Voting Delegates and to solicit votes.

(b) Election Procedures. At each election, voting shall be by written ballot. Each Voting Delegate may cast all votes assigned to the Units it represents for each position to be filled from any slate of candidates on which such Voting Delegate is entitled to vote.

In the event of a tie vote on any slate, the Voting Delegates entitled to vote on such slate shall be informed of the tie vote and given the opportunity to discuss the candidates among themselves in an effort to resolve the tie before another vote is taken. If the second vote again results in a tie, then the Board shall call for election of the director(s) from such slate by the Owners represented by such Voting Delegates. Such election shall be held by mail, with ballots to be sent by first class mail to each Owner entitled to vote on such slate within ten (10) days after the meeting at which the original election was held.

3.5. Removal of Directors and Vacancies.

Any Owner Director may be removed, with or without cause, by the vote of Voting Delegates holding a majority of the votes entitled to be cast for the election of such Owner Director. Any Owner Director whose removal is sought shall be given notice prior to any meeting called for that purpose. Upon removal of an Owner Director by the Voting Delegates, the Voting Delegates entitled to elect the removed Owner Director shall elect a successor for the remainder of the term of such Owner Director.

At any meeting at which a quorum is present, a majority of the directors may remove any Owner Director who has three (3) consecutive unexcused absences from Board meetings, or who is more than thirty (30) days delinquent (or resides in a Unit owned by an Owner who is so delinquent) in the payment of any assessment or other charge due the Association. The Board may appoint a successor to fill the vacancy for the remainder of the term.

Any Owner Director may be removed from office for any reason deemed by the Members to be in the best interests of the Association, upon the affirmative vote or the agreement in writing of a majority of the entire membership at a special meeting of the membership called for that purpose or as otherwise provided by Chapter 720, Florida Statutes, as amended from time to time. Notice for such special membership meeting shall not be electronically transmitted. If less than a majority of the Board is removed, the vacancy may be filled by the affirmative vote of a majority of the remaining directors in accordance. If a majority or more of the Board is removed, the vacancies shall be filled by the Members voting in favor of the recall; if removal is at a meeting, any vacancies shall be filled by the Members at the meeting. If the recall occurred by agreement in writing or by written ballot, Members may vote for replacement directors in the same instrument in accordance with the relevant provisions of Chapter 720, Florida Statutes, as amended from time

to time, together with procedural rules adopted by the Division of Florida Condominiums, Timeshares, and Mobile Homes.

In the event of the death, disability, or resignation of an Owner Director, the Board may declare a vacancy and appoint a successor to fill the vacancy until the next annual meeting, at which time the Voting Delegates entitled to fill such directorship shall elect a successor for the remainder of the term.

Any director shall be disqualified for any manner as provided by the relevant provisions of Chapter 720, Florida Statutes, as amended from time to time, creating a vacancy in the office to be filled in the manner provided herein.

Any Owner Director filling a vacancy on the Board pursuant to this Section 3.5 shall be selected from among eligible Owners or residents of Units within the Election District represented by the Owner Director who vacated the position. A director elected or appointed pursuant to this Section 3.5 shall hold office for the balance of the unexpired term in respect to which such vacancy occurred and shall have all of the rights, privileges, duties, and obligations as a director elected at an annual meeting.

This Section shall not apply to directors the Founder appoints. The Founder may appoint a successor to fill any vacancy on the Board resulting from the death, disability, or resignation of a director appointed by the Founder.

3.6. Organizational Meetings.

The Board shall hold an organizational meeting immediately after the annual meeting. If the majority of the directors elected shall not be present at that time, or if the directors shall fail to elect officers, the organizational meeting shall then be held within ten (10) days following each annual meeting at such time and place as the Board shall fix. The singular instance in which the Board may vote by secret ballot shall be for the election of officers. No further notice of the organizational meeting shall be necessary, providing that a quorum shall be present at such organizational meeting.

3.7. Regular Meetings.

The Board shall hold regular meetings at such date, time, and place as a majority of the directors shall determine.

3.8. Special Meetings.

The President, Vice President, or any two (2) directors may call a special meeting of the Board.

3.9. Notice; Waiver of Notice.

(a) *Contents.* Notices of Board meetings shall specify the time and place of the meeting and, in the case of a special meeting, the nature of any special business to be considered. A notice

for a Board meeting at which an assessment may be levied shall include a statement that assessments will be considered and the nature of the assessments.

(b) Notice to Board Members. The Board shall notify each director of meetings by: (i) personal delivery; (ii) first class mail, postage prepaid; (iii) telephone communication, either directly to the director or to a person at the director's office or home who would reasonably be expected to communicate such notice promptly to the director; or (iv) facsimile, electronic mail, or other electronic communication device, with confirmation of transmission. All such notices shall be given at or sent to the director's telephone number, fax number, electronic mail address, or sent to the director's address as shown on the Association's records. The Board shall deposit notices sent by first class mail into a United States mailbox at least five (5) business days before the day of the meeting. The Board shall give notices by personal delivery, telephone, or electronic communication at least forty-eight (48) hours before the time set for the meeting.

(c) Notice to Members. Notice of Board meetings shall be conspicuously posted within Tradition at least forty-eight (48) hours before such meeting, except in the event of an emergency. Notice of any meeting at which Special Assessments will be considered or at which amendments to Rules regarding Unit use will be considered must be delivered to the Members by such means as permitted under Section 9.5 and conspicuously posted within Tradition at least fourteen (14) days prior to the Board meeting.

(d) Waiver of Notice. Waiver of notice of a Board meeting shall be deemed the equivalent of proper notice. Any Board members, Voting Delegate, or Member may waive, in writing, notice of any Board meeting, either before or after such meeting. The attendance at a Board meeting by a director, Voting Delegate, or Owner shall be deemed a waiver by such director, Voting Delegate, or Owner of notice of the time, date, and place thereof and of all business transacted at such meeting, unless the director, Voting Delegate, or Owner specifically objects to lack of proper notice at the time the meeting is called to order.

3.10. Telephonic Participation in Meetings.

Members of the Board or any committee the Board designates may participate in a Board or committee meeting by conference telephone or similar communications equipment through which all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this section shall constitute presence at such meeting.

3.11. Quorum of Board.

At all Board meetings, a majority of the directors shall constitute a quorum for the transaction of business, and the votes of a majority of the directors present at a meeting at which a quorum is present shall constitute the Board's decision, unless Florida law, these By-Laws, or the Charter specifically provide otherwise. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the departure of directors, if at least a majority of the required quorum for that meeting approves any action taken. If the Board cannot hold a meeting because a quorum is not present, a majority of the directors present may adjourn the meeting from time to time to a date, time, and place certain until a quorum is present. At the reconvened meeting, if a

quorum is present the Board may transact, without further notice, any business it might have transacted at the original meeting.

3.12. Conduct of Meetings.

The President or any designee the Board approves by resolution shall preside over all Board meetings. The Secretary shall ensure that minutes of the meetings are kept and that all resolutions and all transactions occurring at such meetings are included in the Association's records.

3.13. Open Meetings; Executive Session.

Except for meetings between the Board and its attorney with respect to proposed or pending litigation or other exceptions as may be permitted by Florida law, and subject to the provisions of Section 3.14, all Board meetings shall be open to all Members. No tenants or guests are permitted to attend any meeting of the Board unless otherwise specifically approved by the Board. Members in attendance at a Board meeting shall be entitled to speak for a maximum of three (3) minutes only as to the designated agenda items prior to the Board's vote on such designated agenda items and in such manner as determined by the Board. All Member statements must be made in a respectful and businesslike manner and must be directed to the Board. In the event a Member conducts himself or herself in a manner detrimental to the carrying on of a meeting, the Board may, in its sole discretion, deem that such Member has voluntarily abrogated such Member's right to speak for the remainder of the meeting or may expel such Member from the meeting by any reasonable means which may be necessary to accomplish such an expulsion. The Board may adopt such other written reasonable rules governing the frequency, duration, and other manner of Member statements as it deems appropriate.

3.14. Action without a Formal Meeting.

During the Founder Control Period, any action to be taken or which may be taken at a Board meeting may be taken without a meeting if the directors sign a written consent, setting forth the action so taken. Such consent shall have the same force and effect as a unanimous vote.

3.15. Powers.

The Board shall have the power to administer the Association's affairs, perform the Association's responsibilities, and exercise the Association's rights as set forth in the Governing Documents and as provided by law. The Board may do or cause to be done on the Association's behalf all acts and things, except those which the Governing Documents or Florida law require to be done and exercised exclusively by the Voting Delegates or the membership generally.

3.16. Duties.

The Board's duties shall include, without limitation:

(a) preparing and adopting, in accordance with the Charter, an annual budget establishing each Owner's share of the Common Expenses and any Service Area Expenses;

- (b) levying and collecting assessments from the Owners;
- (c) providing for the operation, care, upkeep, and maintenance of the Area of Common Responsibility consistent with the Community-Wide Standard;
- (d) designating, hiring, and dismissing personnel necessary to carry out the Association's rights and responsibilities and where appropriate, providing for compensation of such personnel and for the purchase of equipment, supplies, and materials to be used by such personnel in the performance of their duties;
- (e) opening bank accounts on the Association's behalf and designating the signatories required;
- (f) depositing all funds received on the Association's behalf in a bank depository which it shall approve and using such funds to operate the Association; however, in the Board's business judgment any reserve funds may be deposited in depositories other than banks;
- (g) making or contracting for the making of repairs, additions, and improvements to or alterations of the Common Area in accordance with the Governing Documents;
- (h) enforcing by legal means the provisions of the Governing Documents and bringing any proceedings which may be instituted on behalf of or against the Owners concerning the Association; however, the Association's obligation in this regard shall be conditioned in the manner provided in the Charter;
- (i) obtaining and carrying property and liability insurance and fidelity bonds, as provided in the Charter, paying the cost thereof, and filing and adjusting claims, as appropriate;
- (j) paying the cost of all services rendered to the Association;
- (k) keeping a detailed accounting of the Association's receipts and expenditures;
- (l) making available to any prospective purchaser of a Unit, any Owner, and the holders, insurers, and guarantors of any Mortgage on any Unit, current copies of the Governing Documents and all other books, records, and financial statements of the Association as provided in Article 9;
- (m) indemnifying a director, officer or committee member, or former director, officer or committee member of the Association to the extent such indemnity is required by Florida law, the Articles and these By-Laws; and
- (n) making provisions for an annual review or audit of the Association's books and records.

Article 4
Transition from Founder to Owner Control

4.1. Transition Process.

Transition is a process by which control of the Board gradually shifts from the Founder to the Owners, as described in Section 3.3. The process concludes upon termination of the Founder Control Period, when the Voting Delegates will elect the entire Board. At that time, the Owners, through their newly-elected Board, will take responsibility for fulfilling the Association's responsibilities and exercising the Association's authority under the Governing Documents without the direct guidance or involvement of the Founder or Founder-appointed directors.

4.2. Education and Communication.

In anticipation of termination of the Founder Control Period, the Founder Member shall communicate with the Owners regarding the transition process, the anticipated timeline for transition, what to expect during and after the transition, and opportunities for Owner participation. Such communication shall be in writing and through one or more "town hall" meetings at which Owners have the opportunity to ask and obtain answers to questions in order to gain a better understanding of the transition process.

4.3. Transition Committee.

(a) **Appointment; Purpose.** At least six (6) months prior to termination of the Founder Control Period, the Founder Member shall establish a Transition Committee comprised of five (5) to seven (7) members, all of whom shall be Owners. The purpose of the Transition Committee shall be (i) to involve the Owners in facilitating a smooth transition of control of the Board from directors appointed by the Founder Member to directors elected by the Voting Delegates, and (ii) to help prepare the Board and the Owners to assume responsibility for carrying on Association operations once the Founder and its representatives are no longer directly involved.

(b) **Organizational Meeting.** The Founder shall call for a meeting of the Transition Committee within thirty (30) days after its appointment. At such meeting, the Founder shall explain the transition process, advise the Transition Committee of its responsibilities, and facilitate the election of a chairperson from among the members of the Transition Committee. The Transition Committee shall establish a meeting schedule and a schedule for completing necessary tasks prior to the termination of the Founder Control Period. It may appoint such subcommittees as it deems appropriate to assist it in performing its responsibilities. Each subcommittee shall be chaired by a member of the Transition Committee and shall consist of at least two (2) Owners.

(c) **Responsibilities.** The Transition Committee, with the assistance of such subcommittees as it may appoint pursuant to subsection (b), shall conduct a review and analysis of Association properties, facilities, records, and operations to familiarize itself with the history and status of such matters and make recommendations as to matters requiring future action. It shall prepare a report setting forth its findings and recommendations for distribution to the Owners and presentation to the newly-elected Board upon termination of the Founder Control Period. The

Board will use such report to assist in understanding the scope of its responsibilities and as a planning toll. Specific areas to be addressed in the report shall include:

(i) the condition of Association property and facilities, identifying any immediate maintenance, repairs, or improvements needed and suggesting a proposed schedule for short and long-term maintenance, repairs, and replacements;

(ii) the financial condition of the Association, including the status of any outstanding accounts receivable and actions being taken to collect them, the adequacy of the Association's budgets and sufficiency of reserves, and the status of the Association's tax filings, tax liability, if any, and tax reporting responsibilities;

(iii) the nature and extent of insurance policies which the Association is required to maintain, the adequacy of current coverage and limits, renewal dates for all insurance policies, and the status of any pending insurance claims; and

(iv) the status of Association records and legal matters, identifying all existing contracts, permits, licenses, and warranties, if any, noting their expiration dates and making any recommendations as to their renewal; reporting on the status of title to all Common Areas; reporting on the status of any pending lawsuits; and making recommendations as to any proposed changes or amendments to the Governing Documents that the Transition Committee feels are appropriate or advisable.

(d) **Communication.** The Transition Committee shall report to the Board at least monthly on the status of its work.

(e) **Board Action.** Upon termination of the Founder Control Period and election of a new Board pursuant to Section 3.3(c), the Board shall review the Transition Committee's report and meet with the Transition Committee to discuss the Committee's findings and recommendations. It shall then use the Transition Committee's report as a planning toll in carrying out its responsibilities under the Governing Documents.

Article 5 Officers

5.1. Officers.

The Association's officers shall be a President, Vice President, Secretary, and Treasurer. The officers shall be elected from among the Board members. The Board may appoint such other officers, including, without limitation, one (1) or more Assistant Secretaries and Assistant Treasurers, as it shall deem desirable, such officers to have such authority and perform such duties as the Board prescribes. Any two (2) or more offices may be held by the same person, except the President shall not hold any other office.

5.2. Election and Term of Office.

The Board shall elect the Association's officers at the organizational meeting held in accordance with Section 3.6 of these By-Laws and may be elected from time to time by the affirmative vote of a majority of the directors present at any Board meeting at which a quorum is present to serve until their successors are elected.

5.3. Removal and Vacancies.

Any officer shall be disqualified for any manner as provided by the relevant provisions of Chapter 720, Florida Statutes, as amended from time to time, creating a vacancy in the office to be filled by the Board.

The Board may remove any officer whenever in its judgment the Association's best interests will be served, and may fill any vacancy in any office arising because of death, resignation, removal, or otherwise, for the unexpired portion of the term.

5.4. Powers and Duties.

The Association's officers shall have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as the Board may specifically confer or impose. The President shall be the Association's chief executive officer. The Treasurer shall have primary responsibility for preparing the Association's budgets as provided for in the Charter, and may delegate all or part of the preparation and notification duties to a finance committee, management agent, or both.

5.5. Resignation

Any officer may resign at any time by giving written notice to the Board, the President, or the Secretary. Such resignation shall take effect on the date of the receipt of such notice or at a later time specified therein. Unless the resignation specifies, acceptance of such resignation shall not be necessary to make it effective.

Article 6 Committees

6.1. General.

In addition to the Transition Committee appointed pursuant to Article 4 of these By-Laws and the Compliance Committee appointed pursuant to Section 8.2 of the Charter, the Board may appoint such other committees as it deems appropriate to perform such tasks and to serve for such periods as the Board may designate by resolution. Each committee shall operate in accordance with the terms of such resolution.

6.2. Service Area Committees.

The Owners within any Service Area, which has no formal organizational structure or association, may elect a Service Area Committee to determine the nature and extent of services, if any, which it desires to have the Association provide to the Service Area, over and above those services which the Association provides to all Units in Tradition. A Service Area Committee, if elected, shall consist of three (3) Owners of Units in the Service Area; however, if approved by the vote of at least fifty-one percent (51%) of the Owners of Units within the Service Area, the number may be increased to five (5).

Service Area Committee members shall be elected for a term of one (1) year or until their successors are elected. Any director elected to the Board from a Service Area shall be an *ex officio* member of the Service Area Committee. The members of the committee shall elect a chairperson from among themselves, who shall preside at its meetings and shall be responsible for transmitting any and all communications to the Board.

In the conduct of its duties and responsibilities, each Service Area Committee shall abide by the notice and quorum requirements applicable to the Board under Sections 3.9, 3.10, and 3.11 of these By-Laws. Meetings of a Service Area Committee shall be open to all Owners of Units in the Service Area and their representatives. Members of a Service Area Committee may act by unanimous written consent in lieu of a meeting in accordance with the relevant provisions of Chapter 617, Florida Statutes, as amended from time to time.

Article 7

Standards of Conduct; Liability and Indemnification

7.1. Standards for Directors and Officers.

The Board shall exercise its powers in a reasonable, fair, and nondiscriminatory manner and shall adhere to the procedures established in the Governing Documents.

In performing their duties, directors and officers shall act as fiduciaries and shall be insulated from liability as provided for directors of corporations under Florida law and as otherwise provided by the Governing Documents. Directors and officers shall discharge their duties as directors or officers, and as members of any committee to which they are appointed, in a manner that the director or officer believes in good faith to be in the best interest of the corporation and with the care that an ordinarily prudent person in a like position would exercise under similar circumstances. A director is entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, prepared or presented by others to the extent authorized under Florida law.

7.2. Liability.

(a) A director or officer shall not be personally liable to the Association, any Member, or any other Person for any action taken or not taken as a director or officer if he or she has acted in accordance with Section 7.1.

(b) Pursuant to the business judgment rule, a director also shall not be personally liable for any action taken or not taken as a director if the director:

(i) acts within the expressed or implied scope of the Governing Documents and his or her actions are not *ultra vires*;

(ii) affirmatively undertakes to make decisions which are necessary for the Association's continued and successful operation and, when decisions are made, makes them on an informed basis;

(iii) acts on a disinterested basis, promptly disclosing any real or potential conflict of interests (pecuniary or other), and avoiding participation in decisions and actions on matters as to which he has a conflict of interest (beyond that which all directors have by virtue of their ownership or occupancy of a Unit); and

(iv) acts in a non-fraudulent manner and without reckless indifference to the Association's affairs.

(c) The Association's officers, directors, and committee members shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct, or bad faith. The officers and directors shall have no personal liability with respect to any contract or other commitment made or action taken in good faith on the Association's behalf (except to the extent that such officers or directors may also be Members).

7.3. Indemnification.

Subject to the limitations of Florida law, the Association shall indemnify every officer, director, and committee member against all damages and expenses, including counsel fees and expenses, reasonably incurred in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the then Board) to which he or she may be a party by reason of being or having been an officer, director, or committee member, except that the Association shall have no obligation to indemnify any individual against liability or expenses incurred in connection with a proceeding:

(a) brought by or in the right of the Association, although it may reimburse the individual for reasonable expenses incurred in connection with the proceeding if it is determined, by the court or in the manner provided above, that the individual met the relevant standard of conduct under Florida law; or

(b) to the extent that the individual is adjudged liable for conduct that constitutes:

(i) appropriation, in violation of his or her duties, of any business opportunity of the Association; or

- (ii) intentional misconduct or knowing violation of the law; or
- (iii) an unlawful distribution to members, directors, or officers; or
- (iv) receipt of an improper personal benefit.

This right to indemnification shall not be exclusive of any other rights to which any present or former officer, director, or committee member may be entitled. The Association shall, as a Common Expense, maintain adequate general liability and officers' and directors' liability insurance to fund this obligation, if such insurance is reasonably available.

7.4. Advancement of Expenses.

In accordance with the procedures and subject to the conditions and limitations set forth in Florida law, the Board may authorize the Association to advance funds to pay for or reimburse the reasonable expenses incurred by a present or former officer, director or committee member in any proceeding to which he or she may be a party by reason of being or having been an officer, director, or committee member of the Association.

7.5. Board and Officer Training.

All directors shall be certified pursuant to the relevant provisions of Chapter 720, Florida Statutes, as amended from time to time. The written certification or educational certificate is valid for the uninterrupted tenure of the director and shall be kept among the Association's official records for five (5) years after such director's election or appointment. Any director who does not timely file the written certification or educational certificate shall be suspended from the Board until he/she complies with the requirement. The Board may temporarily fill the vacancy during the period of suspension.

The Board may conduct or provide for seminars and continuing educational opportunities designed to educate and inform its officers and directors of their responsibilities as officers and directors. Such programs may include instruction on applicable Florida corporate and fiduciary law principles, other issues relating to administering community affairs, and upholding and enforcing the Governing Documents. The Board may retain industry professionals, which may include property managers, attorneys, and accountants, as appropriate or necessary for such purpose. Each newly elected officer and director shall be encouraged to complete a training seminar within the first six months of assuming such position. The seminar may be live, video or audiotape, or in other format. The cost of such seminar shall be a Common Expense.

Article 8 Management and Accounting

8.1. Compensation of Directors and Officers

The Association shall not compensate directors and officers for acting as such unless Voting Delegates representing a majority of the total votes in the Association approve such compensation

at an Association meeting. The Association may reimburse any director or officer for expenses he or she incurs on the Association's behalf upon approval of a majority of the other directors. Nothing herein shall prohibit the Association from compensating a director or officer, or any entity with which a director or officer is affiliated, for services or supplies he or she furnishes to the Association in a capacity other than as director or officer pursuant to a contract or agreement with the Association. However, such director must make known his or her interest to the Board prior to entering into such contract, and a majority of the Board, excluding any interested director, must approve such contract in accordance with section 617.0832, Florida Statutes, as amended from time to time.

Directors and officers shall not solicit or accept, directly or indirectly, any gifts, gratuity, favor, loan or any other thing of monetary value from any company or individual seeking to obtain contractual or other business or financial relations with the Association, or from anyone whose intent is to influence any decision or action on any official matter, except a director or officer may accept food and beverage to be consumed at a business meeting with a value of less than Twenty Five Dollars (\$25.00) per individual, as all of which is set forth in section 720.3033, Florida Statutes, as amended from time to time.

8.2. Right of Founder Member to Disapprove Actions.

So long as there is a Founder Membership, the Founder Member shall have a right to disapprove any action, policy, or program of the Association, the Board and any committee which, in the Founder Member's sole judgment, would tend to impair rights of the Founder or Builders under the Charter or these By-Laws, interfere with development or construction of any portion of Tradition, or diminish the level of services the Association provides. The Board shall not implement any action, policy, or program subject to the right of disapproval set forth herein until and unless the requirements of this Section have been met.

(a) *Notice.* The Association shall give the Founder Member written notice of all meetings of the membership, the Board, and committees and any actions proposed to be taken by any of them by written consent in lieu of a meeting. The Association shall give such notice by certified mail, return receipt requested, or by personal delivery at the address the Founder Member has registered with the Association. Such notice shall comply as to Board meetings with Section 3.9, and shall, except in the case of regular Board meetings pursuant to these By-Laws, set forth with reasonable particularity the agenda to be followed at such meeting.

(b) *Opportunity to be Heard.* At any such meeting, the Association shall give the Founder Member the opportunity to join in or to have its representatives or agents join in discussion from the floor of any prospective action, policy, or program which would be subject to the right of disapproval set forth herein.

The Founder Member, its representatives, or its agents shall make its concerns, thoughts, and suggestions known to the Board and/or the members of the subject committee. The Founder Member, acting through any officer or director, agent, or authorized representative, may exercise its right to disapprove at any time within ten (10) days following the meeting at which such action

was proposed or, in the case of any action taken by written consent in lieu of a meeting, at any time within ten (10) days following receipt of written notice of the proposed action.

The Founder Member may use this right to disapprove to block proposed actions but shall not use it to require any action or counteraction of any committee, the Board, or the Association. The Founder Member shall not use its right to disapprove to reduce the level of services the Association is obligated to provide or to prevent capital repairs or any expenditure required to comply with applicable laws and regulations.

8.3. Managing Agent.

The Board may employ for the Association professional management agents at such compensation as the Board may establish, to perform such duties and services as the Board shall authorize. The Board may delegate such powers as are necessary to perform the manager's assigned duties but shall not delegate policy-making authority or ultimate responsibility for those duties set forth in Section 3.16. The Board may employ the Founder or its affiliate as managing agent or manager.

The Board may delegate to one of its members the authority to act on its behalf on all matters relating to the duties of the managing agent or manager which might arise between Board meetings.

The Association shall not be bound, either directly or indirectly, by any management contract executed during the Founder Control Period unless such contract contains a right of termination which may be exercised by the Association, with or without cause and without penalty, at any time after termination of the Founder Control Period upon not more than ninety (90) days' written notice.

The managing agent shall not accept remuneration from vendors, independent contractors, or others providing goods or services to the Association, whether in the form of commissions, finder's fees, services fees, prizes, gifts, or otherwise; anything of value received shall benefit the Association. The managing agent shall promptly disclose to the Board any financial or other interest which it may have in any firm providing goods or services to the Association.

8.4. Fiscal Year.

The Association's fiscal year shall be the calendar year unless the Board establishes a different fiscal year by resolution.

8.5. Accounts and Reports.

(a) *Accounting Standards.* The Board shall follow the following accounting standards unless the Board by resolution specifically determines otherwise:

(i) accounting and controls should conform to generally accepted accounting principles; and

(ii) the Association's cash accounts shall not be commingled with any other accounts, and during the Founder Control Period, operating accounts shall not be commingled with reserve accounts;

(b) **Quarterly Reports.** Commencing at the end of the quarter in which the first Unit is sold and closed, financial reports shall be prepared for the Association within sixty (60) days after the end of each quarter:

(i) an income statement reflecting all income and expense activity for the preceding period;

(ii) a statement reflecting all cash receipts and disbursement for the preceding period;

(iii) a variance report reflecting the status of all account in an "actual" versus "approved" budget format;

(iv) a balance sheet as of the last day of the preceding period; and

(v) a delinquency report listing all Owners who are delinquent in paying any assessments at the time of the report (any assessment or installment thereof shall be considered to be delinquent on the fifteenth (15th) day following the due date unless the Board specifies otherwise by resolution).

(c) **Annual Reports.** Within ninety (90) days after the end of the fiscal year, the Association shall prepare and complete, or contract with a third party for the preparation and completion of, a financial report for the preceding fiscal year in accordance with Chapter 720, Florida Statutes, as amended from time to time. An annual report consisting of at least the following shall be provided to the Members within one hundred and twenty (120) days after the close of the fiscal year: (i) a balance sheet; (ii) an operating (income) statement; and (iii) a statement of changes in financial position for the fiscal year. In lieu of providing a copy of the annual report, the Association may provide a written notice advising that a copy of the annual report is available upon request at no charge to the Member.

8.6. Borrowing.

The Association shall have the power to borrow money for any legal purpose. However, the Board shall obtain Voting Delegate approval in the same manner provided in the Charter for Special Assessments if the proposed borrowing is for the purpose of making discretionary capital improvements and the total amount of such borrowing, together with all other debt incurred within the previous twelve (12) month period, exceeds or would exceed twenty percent (20%) of the Association's budgeted gross expenses for that fiscal year.

8.7. Right to Contract.

The Association shall have the right to contract with any Person for the performance of various duties and functions. This right shall include, without limitation, the right to enter into common management, operational, or other agreements with trusts, condominiums, cooperatives, or Neighborhood and other owners or residents associations, within and outside Tradition. The Board shall consent to any common management agreement.

8.8. Agreements, Contracts, Deeds, Leases, Checks, Etc.

All Association agreements, contracts, deeds, leases, checks, and other instruments shall be executed by an officer or by such other person or persons as the Board may designate by resolution.

8.9. Fidelity Coverage.

Fidelity bonds or insurance shall be maintained by the Association for all "persons who control or disburse funds of the Association." The fidelity bonds or insurance must cover the maximum funds that will be in the custody of the Association or its management agent at any one time. As used in this Section 8.9, the term "persons who control or disburse funds of the Association" includes, but is not limited to, persons authorized to sign checks on behalf of the Association, and the President, Secretary, and Treasurer. The premiums on such bonds or insurance shall be paid by the Association as a Common Expense. The bonds or insurance shall be in an amount sufficient to equal the monies an individual handles or has control of via a signatory or a bank account or other depository account. If annually approved by a majority of the Members present at a properly called meeting of the Association, the Association may waive the requirement of obtaining fidelity bonds or insurance for all persons who control or disburse funds of the Association.

Article 9 Miscellaneous

9.1. Parliamentary Rules.

Except as may be modified by Board resolution, *Robert's Rules of Order* (latest edition) shall govern the conduct of Association proceedings when not in conflict with Florida law or the Governing Documents.

9.2. Conflicts.

If there are conflicts among the provisions of Florida law, the Articles of Incorporation, the Charter, these By-Laws, and the Rules, the provisions of the Charter, the Articles of Incorporation, the By-Laws, the Rules, and Florida law (in that order) shall prevail.

9.3. Books and Records.

(a) **Turnover of Books and Records.** Within ninety (90) days after termination of the Founder Control Period, the Founder shall deliver to the Association all property and other items required by section 720.308(3) of Chapter 720, Florida Statutes.

(b) **Inspection by Members and Mortgagees.** The Board shall make available for inspection and copying by any holder, insurer or guarantor of a first Mortgage on a Unit, any Member, or the duly appointed representative of any of the foregoing at any reasonable time and for a purpose reasonably related to his or her interest in a Unit: the Governing Documents, the membership register, books of account, the minutes of meetings of the Members, the Board, and committees, and any other records as required by Florida law. The Board shall provide for such inspection to take place within ten (10) business days after receipt of a written request for access at the Association's office or at such other place within Tradition as the Board shall designate.

(c) **Rules for Inspection.** The Board shall establish rules with respect to:

- (i) the frequency and manner of inspection; and
- (ii) hours and days of the week when such an inspection may be made; and
- (iii) payment of the cost of reproducing documents requested.

(d) **Inspection by Directors.** Every director shall have the absolute right at any reasonable time to inspect all Association books, records, and documents and the physical properties owned or controlled by the Association. A director's right of inspection includes the right to make a copy of relevant documents at the Association's expense.

9.4. Notices.

(a) **Form of Notice and Method of Delivery.** Except as otherwise provided in the Charter or these By-Laws or by Florida law, all notices, demands, bills, statements, or other communications under the Governing Documents shall be in writing and may be delivered in person, by United States mail, by private carrier, or if the intended recipient has given its prior written authorization to use such method of delivery, by facsimile or electronic mail. Proof of mailing, delivering, or electronic transmission of notice shall be given by the affidavit of the person giving the notice.

(b) **Delivery Address.** Notices shall be delivered or sent to the intended recipient as follows:

(i) if to a Member or Voting Delegate, at the address, telephone number, facsimile number, or e-mail address which the Member or Voting Delegate has designated in writing and filed with the Secretary or, if no such address has been designated, at the address of the Unit of such Member or Voting Delegate;

(ii) if to the Association, the Board, or a committee of either, at the address, facsimile number, or e-mail address of the principal office of the Association or its managing

agent, or at such other address as the Association shall designate by notice in writing to the Members pursuant to this Section; or

(iii) if to the Founder, at Founder's principal address as it appears on the Secretary of State's records, or at such other address as the Founder shall designate by notice in writing to the Association pursuant to this Section.

(c) **Effective Date.** Notice sent in accordance with subsections (a) and (b) shall be deemed to have been duly given and effective:

(i) if sent by United States mail, when deposited with the U.S. Postal Service, correctly addressed, with first class or higher priority postage prepaid;

(ii) if delivered personally or by private carrier, when actually delivered to the address of the intended recipient, as evidenced by the signature of the person at such address who accepts such delivery; or

(iii) if sent by telephone facsimile or electronic mail, upon transmission, as evidenced by a printed confirmation of transmission.

9.5. Amendment.

(a) **By Founder Member.** Until termination of the Founder Control Period, the Founder Member may unilaterally amend these By-Laws, subject to the approval requirements in Chapter 16 of the Charter, if applicable.

(b) **By Members Generally.** Except as provided above, these By-Laws may be amended only by the affirmative vote or written consent, or any combination thereof, of Voting Delegates representing sixty-seven percent (67%) of the total votes in the Association, and the consent of the Founder Member, if such exists. No amendment may remove, revoke or modify any right or privilege of Founder or the Founder Member without the written consent of Founder, the Founder Member, or the assignee of such right or privilege. In addition, the approval requirements set forth in Chapter 16 of the Charter shall be met, if applicable. Notwithstanding the above, the percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause.

(c) **Validity and Effective Date of Amendments.** Amendments to these By-Laws shall become effective upon recordation unless a later effective date is specified therein. Any procedural challenge to an amendment must be made within six (6) months of its recordation, or such amendment shall be presumed to have been validly adopted. In no event shall a change of conditions or circumstances operate to amend any provisions of these By-Laws.

(d) **Notice of Amendment.** Within thirty (30) days after recording an amendment to these By-Laws, the Association shall mail, deliver, or electronically transmit a copy of the amendment to the Members. However, if a copy of the proposed amendment is provided to the Members before they vote on the amendment, and the proposed amendment is not changed before

the vote, the Association, in lieu of providing a copy of the amendment, may provide notice to the Members that the amendment was adopted, identifying the Official Records Book and Page number of the recorded amendment, and that a copy of the amendment is available at no charge to the Members upon written request to the Association. Notwithstanding the foregoing, the failure to timely provide notice of the recording of the amendment does not affect the validity or enforceability of the amendment.

IN WITNESS WHEREOF, these Amended and Restated By-Laws of Tradition Community Association, Inc. were executed on this 19th day of February, 2019.

Signed, sealed and delivered
in the presence of:

[Signature]

Print Name: Gregory J. Potts

[Signature]

Print Name: Trisha Ruiz

FOUNDER

MATTAMY PALM BEACH LLC
a Delaware limited liability company

By: [Signature]

Its: DIVISION VICE PRESIDENT

Print Name: ANTHONY PALUMBO

[SEAL]

STATE OF FLORIDA)
) ss:
COUNTY OF PALM BEACH)

The foregoing instrument was acknowledged before me on this 19th day of February, 2019, by Anthony Palumbo, as President of Mattamy Palm Beach LLC, a Delaware Limited Liability Company, who is personally known to me or who produced _____ as identification and who did not take an oath.

[Signature]

Notary Public, State of Florida

Trisha Ruiz

Print Name

My Commission Expires:

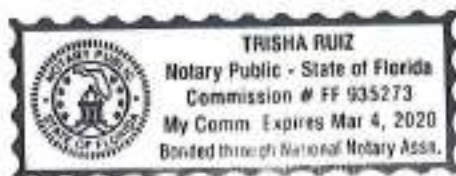


Exhibit "E"

Amended and Restated Articles of Incorporation of
Tradition Community Association, Inc.

**AMENDED AND RESTATED
ARTICLES OF INCORPORATION
OF
TRADITION COMMUNITY ASSOCIATION, INC.**

Article 1. Name. The name of the corporation is Tradition Community Association, Inc. (“Association”).

Article 2. Address. The principal address and mailing address of the Association is 10807 SW Tradition Square, Port St. Lucie, Florida 34987 or at such other principal address or mailing address as may be subsequently designated by the Association’s Board of Directors (“Board”).

Article 3. Definitions. All initially capitalized terms which are defined in the Amended and Restated Community Charter for Tradition, as amended from time to time (“Charter”), and not otherwise defined herein, shall have the same meaning as set forth in the Charter to which these Amended and Restated Articles of Incorporation of Tradition Community Association, Inc., as amended from time to time (“Articles of Incorporation”) are attached as Exhibit “E”.

Article 4. Purposes. The Association is organized as a corporation not-for-profit and does not contemplate pecuniary gain or benefit, direct or indirect, to its members. By way of explanation and not of limitation, the purposes for which the Association is organized are:

- (a) to be and constitute the Association to which reference is made in the Charter, to perform all obligations and duties of the Association, and to exercise all rights and powers of the Association, as set forth in the Governing Documents and as provided by law; and
- (b) to provide an entity for the furtherance of the interests of the Owners.

Article 5. Powers. In furtherance of its purposes, the Association shall have the following powers, which, unless indicated otherwise by the Charter or the By-Laws, may be exercised by the Board:

- (a) all of the powers conferred upon not-for-profit corporations and homeowners’ associations by common law and Florida Statutes in effect from time to time; and
- (b) all of the powers necessary or desirable to perform the obligations and to exercise the rights and powers set out in these Articles of Incorporation, the By-Laws, and the Charter, including, without limitation, the following:
 - (i) to fix, levy, collect, and enforce payment of all charges or assessments authorized by the Charter by any lawful means; to pay all expenses in connection therewith and all administrative and other expenses incident to the conduct of the business of the Association including, without limitation, all licenses, taxes, or governmental charges levied or imposed against the property of the Association;

(ii) to manage, control, operate, maintain, repair, improve, and replace the Common Areas and facilities, and any property acquired by the Association, or any property owned by another for which the Association, by rule, regulation, the Charter, or contract, has a right or duty to provide such services;

(iii) to make rules and regulations and to enforce covenants, conditions, or restrictions affecting any property to the extent the Association may be authorized to do so under the Charter or the By-Laws;

(iv) to engage in activities which will actively foster, promote, and advance the common interests of all Owners;

(v) to buy, acquire, sell, dispose of, mortgage, encumber, exchange, lease, own, hold, use, operate, and otherwise deal in and with, real, personal, and mixed property of all kinds and any right or interest therein for any purpose of the Association;

(vi) to borrow money for any purpose subject to such limitations as may be contained in the Charter and the By-Laws;

(vii) to enter into, make, perform, and enforce contracts of every kind and description, and to do all other acts necessary, appropriate, or advisable in carrying out any purpose of the Association, with or in association with any other corporation, entity, or agency, whether public or private;

(viii) to act as agent, trustee, or other representative of other corporations, firms, or individuals, and as such to advance the business or ownership interests in such corporations, firms, or individuals;

(ix) to adopt, alter, and amend or repeal the By-Laws as may be necessary or desirable for the proper management of the affairs of the Association; however, such By-Laws may not be inconsistent with or contrary to any provisions of the Charter;

(x) to provide any and all supplemental municipal services to the Community as may be necessary or desirable; and

(xi) to 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 purposes and powers of the Association.

The foregoing enumeration of powers shall not limit or restrict in any manner the exercise of other and further rights and powers which may now or hereafter be allowed or permitted by law; and the powers specified in each of the paragraphs of this Article 5 are independent powers, not to be restricted by reference to or inference from the terms of any other paragraph or provision of this Article 5.

Article 6. Members. The Association shall be a membership corporation without certificates or shares of stock. There initially shall be two classes of membership, as more fully set forth in the Charter. Every Owner shall be a member of the Association and shall be entitled to vote as provided in the Charter and the By-Laws. In addition, Founder shall be a member for such period as provided in the Charter, regardless of whether Founder owns any Unit.

Change of an Owner's membership in the Association shall be established by recording in the Office of the Clerk of the Circuit Court of St. Lucie County, Florida, a deed or other instrument establishing record title to a Unit. Upon such recordation, the Owner designated by such instrument shall become a member of the Association and the membership of the prior Owner shall terminate.

Article 7. Existence and Duration. The existence of the Association shall be perpetual.

Article 8. Board of Directors. The Association's business and affairs shall be conducted, managed, and controlled by the Board, which shall initially consist of three members, as provided in the By-Laws. The Board may delegate its operating authority to such companies, individuals, or committees as it, in its discretion, may determine. The method of election and removal of directors, filling of vacancies, and the term of office of directors shall be as set forth in the By-Laws.

Article 9. By-Laws. The By-Laws may be altered, amended, or rescinded in the manner provided in the By-Laws; provided, however, that at no time shall the By-Laws conflict with these Articles of Incorporation, or the Charter. Any attempt to amend contrary to this prohibition shall be of no force or effect.

Article 10. Liability of Directors. To the fullest extent that the Florida Not-for-Profit Corporation Act, as it exists on the date hereof or as it may hereafter be amended, permits the limitation or elimination of the liability of directors or officers, no director or officer of the Association shall be personally liable to the Association or its members for monetary damages for breach of duty of care or other duty as a director or officer. No amendment to or repeal of this Article shall apply to or have any effect on the liability or alleged liability of any director or officer of the Association for or with respect to any acts or omissions of such director or officer occurring prior to such amendment or repeal.

Article 11. Indemnification

(a) **Indemnity.** The Association shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative, by reason of the fact that he or she is or was a director, employee, officer, or agent of the Association. Such indemnification shall include indemnification against expenses (including, without limitation, reasonable attorneys' fees and appellate attorneys' fees), judgments, fines, and amounts paid in settlement, actually and reasonably incurred by the indemnified person in connection with such action, suit, or proceeding, if such person acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interest of the Association, and, with respect to any criminal action or proceedings, such person had no reasonable cause to believe his or her conduct was unlawful.

Notwithstanding the foregoing, no indemnification shall be made in respect of any claim, issue, or matter as to which such person shall have been adjudged to be liable for gross negligence or misfeasance or malfeasance in the performance of his or her duty to the Association, unless, and then only to the extent that, the court in which such action or suit was brought shall determine upon application that despite the adjudication of liability, in view of all of the circumstances of the case, such person is fairly and reasonably entitled to indemnification for such expenses as such court shall deem proper. The termination of any action, suit, or proceeding by judgement, order, settlement, conviction, or upon a plea of *nolo contendere* or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interest of the Association, and with a respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

(b) Approval. Any indemnification under Paragraph (a) above (unless ordered by a court) shall be made by the Association only as authorized in the specific case upon a determination that indemnification is proper under the circumstances because the person requesting indemnification has met the applicable standard of conduct set forth in Paragraph (a) above. Such determination shall be made (i) by majority vote of the members of the Board who were not parties to such action, suit, or proceeding, if sufficient to constitute a quorum, or (ii) if a quorum of the Board is not obtainable, or, even if obtainable, if a quorum of disinterested directors so directs, in a written opinion rendered by independent legal counsel engaged by the Association, or (iii) by a vote of the Voting Delegates representing a majority of the total votes in the Association and the consent of the Founder.

(c) Advances. Expenses incurred in defending a civil or criminal action, suit, or proceeding may be paid by the Association in advance of the final disposition of such action, suit, or proceeding as authorized by the Board in any specific case upon receipt of a written agreement by or on behalf of the affected director, officer, employee, or agent to repay such amount if it is ultimately determined that he or she is not entitled to be indemnified by the Association as authorized in this Article 11.

(d) Miscellaneous. The indemnification provided by this Article 11 shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled by law, under the By-Laws, or pursuant to any agreement, vote of members, or otherwise, and shall continue as to a person who has ceased to be a director, officer, employee, or agent and shall inure to the benefit of the heirs and personal representatives of such person.

(e) Insurance. The Association shall have the power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee, or agent of the Association, as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, regardless of whether the Association would have the power to indemnify him or her against such liability under the provisions of this Article 11.

Article 12. Interested Directors.

(a) Subject to section 617.0832, Florida Statutes, as amended from time to time, no contract or transaction between the Association and one or more of its directors or officers, or between the Association and any other corporation, partnership, firm, association, or organization in which one or more of its directors or officers are directors or officers or have a financial interest, shall be invalid, void, or voidable solely for such reason, or solely because the director or officer is present at or participates in the meeting of the Board at which such contract or transaction was authorized, or solely because his, her, or their votes are counted for such purpose. No director or officer of the Association shall incur liability by reason of the fact that he or she is or may be interested in any such contract or transaction.

(b) Interested directors may be counted in determining the presence of a quorum at a meeting of the Board at which a contract or transaction with an interested director is to be considered.

Article 13. Amendments. Until termination of the Founder Control Period, Founder may unilaterally amend these Articles of Incorporation for any purpose. After termination of the Founder Control Period, amendments to these Articles of Incorporation may be adopted only upon a resolution of the Board and the affirmative vote or written consent of Voting Delegates representing at least sixty-seven percent (67%) of the total votes in the Association. No amendment may be in conflict with the Charter. Amendments to these Articles of Incorporation adopted pursuant to this Article 13 shall be recorded among the Public Records of St. Lucie County, Florida, and filed in the Office of the Secretary of State of the State of Florida. Within thirty (30) days after recording an amendment to these Articles of Incorporation, the Association shall mail, deliver, or electronically transmit a copy of the amendment to the Owners. However, if a copy of the proposed amendment is provided to the Owners before they vote on the amendment, and the proposed amendment is not changed before the vote, the Association, in lieu of providing a copy of the amendment, may provide notice to the Owners that the amendment was adopted, identifying the Official Records Book and Page number of the recorded amendment, and that a copy of the amendment is available at no charge to the Owner upon written request to the Association. Notwithstanding the foregoing, the failure to timely provide notice of the recording of the amendment does not affect the validity or enforceability of the amendment.

Article 14. Dissolution. The Association may be dissolved only upon (a) a resolution duly adopted by the Board, and (b) the affirmative vote of members who are Owners of not less than two-thirds (2/3) of the Units, and (c) so long as Founder or any Founder Affiliate owns any property subject to the Charter or which may be unilaterally subjected to the Charter, the consent of Founder.

Article 15. Initial Incorporator. The name of the initial incorporator of the Association is Tradition Development Company, LLC, at 1850 Fountainview Boulevard, Suite 201, Port St. Lucie, Florida 34986.

Article 16. Registered Agent and Office. The name and address of the registered agent of the Association until a successor is properly appointed by the Board shall be Kaye Bender

Rembaum, P.L., 1200 Park Central Blvd., South, Pompano Beach, FL 33064. The Board shall have the right to designate subsequent registered agents without amending these Articles of Incorporation.

IN WITNESS WHEREOF, these Amended and Restated Articles of Incorporation of Tradition Community Association, Inc. were executed on this 19th day of February, 2019.

Signed, sealed and delivered in the presence of:

[Signature]

Print Name: Gregory J. Puckett

[Signature]

Print Name: Trisha Ruiz

FOUNDER

MATTAMY PALM BEACH LLC
a Delaware limited liability company

By: [Signature]

Its: Division Vice President

Print Name: Anthony Palumbo

[SEAL]

STATE OF FLORIDA)
) ss:
COUNTY OF Palm Beach)

The foregoing instrument was acknowledged before me on this 19th day of February 2019, by Anthony Palumbo, as President of Mattamy Palm Beach LLC, a Delaware Limited Liability Company, who is personally known to me or who produced _____ as identification and who did not take an oath.

[Signature]
Notary Public, State of Florida

Trisha Ruiz
Print Name

My Commission Expires:



ACCEPTANCE BY REGISTERED AGENT

Having been named to accept service of process for the above stated not for profit corporation at the place designated in these Amended and Restated Articles of Incorporation of Tradition Community Association, Inc., the undersigned hereby agrees to act in this capacity and further agrees to comply with the provisions of all statutes relative to the proper and complete discharge of his duties.

Dated this 19 day of February, 2019.

KAYE BENDER REMBAUM, P.L.

By:  _____
Jeffrey Rembaum, Member

(Registered Agent)

Exhibit "F"

Supplements to Original Community Charter for Tradition

First Supplement to the Community Charter for Tradition as recorded in the Official Records of Saint Lucie County, Florida in Official Records Book 1828, Page 2776.

Second Supplement to the Community Charter for Tradition as recorded in the Official Records of Saint Lucie County, Florida in Official Records Book 1876, Page 955.

Third Supplement to the Community Charter for Tradition as recorded in the Official Records of Saint Lucie County, Florida in Official Records Book 1933, Page 2042.

Fourth Supplement to the Community Charter for Tradition as recorded in the Official Records of Saint Lucie County, Florida in Official Records Book 1928, Page 297.

Fifth Supplement to the Community Charter for Tradition as recorded in the Official Records of Saint Lucie County, Florida in Official Records Book 1932, Page 528.

Sixth Supplement to the Community Charter for Tradition as recorded in the Official Records of Saint Lucie County, Florida in Official Records Book 1965, Page 1624.

Seventh Supplement to the Community Charter for Tradition as recorded in the Official Records of Saint Lucie County, Florida in Official Records Book 2065, Page 2167.

Eighth Supplement to the Community Charter for Tradition as recorded in the Official Records of Saint Lucie County, Florida in Official Records Book 2088, Page 642.

Eighth Supplement to the Community Charter for Tradition as recorded in the Official Records of Saint Lucie County, Florida in Official Records Book 2274, Page 1742.

Ninth Supplement to the Community Charter for Tradition as recorded in the Official Records of Saint Lucie County, Florida in Official Records Book 2126, Page 715.

Tenth Supplement to the Community Charter for Tradition as recorded in the Official Records of Saint Lucie County, Florida in Official Records Book 2123, Page 434.

Eleventh Supplement to the Community Charter for Tradition as recorded in the Official Records of Saint Lucie County, Florida in Official Records Book 2340, Page 1583.

Twelfth Supplement to the Community Charter for Tradition as recorded in the Official Records of Saint Lucie County, Florida in Official Records Book 2441, Page 944.

Thirteenth Supplement to the Community Charter for Tradition as recorded in the Official Records of Saint Lucie County, Florida in Official Records Book 2441, Page 953.

Fourteenth Supplement to the Community Charter for Tradition as recorded in the Official Records of Saint Lucie County, Florida in Official Records Book 2465, Page 2375.

Fifteenth Supplement to the Community Charter for Tradition as recorded in the Official Records of Saint Lucie County, Florida in Official Records Book 2699, Page 608.

Sixteenth Supplement to the Community Charter for Tradition as recorded in the Official Records of Saint Lucie County, Florida in Official Records Book 2533, Page 2019.

Seventeenth Supplement to the Community Charter for Tradition as recorded in the Official Records of Saint Lucie County, Florida in Official Records Book 2592, Page 1316.

Eighteenth Supplement to the Community Charter for Tradition as recorded in the Official Records of Saint Lucie County, Florida in Official Records Book 2600, Page 103.

Nineteenth Supplement to the Community Charter for Tradition as recorded in the Official Records of Saint Lucie County, Florida in Official Records Book 2669, Page 2516.

Twentieth Supplement to the Community Charter for Tradition as recorded in the Official Records of Saint Lucie County, Florida in Official Records Book 2730, Page 2180.

Supplement to the Community Charter for Tradition as recorded in the Official Records of Saint Lucie County, Florida in Official Records Book 3129, Page 38.

Supplement to Community Charter for Tradition as recorded in the Official Records of Saint Lucie County, Florida in Official Records Book 3607, Page 2974.

Supplement to Community Charter for Tradition as recorded in the Official Records of Saint Lucie County, Florida in Official Records Book 3721, Page 1340.

Amended Supplement to Community Charter for Tradition as recorded in the Official Records of Saint Lucie County, Florida in Official Records Book 3919, Page 2232.

Supplement to Community Charter for Tradition as recorded in the Official Records of Saint Lucie County, Florida in Official Records Book 3946, Page 2062.

Supplement to Community Charter for Tradition as recorded in the Official Records of Saint Lucie County, Florida in Official Records Book 4001, Page 1408.