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**DECLARATION OF SUPPLEMENTAL COVENANTS, CONDITIONS
AND RESTRICTIONS FOR
THE COTTAGES AT MILLHOPPER FOREST
(A Neighborhood of Millhopper Forest)**

This *Declaration of Covenants, Conditions, Restrictions and Easements for The Cottages at Millhopper Forest*, (the Declaration), made this 10 day of May, 2003, by HOWE DEVELOPMENT CORPORATION, a Florida corporation, whose address is 3940 NW 16th Blvd., Bldg. A, Gainesville, FL 32606, (the Declarant).

Statement of Purposes

- A. Declarant, did on August 18, 1999, record in Official Records Book 2249, Page 2, et. seq. of the Public Records of Alachua County, Florida, Declaration of Covenants, Conditions, Restrictions and Easements for Millhopper Forest, (the Master Declaration):
- B. The Master Declaration provides for the right of the Declarant and others to subject and other properties to the Master Declaration.
- C. Declarant did on September 25, 2002, record in Plat Book 23, Page 70 et. seq. of the Public Records of Alachua County, Florida a Plat entitled Millhopper Forest Unit 2A, a Cluster Development and does hereby declare the same to be The Cottages at Millhopper Forest, a neighborhood within the provisions of the Master Declaration, and which neighborhood is subject to the terms of the Master Declaration (the Neighborhood Property);
- D. The Master Declaration further provides that the Declarant and others shall have the right to establish a separate neighborhood Association for the specific purpose of allowing the Owners in a new phase to deal with matters related only to that phase;
- E. Declarant has deemed it appropriate to establish a separate Neighborhood Association for The Cottages at Millhopper Forest; and

WHEREAS, the Declarant now desires to formalize said declaration.

NOW THEREFORE, the Declarant, for itself and its successors and assigns, declares that the Neighborhood Property is and shall be held, transferred, sold, conveyed and occupied subject to the Master Declaration and to the covenants, restrictions, easements, charges and liens hereafter set forth.

ARTICLE I DEFINITIONS

The following definitions apply wherever the capitalized terms appear in this Declaration. Definitions of other terms may also appear in this Declaration.

1.1 Definitions. The following words when used in this Declaration (Unless the context shall prohibit) shall have the meaning set forth in the Master Declaration, adjusted, if adjustment is needed, to apply to The Cottages at Millhopper Forest Neighborhood : *Common Expenses, Declarant, Drainage System, Lot, Member, Mortgagee, Owner, Public Records, Rules.*

1.2 Common Property. Those tracts of land deeded to the Master Association and designated on the Plat as *Common Area Right-of-Way, Public Utility Easement, Drainage Easement, Easement and Common Area, Wall and Public Utility Easement, Common Area, Private Drainage Easement and Public Utilities Easement* or similar designations. All Declarant installed walls and fences along the exterior perimeter at Millhopper Forest. The roadways within The Cottages will not be dedicated to Alachua County but will be owned and maintained by the Master Association. The term "Common Property" also includes any personal property appurtenant to any real property owned by the Neighborhood Association or acquired by the Neighborhood Association if the personal property is designated as such in the bill of sale or other instrument conveying such property. The Common Property are intended to be devoted exclusively to the use and employment of the Owners of the Lots located within Millhopper Forest. The costs of operation, maintenance and improvements of Common Property shall be borne solely by the Master Association.

1.3 Declaration. This Declaration of Covenants, Conditions, Restrictions, and Easements for The Cottages at Millhopper Forest and all supplements and amendments to this Declaration.

1.4 Master Assessments. The collective term for the following charges:

(a) General Master Assessment: The amount charged to each Member to meet the Master Association's annual budgeted expenses.

(b) Individual Lot Assessment for Master Association: A charge to each Member's individual Lot for any charges confined to that Lot.

(c) Master Special Assessment: A charge to each Member for capital improvements for emergency expenses.

1.5 Master Association. Millhopper Forest Homeowners Association, Inc., a Florida not for profit corporation, its successors and assigns.

1.6 Master Declaration. The Declaration of Covenants, Conditions, and Easements for Millhopper Forest recorded at Official Records Book 2249, page 2 of the Public Records, together with all supplements and amendments to the Master Declaration.

1.7 Neighborhood Assessments The assessments from time to time levied by the Neighborhood Association for the Neighborhood Common Expenses when authorized by this Declaration, or by the Neighborhood Board. The size of a dwelling unit may be considered a reasonable basis to discriminate between assessments levied on various units within the

Neighborhood Property.

1.8 Neighborhood Association. The Cottages at Millhopper Forest Neighborhood Association, Inc., a Florida not for profit corporation and its successors and assignees formed or to be formed by Declarant. A copy of the Articles of Incorporation and Bylaws of the Neighborhood Association are attached hereto as Exhibit "A" and Exhibit "B" and incorporated herein by reference.

1.9 Neighborhood Board. The Board of Directors of the Neighborhood Association. The Neighborhood Board shall at all times be subject to the paramount authority of the Master Declaration.

1.10 Neighborhood Common Expenses. Costs incurred by the Neighborhood Association for services rendered or expenses which are not of general benefit but rather are primarily for the benefit of and intended to be borne by the Owners of a Lot within the Neighborhood Property. Expenses incurred for the operation, maintenance and improvement of the Neighborhood Common Property and the services provided for the benefit of each Lot shall be Neighborhood Common Expenses and reimbursed to or collected by the Neighborhood Association through Neighborhood Assessments.

1.11 Neighborhood Common Property. All Declarant installed walls and fences along the perimeter of any Lot shall be considered Neighborhood Common Property. The term "Neighborhood Common Property" also includes any personal property appurtenant to any real property owned by the Neighborhood Association or acquired by the Neighborhood Association if the personal property is designated as such in the bill of sale or other instrument conveying such property. The Neighborhood Common Property are intended to be devoted exclusively to the use and employment of the Owners of the Lots located within the Neighborhood Property. The costs of operation, maintenance and improvements of Neighborhood Common Property shall be borne solely by the Neighborhood Association.

1.12 Neighborhood Property or The Properties shall mean and refer to the lands subject to this Declaration and more particularly described on the Plat.

1.13 The Cottages. *The Cottages at Millhopper Forest Development* recorded in the Plat and any land from time to time made subject to this Declaration.

1.14 Plat. The Plat of The Cottages at Millhopper Forest recorded in Plat Book 23, pages 70 and 71 of the Public Records.

ARTICLE II PROPERTY SUBJECT TO DECLARATIONS

2.1 Property subject to Master Declaration. The Neighborhood Property described in this Plat is subject to the Master Declaration pursuant to Article II of the Master Declaration and the jurisdiction of the Association is extended to the Neighborhood Property.

2.2 Property subject to this Declaration. The Neighborhood Property as described in the Plat is and shall be held, transferred and occupied subject to the Master Declaration and this Declaration.

2.3 Annexation of Additional Property. Additional property may be annexed under the procedure set forth in Article II of the Master Declaration.

2.4 Further Subdivision. Owners (other than Declarant) may not subdivide or separate any Lot into smaller lots; however, this shall not prohibit corrective deeds or similar corrective instruments. An Owner may, by recording an instrument in the Public Records, combine two or more Lots for a single homesite, and thereafter the combined property will be deemed to be a single Lot for all purposes. Declarant shall have the right to modify the Plat to make adjustments to Lot boundary lines if the owners of the affected Lots consent. Declarant may make other adjustments to the Plat if the Owners are not materially affected or if all Owners who will be materially affected consent to such modification. Owners shall not unreasonably withhold their consent to an adjustment, and consent will be deemed given if an Owner does not object in writing within ten (10) days after written notice is given requesting that Owner's consent. Declarant may also replat a Lot or Lots to Common Property, to roadway, or to other legal purpose without the consent of the other Owners, whereupon such replatted Lot or Lots will no longer be deemed a "Lot." Declarant may also establish additional easements upon a Lot or Lots without the consent of the other Owners.

ARTICLE III ARCHITECTURAL REVIEW AND CONSTRUCTION REQUIREMENTS

The provisions of Article III of the Master Declaration shall apply as the same relate to *The Cottages* and shall govern the relationship among the Owners and the Neighborhood Association and each other.

The minimum floor space for each Lot is 1,500 square feet.

ARTICLE IV USE OF PROPERTY; INDIVIDUAL LOTS

The provisions of Article IV of the Master Declaration shall apply as the same relate to *The Cottages* and shall govern the relationship among the Owners and the Neighborhood Association and each other.

In addition to the provisions outlined above, Declarant hereby adds the following restriction:

4.1 Parking. No boat, personal water craft, trailer, motorcycle, or recreational vehicle of any kind requiring licensure by the State of Florida, may be kept on any portion of any Lot or on any portion of the Common Property or Neighborhood Common Property. Only conventional automobiles, sports utility vehicles, standard vans and pick-up trucks rated at 3/4 ton or less (collectively referred to as "automobiles"), may be operated or parked regularly by any Owner or guest within *The Cottages*, and any vehicle unable to fit through a standard single car garage door are specifically prohibited.

In order to create and maintain an aesthetically pleasing and more pedestrian-friendly neighborhood less dominated by automobiles, further restrictions on vehicles and parking are established as follows: Driveways on any Lot are for the purpose of conveying the Owner's automobiles from the street to inside the garage, and generally, not for parking. Parking of automobiles on the driveway for other than short periods of time is prohibited and at no time shall the sidewalks be blocked by an automobile. Owners shall park their automobiles inside their

garage. Any automobile parked or operated within the Properties shall be maintained in clean and presentable condition. Guests staying longer than two days shall park in the limited additional parking areas provided on a first come basis. No automobile bearing any signage (to include letters and unusual painting schemes such as "scenes, flames or designs") or drastically modified from the original factory design, may be regularly operated or parked within the Properties. The Neighborhood Board may establish general rules and regulations and change such from time to time as needed to insure, generally, that automobiles operated within the Properties are of standard size, without signage, kept to a minimum number, kept clean and generally presentable, and are parked in garages or in the limited parking area.

Notwithstanding the above, Owners wishing to park an additional automobile on their property not within the garage may apply to the Architectural Review Committee ("ARC") for permission to do so. In considering such application, the ARC shall take into account all issues of aesthetics and will follow the Architectural Guidelines established by the ARC from time to time. The granting of permission for an additional parking place as part of the driveway may be rejected entirely if in the opinion of the ARC, proper aesthetics cannot be provided, or approved with restrictions by the ARC at its sole discretion. The ARC shall not grant permission to park an additional vehicle if the parking space is not paved using the same materials as the main driveway.

Permission for an additional parking place on the driveway shall not obviate the requirement for maintaining the garage as space for parking two automobiles.

ARTICLE V NEIGHBORHOOD COMMON PROPERTY

The Association will own and maintain the Neighborhood Common Property for the benefit of all Members and, when necessary, improve, convey or lease the same.

5.1 Title to Neighborhood Common Property:

(a) Ownership: The Neighborhood Common Property will be owned by the Neighborhood Association for the benefit of all Owners.

(b) Conveyance: The Neighborhood Association is authorized to buy or lease real or personal property to be added to the Neighborhood Common Property. The Neighborhood Association may sell or lease any part of the Neighborhood Common Property; however, membership approval is not needed for the Neighborhood Board to sell personal property or to grant easements on real property. So long as Declarant owns property in *The Cottages*, the Neighborhood Association must have the Declarant's consent to sell or lease any part of the Neighborhood Common Area.

(c) Dedication: If the governmental body having authority over *The Cottages* requests the Neighborhood Association to convey title to or dedicate the Neighborhood Common Property or a portion of it to the public, the Neighborhood Association will be authorized to make such conveyance or dedication but only with the approval of the Members. Upon such dedication, all obligations of the Neighborhood Association regarding the property so dedicated will cease except for requirements imposed as conditions of the dedication.

5.2 Maintenance; Management Contracts:

(a) Neighborhood Association Responsibility: The Neighborhood Association will be responsible for the management, control and improvement of the Neighborhood Common Property and the management, control and improvement of those certain items more specifically set forth in paragraph 11.2 below. The Neighborhood Association will keep the Neighborhood Common Property and certain portions of the Lots attractive, clean and in good repair in accordance with this Declaration and applicable governmental regulations.

(b) Master Association Responsibility: The Master Association will be responsible for the management, control and improvement of certain portions of the Common Property and will keep those portions of the Common Property attractive, clean and good repair.

(c) Management Agreements: The Neighborhood Association and Master Association, as the case may be, may contract with Declarant or any other party for the performance of all or any portion of the management of the Neighborhood Association and the Master Association's respective maintenance and repair obligations. Management costs will be included within the General Assessments. The property manager for the Neighborhood Association, its employees, officers, contractors and assignees will have the right to use the Neighborhood Common Property without liability for Neighborhood Assessments or other charges as more particularly specified in the Management Agreement.

5.3 Capital Improvements: The Neighborhood Association may make capital improvements to the Neighborhood Common Property and may modify the uses of the Neighborhood Common Property.

5.4 Damage or Destruction of Neighborhood Common Property by Owner: If any Owner or the Owner's guest, tenant, licensee, agent, employee, family member or pet damages any of the Neighborhood Common Property as a result of negligence or misuse, the Owner hereby authorizes the Neighborhood Association to repair the damage. The cost of repair will be the responsibility of the Owner and will become an Individual Lot Assessment payable by the Owner.

5.5 Compliance with Laws: Lots and the Neighborhood Common Property may be used and must be maintained in accordance with all applicable laws, ordinances and regulations.

5.6 Rules for Use of Common Property: The Members will have the right to use the Common Property only in accordance with the terms of Rules initially made by Declarant and revised from time to time by the Neighborhood Association. The Rules may establish limitations on use of the Neighborhood Common Property by a Member's guests and lessees and provide for the imposition of a fee or charge for use of certain facilities, provided such fee or charge is uniformly assessed. No Member will be entitled to any rebate or reduction in the Member's Assessments as a result of any restrictions imposed on the Member's use of the Neighborhood Common Property. The Rules will be kept by the one designated by the Neighborhood Association to maintain the records of the Neighborhood Association, and copies will be made available to any Member requesting them. The Neighborhood Association may collect a reasonable charge for such copies.

**ARTICLE VI
GRANT AND RESERVATION OF EASEMENTS**

6.1 Owner's Easement of Enjoyment of the Common Property: Every Owner will have a right and easement of enjoyment of the Neighborhood Common Property, subject to the restrictions imposed in this Declaration and the Rules. This easement will be appurtenant to and shall pass with the title to every Lot. Any Owner may delegate, subject to the provisions of this Declaration, the Articles, the Bylaws and the Rules, the Owner's right to enjoyment of the Neighborhood Common Property to the Owner's family, tenants and guests.

6.2 Easements in Favor of Declarant and the Neighborhood Association: Declarant reserves for itself and its successors and assignees and for the Neighborhood Association and the Master Association the following perpetual easements.

(a) Utilities: Easements for ingress, egress, installation, replacements, repair and maintenance of all public and private utilities and conveniences upon all property subject to *Public Utility Easements* as shown on the Plat; across, over, through and under the Neighborhood Common Property; and five feet (5') in width along the front, rear and side line of each Lot. This easement shall automatically be deemed abandoned as to the interior side Lot lines where two (2) or more Lots are combined into a single Lot.

(b) Police Powers; Security: A blanket easement throughout *The Cottages* for police powers and services supplied by the local, state and federal governments and for any security services which may be provided by the Association.

(c) Marketing. Declarant reserves the right to use the Neighborhood Common Property in its efforts to market the Lots. The easements and rights-of-way herein reserved shall continue in existence in favor of the Declarant after conveyance of Neighborhood Common Property to the Neighborhood Association until such time as the Declarant has sold or committed to separate scheme of development all lands in the Development Plan. This Section may not be amended without the written consent of the Declarant.

(d) Fences: Easements for ingress, egress, installation, replacements, repair and maintenance of all Declarant installed fences and walls; across, over, through and under the Neighborhood Common Property; and ten feet (10') in width along the rear and side line of each Lot.

(e) HVAC Systems: Easement for ingress, egress, installation, replacements, repair and maintenance of all Declarant installed heating and air conditioning systems or components thereof; across, over, through and under the Neighborhood Common Property; and ten feet (10') in width along the rear and side line of each Lot.

(f) Maintenance: A blanket easement throughout *The Cottages* including all Lots for ingress, egress, installation, replacement, repair and maintenance and to further carry out the responsibilities outlined in Article XI of this Declaration. The maintenance, repairs and replacement of landscaping in such easement areas. The Neighborhood Association shall have the right to approve all landscaping and improvements installed by Owners in *The Cottages* after the Declarant has made the initial landscaping and driveway improvements and irrigation systems. The maintenance responsibility of the Neighborhood Association for landscaping improvements shall also extend to the landscaping improvements in public right of way to the curb.

6.3 Beneficiaries of Easements, Rights and Privileges. The easements, licenses, rights and privileges, established, created and granted by this Declaration shall be for the benefit of the Neighborhood Association, the Declarant, and the Owners, all as more specifically set forth elsewhere in this Declaration or the Master Declaration, and any Owner or the Declarant may also grant the benefit of such easement, license, right or privilege to tenants and guests for the duration of their tenancies or visits, but the same are not intended nor shall they be construed as creating any rights in or for the benefit of the general public.

6.4 Easement for Encroachments. In the event that any portion of any roadway, walkway, parking area, driveway, water lines, sewer lines, utility lines, sprinkler system, irrigation lines, air compressors, building or any other structure or improvement as originally constructed encroaches on any Lot, or Neighborhood Common Property, it shall be deemed that the Owner of such Lot or the Neighborhood Association, as the case may be has granted a perpetual easement to the Owner of the adjoining Lot or the Neighborhood Association, as the case may be, for the continuing maintenance and use of such encroaching improvement of structure. The foregoing shall also apply to any replacements of any such improvements or structures if the same are constructed in substantial conformity with the original structure or improvement.

6.5 Dedicated Easement. The Owners of Lots on which improvements have been constructed shall each have an easement across the other Lots for access and maintenance thereof of their respective dwellings.

ARTICLE VII NEIGHBORHOOD ASSOCIATION ORGANIZATION

7.1 Existence and Membership: The Neighborhood Association will be a Florida non-profit corporation of perpetual existence. Every Owner is a mandatory Member of the Neighborhood Association. Membership is appurtenant to and may not be separated from the title to any Lot.

7.2 Exercise of Vote: When more than one (1) person holds an interest in any Lot, all such persons shall be Members; however, Members will only be entitled to one (1) vote per Lot, and any Members who together own a Lot must determine among themselves how the vote may be exercised. Corporations, partnerships and other entities must notify the Neighborhood Association of the natural person who will be considered a Member of the Neighborhood Association and be entitled to exercise its vote.

7.3 Board of Directors:

(a) Number: The affairs of the Neighborhood Association shall be managed by a Board of not less than three (3) nor more than five (5) directors. The initial Board shall be comprised of three (3) directors. The number may be increased from time to time by amendment to the Articles to a maximum of five (5) directors. In the event that the number of directors is changed, such change in number shall be implemented in such a manner as to have as nearly equal in number as possible the number of directors whose terms expire in any given year. Notwithstanding the above, the Declarant shall be entitled to designate the Board of Directors of the Neighborhood Association until such time as the Declarant transfers control of the Neighborhood Association pursuant to 7.5 below.

(b) Term of Office: Once the Declarant has relinquished the power to designate the Board of Directors, the Members shall elect the directors for a term of two (2) years each, as provided in the Articles of Incorporation. Each director shall hold office for the term for which said director is elected and until said director's successor shall have been elected and qualified or until the director's earlier resignation, removal from office or death.

(c) Qualifications: Once the Declarant has relinquished the power to designate the Board of Directors, each director must be a Member. If a director ceases to be a Member during his/her term of office, such person will automatically be removed from the Board effective upon such occurrence.

(d) Voting Procedure: Except for Declarant-appointed directors, election to the Board of Directors shall be by written ballot as provided for in the Articles. At each annual meeting, the Members will elect the directors to replace the directors whose term of office is then expiring. No cumulative voting will be permitted. The candidate(s) receiving the highest number of votes will be declared elected.

(e) Removal: Except for the Declarant-appointed directors who may only be removed by the Declarant, any director may be removed from office, with or without cause, by at least a majority vote of the Members. In the event of the death, resignation or removal of a director, the director's successor shall be selected by the remaining directors and shall serve for the unexpired term of the director's predecessor except in the case of a Declarant-appointed Director, in which case the Declarant shall appoint the successor.

(f) Vacancies; Replacement of Directors: Any vacancy occurring on the Board may be filled for the remainder of the term by a majority vote of the remaining Board members. If the remaining Board members do not constitute a quorum, a special meeting of the Neighborhood Association to elect new members to the Board may be called by any officer or Member.

(g) Compensation: Directors will receive no compensation for their services unless approved by the Members.

7.4 Relationship to Articles and Bylaws: The Articles and Bylaws will govern all matters of the Neighborhood Association not set forth in this Declaration. The terms of this Declaration will prevail over any conflicting provisions in the Articles and Bylaws.

7.5 Transfer of Control of Association: Owners other than the Declarant shall be entitled to elect members of the Board of Directors of the Neighborhood Association when the earlier of the following occurs:

(a) Three (3) months after ninety percent (90%) of the Lots in all phases of *The Cottages* have been conveyed to Members;

(b) Declarant chooses to relinquish control of the Neighborhood Association as evidenced by a recorded instrument to such effect executed by Declarant and Declarant's mortgagees holding a mortgage encumbering all or a portion of *The Cottages*.

**ARTICLE VIII
OPERATION OF NEIGHBORHOOD ASSOCIATION AND
NEIGHBORHOOD BOARD**

8.1 Annual Meeting:

(a) When Called: The Annual Meeting will be called every year for the election to the Neighborhood Board of the class of directors whose term then expires and for other business requiring approval of the Members. The meeting date shall be as determined by the Articles and Bylaws.

(b) Quorum: Voting at an annual meeting requires the presence of Members (in person or by proxy) representing thirty percent (30%) of the total votes and of Declarant or its representative so long as Declarant owns at least one Lot.

(c) Notice: Notice of the annual meeting shall be given by (i) mailing a notice to each Member at the last address furnished to the Neighborhood Association; (ii) delivering a notice to the Member's dwelling or Lot; or (iii) posting conspicuous notices for the meeting at a place designated by the Neighborhood Association. Notice shall be given at least thirty (30) days prior to the annual meeting.

8.2 Neighborhood Board Members:

(a) Neighborhood Board's Responsibility: Except as specifically provided in this Declaration, the Neighborhood Board is delegated the power and has the authority to act on behalf of the Neighborhood Association in all matters.

(b) Quorum: Voting at a Board meeting requires the presence of at least one-half (1/2) of the directors (in person or by proxy). Except as prohibited by law, action required to be taken by vote of the Neighborhood Board may be taken in the absence of a meeting by obtaining the written approval of a majority of the Neighborhood Board.

(c) Notices: Notices of all meetings of the Neighborhood Board shall be posted in a conspicuous place as designated by the Neighborhood Association forty-eight (48) hours in advance, absent an emergency. If the Neighborhood Board desires to levy an assessment at a meeting, the notice must include a statement describing the assessment being considered. All meetings must be open to the Members except for meetings permitted by law to be closed.

8.3 Record Keeping: The Neighborhood Board shall keep a record of all meetings of the Neighborhood Board and of the Neighborhood Association. For each action taken, the record must state the vote, a description of the action approved and, where applicable, the reasons why the action was considered necessary. The record must be available for inspection by any Member except for records of closed meetings of the Neighborhood Board. Officers of the Neighborhood Association shall be elected by the Neighborhood Board which may be by secret ballot.

8.4 Special Members' Meetings: Special meetings of the Members may be called by any one of the following persons or groups:

(a) The Neighborhood Board, or

(b) The holders of not less than one-fourth (1/4) of all of the votes entitled to be voted at the meeting.

**ARTICLE IX
NEIGHBORHOOD ASSOCIATION BUDGET**

9.1 Fiscal Year: The fiscal year of the Neighborhood Association will begin January 1 of each year and end on December 31 of that year. The Neighborhood Board may select another fiscal year. The Neighborhood Board must prepare an annual budget (the "Budget").

9.2 Budget: One copy of the Budget must be provided to each Member, or a notice must be given to the Members that one copy of the Budget is available upon request and without charge. The Budget will estimate the total expenses to be incurred by the Neighborhood Association in carrying out its responsibilities during the year. The Budget must include:

(a) The cost of wages, materials, insurance premiums, services, supplies and other expenses for the rendering of all services required or permitted under this Declaration;

(b) Reasonable amounts for working capital for the Neighborhood Association and for reserves;

(c) Fees for professional management of the Neighborhood Association (which may include Declarant), legal counsel and accounting;

(d) Taxes, if the Neighborhood Common Property is taxed separately from the Lots; and,

(e) An estimate of revenues from the General Assessment.

9.3 Reserves: The Neighborhood Association shall accumulate and maintain adequate reserves for working capital, contingencies and replacements to be included in the Budget and collected as part of the annual General Assessment. This shall not begin until the termination of Declarant's guarantee described in Section 10.2 of this Declaration. Extraordinary expenses not included in the Budget will be charged first against the reserves for repairs or replacement of particular items for which the reserves were established. Except in the event of an emergency, reserves accumulated for one purpose may not be expended for any other purpose. If an excess of reserves exists at the end of a fiscal year, such excess may be used to reduce the following year's assessments.

Reserves shall not be commingled with Neighborhood Association funds. All other sums collected by the Neighborhood Board with respect to Assessments and charges of all types may be commingled in a single fund.

9.4 Preparation and Approval of the Budget:

(a) Initial Budget: Declarant will prepare the Initial Budget.

(b) Subsequent Years: Budgets other than the Initial Budget will be prepared at the direction of the Neighborhood Board at least one (1) month before the end of the fiscal year. The Budget and annual General Assessment must be adopted by a majority of the Neighborhood

Board.

9.5 Effect of Failure to Prepare or Adopt Budget: The Neighborhood Board's failure or delay in preparing or adopting the Budget for any fiscal year will not waive or release a Member's obligation to pay General Assessments whenever the amount of such assessments is finally determined. In the absence of a Budget, each Member shall pay the Assessment at the rate established for the previous fiscal period until notified otherwise.

9.6 Financial Reporting: The Neighborhood Board shall prepare an annual financial report for the Neighborhood Association within sixty (60) days of the close of the fiscal year and provide each Member with a copy of the report or a notice that a copy is available without charge. The report must be in the form required by §720.303(7), Florida Statutes.

9.7 Capital Improvements: The Neighborhood Board shall determine whether capital improvements should be paid from General Assessments or by Special Assessment. If the cost of all capital improvements to be paid within a single year totals more than twenty-five percent (25%) of the Neighborhood Association's Budget, the capital improvements must be approved by majority vote of the Members. Any repair or replacement of existing improvements will not be considered a capital improvement.

9.8 Amendment of Budget: The Neighborhood Board may amend the Budget during any fiscal year and increase the amount of the annual General Assessment for such year if it appears that income will be insufficient to meet the obligations of the Neighborhood Association.

ARTICLE X COVENANTS TO PAY ASSESSMENTS

10.1 Obligation for Assessments: Declarant covenants for each Lot it owns (except for Exempt Lots as defined in Section 10.2), and each Owner, by acceptance of a conveyance of a Lot, is deemed to covenant to pay to the Neighborhood Association its share of the following assessments (collectively, the "Assessments"):

- (a) General Assessments for expenses included in the Budget;
- (b) Special Assessments for the purposes provided in this Declaration; and,
- (c) Individual Lot Assessments for any charges to that Lot.

10.2 Guarantee of the Declarant: The Declarant agrees that it will be obligated to pay any actual operating expenses, excluding reserves, of the Neighborhood Association in excess of the revenue derived from the Assessments, including any increases made during the fiscal year, until the end of the first year of the Neighborhood Association's existence (the "Budget Guarantee"). The Declarant may, but is not obligated to, elect to renew its Budget Guarantee on an annual basis. In return for the Budget Guarantee, the Declarant will not be liable for any Assessments on any Lots the Declarant owns, (an "Exempt Lot").

10.3 Division of Assessments: The General Assessments and Special Assessments shall be assessed among all Lots (except Exempt Lots) by class as follows: All Lots that are improved with dwellings (other than Declarant's model homes), whether or not occupied, constitute the "Improved Lot" class. Lots that are not improved by a dwelling or are improved by Declarant's model homes constitute the "Vacant Lot" class. The General Assessments and any Special

Assessments for each Lot in the Vacant Lot class will be determined by dividing the total assessment by the total number of Lots (excluding Exempt Lots) and multiplying the quotient by 0.10. The General Assessments and any Special Assessments for each Lot in the Improved Lot class will be determined by subtracting the total assessment determined for the Vacant Lot class from the total assessment and dividing the remainder by the total number of Improved Lots. Notwithstanding the above, a Lot shall lose its vacant status and shall be considered Improved upon the filing of a notice of commencement in the Public Records.

10.4 General Assessment:

(a) Establishment by Neighborhood Board: The Neighborhood Board will set the date or dates the General Assessment will be due and may provide for payment in monthly, quarterly, semiannual or annual installments.

(b) Proration Upon Sale of Exempt Lot or Loss of Exemption: Upon conveyance of an Exempt Lot, or upon an Exempt Lot's becoming subject to Assessments because the Declarant does not extend the Budget Guarantee, the annual General Assessment will become due for such Lot(s); provided, however, that the General Assessment will be prorated, and only the portion of the General Assessment attributable to the remainder of the fiscal year will be assessed and payable. If payment of the General Assessment is in installments, only the applicable portion of the then current installment will be due.

10.5 Special Assessment: In addition to the General Assessment, the Neighborhood Board may levy a Special Assessment in any fiscal year as follows:

(a) Capital Improvements: The Neighborhood Board may impose a Special Assessment for any capital improvement approved in accordance with this Declaration.

(b) Emergency Assessment: By a two-thirds (2/3rds) vote, the Neighborhood Board may impose a Special Assessment for any unusual or emergency maintenance or repair or other expense which this Declaration requires the Neighborhood Association to pay (including, after depletion of reserves, unexpected expenditures not provided for in the Budget and unanticipated increases in the amounts budgeted).

(c) Exemption: An Exempt Lot will not be subject to payment of any Special Assessment or any portion thereof declared or assessed while such Lot was an Exempt Lot even if payments for such Special Assessments are made in installments, all or some of which become due after the time such Lot no longer is an Exempt Lot.

10.6 Individual Lot Assessments: The Neighborhood Association may at any time levy an Individual Lot Assessment against any Lot for the purpose of defraying, in whole or in part, the cost of any special services to that Lot or any other charge designated in this Declaration as an Individual Lot Assessment. An Individual Lot Assessment may be levied on account of any legal expenses (including those incurred at trial or on appeal) and costs incurred by the Neighborhood Association in enforcing this Declaration or in enforcing any other declaration the Neighborhood Association is authorized to enforce.

10.7 Effect of Nonpayment of Assessment Remedies:

(a) Personal Obligation: All Assessments, together with any late fees, interest and costs of collection when delinquent, including reasonable attorney's fees (including those incurred at trial or on appeal) whether or not suit is brought (collectively, the "Assessment Charge") shall be the personal obligation of the person or entity who was the Owner of the Lot at the time the Assessment Charge was levied and of each subsequent Owner. No Owner may waive or otherwise escape liability for the Assessment Charge by abandonment of the Lot.

(b) Creation of Lien: The Assessment Charge shall also be a continuing lien in favor of the Neighborhood Association upon the Lot against which the Assessment Charge is made, which lien is effective upon recording of a claim of lien but relating back to and having a priority as of the date of this Declaration. The lien will secure the Assessment Charge which is then due and which may accrue subsequent to the recording of the claim of lien and prior to entry of final judgment of foreclosure. The lien is subject to the subordination provisions of Section 10.7(d).

(c) Suit for Payment; Foreclosure of Lien: The Neighborhood Association may bring an action at law against the Owner personally obligated to pay the Assessment Charge, may foreclose the lien or may do both. The Neighborhood Association, acting on behalf of the Owners, shall have the power to bid for an interest in any Lot foreclosed at such lien foreclosure sale and to acquire, hold, lease, mortgage and convey the Lot.

(d) Subordination of the Lien to Mortgage: The lien of the Assessment Charge will be inferior to the first mortgage lien of any Mortgagee. Sale or transfer of any Lot pursuant to foreclosure of such a mortgage, including a deed in lieu of foreclosure, shall extinguish the lien as to payments which became due prior to the sale or transfer but shall not affect the right of the Neighborhood Association to proceed personally against the Owner. The purchaser or transferee of such Lot shall be liable for any assessments due after the sale or transfer.

(e) Other Remedies: The Neighborhood Board may assess fines, late fees and interest and suspend the voting rights and right to use the Neighborhood Common Property by an Owner for any period during which any Assessment against the Owner's Lot remains unpaid but only as permitted by law.

10.8 Certificate of Payment: The treasurer of the Neighborhood Association or the manager of the Neighborhood Association, upon request of any Owner, shall furnish a certificate signed by a member of the Neighborhood Board or by the manager, if authorized by the Neighborhood Board, stating whether any Assessments are owed by that Owner. The Neighborhood Board may establish a reasonable fee for such certificate. Such certificate will be conclusive evidence of payment of the Assessment through the date of the certificate.

10.9 Purpose of Assessments. The Neighborhood Assessments levied by the Neighborhood Association are in addition to those levied by the Association and are to be used for the purposes set forth this Declaration.

10.10 Payment of Neighborhood Assessments to Association. Neighborhood Assessments may be collected by the Master Association, and then paid to the Neighborhood Association. The decision as to whether or not the Neighborhood Assessments shall be collected by the Master Association shall be made by the Master Association.

ARTICLE XI MAINTENANCE

11.1 Neighborhood Common Property. The Neighborhood Association shall provide maintenance for the Neighborhood Common Property.

11.2 Additional Maintenance. In addition to those uses and purposes set forth in the Master Declaration and in this Declaration and in recognition of the unique nature of *The Cottages*, the Neighborhood Association is charged with the responsibility of maintaining certain exterior improvements constructed on the Lots in *The Cottages* excluding any decks that Owner constructs. Pursuant to the Master Declaration and this Declaration, the design and permit to build must be approved by the Neighborhood Association and the Master Association and must be maintained at all times by the Owner constructing same.

In addition to all duties and responsibilities charged to the Neighborhood Association, the Neighborhood Association shall be responsible for all other maintenance and repairs to the exterior of all improvements on all Lots in *The Cottages* including to the following:

- (a) landscaping and lawn maintenance (exclusive of rear fenced yards)
- (b) developer installed sprinkler systems
- (c) gutter cleaning of developer installed gutters (exclusive of screen enclosures)
- (d) power washing of driveways and sidewalks
- (e) repair, replacement and maintenance of developer installed fencing
- (f) annual termite master policy (subject to market availability)

The Neighborhood Association shall not be responsible for exterior furnishings including painting, replacement of broken windows, air conditioning, electrical repairs and replacements, screening, plumbing, roof repairs and replacements, replacement and repairs of columns, shutters and railings, pool repairs or maintenance and repairs of privacy walls approved by the Architectural Review Committee. It shall be the responsibility of the Owners to maintain and repair any driveway, walkway or privacy walk.

Upon a vote of the majority of the Owners, the Neighborhood Association may increase or decrease the services provided by the Neighborhood Association. Declarant reserves the right during Declarant's control of the Neighborhood Association to decrease the level of services provided by the Neighborhood Association at which time the Neighborhood Assessments would likewise decrease.

It is specifically understood and agreed that the Master Association is charged with the responsibility to maintain the Common Area, roadways, street lighting, and developer installed fencing along the perimeter at Millhopper Forest.

ARTICLE XII AMENDMENT

12.1 Amendment:

(a) Subject to the provisions of Section 12.2, Declarant specifically reserves the absolute and unconditional right, so long as it owns any of the Lots, to amend this Declaration without the consent or joinder of any party (i) to conform to the requirements any local

governmental agency having jurisdiction over *The Cottages*, the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Veterans Administration, the Department of Housing and Urban Development or any other generally recognized institution involved in the purchase and sale of home loan mortgages; (ii) to conform to the requirements of mortgages or title insurance companies; (iii) to correct, clarify or make internally consistent the provisions herein; or (iv) to make any other changes so long as no Owner's right to the use and enjoyment of the Owner's Lot is materially altered.

(b) Subject to the provisions of Section 12.2, this Declaration may be amended by consent of Owners of fifty percent (50%) or more of the Lots as evidenced by recording in the Public Records an instrument executed by said Owners, provided that no such amendment will be effective without the consent of Declarant or its assignees until the Declarant owns no Lots or other property within *The Cottages*.

(c) Declarant, without the consent of any party, may, by Supplementary Declaration in accordance with the procedures set forth in Section 2.2, bring additional land within the scheme of this Declaration.

12.2 Mortgagee's Consent to Amendments: This Declaration contains provisions concerning various rights, priorities, remedies and interests of Mortgagees. Such provisions are to be construed as covenants for the protection of Mortgagees on which they may rely in making loans secured by mortgages on the Lots. Accordingly, no amendment or modification of this Declaration impairing the rights, priorities, remedies or interests of Mortgagees shall be adopted without prior written consent of Mortgagees holding liens on thirty percent (30%) or more of the Lots encumbered by the mortgages. Each Mortgagee agrees that it will either consent to a proposed amendment or give notice of refusal to consent by written notice to the party requesting such consent within thirty (30) days after the request is received. If a Mortgagee does not respond within such time, the Mortgagee's consent will be deemed given, and an affidavit to such effect (including documentation proving receipt of the request to the Mortgagee) recorded in the Public Records by the party requesting the consent will be sufficient evidence of such consent in order to make the requested amendment effective. This Section shall not apply to or be construed as a limitation upon those rights of Declarant, the Neighborhood Association or the Owners to make amendments which do not adversely affect Mortgagees.

ARTICLE XIII ENFORCEMENT

The provisions of Article XIII of the Master Declaration shall apply as the same relate to *The Cottages* and shall govern the relationship among the Owners, the Neighborhood Association and the Neighborhood Board and each other.

ARTICLE XIV INSURANCE AND INDEMNITY

14.1 Review of Coverage: The Neighborhood Board shall review the types and limits of coverage at least once a year.

14.2 Casualty Insurance: If any improvements are constructed on the Neighborhood Common Property, the Neighborhood Board shall maintain fire insurance coverage as appropriate. Endorsements for extended coverage, vandalism, malicious mischief and windstorm shall be obtained where available at reasonable cost. Coverage shall be in an

amount not less than necessary to comply with the co-insurance percentage stipulated in the policy but in any event not less than eighty percent (80%) of the insurable value (based upon replacement) of the improvements constructed on the Neighborhood Common Property.

14.3 Public Liability: The Neighborhood Board shall obtain public liability insurance in such limits as the Neighborhood Board may from time to time determine, insuring against any liability arising out of, or incident to, the ownership and use of the Neighborhood Common Property. Wherever practical, such insurance shall be issued on a comprehensive liability basis and shall contain a "severability of interest" endorsement which shall preclude the insurer from denying the claim of an Owner because of negligent acts of the Neighborhood Association, the Neighborhood Board or other Owners. Such insurance must always name Declarant as an additional insured until fifty (50) years after the date of this Declaration.

14.4 Director Liability Insurance: The Neighborhood Board may obtain liability insurance insuring against personal loss for actions taken by members of the Neighborhood Board and the Officers in performing their duties. Such insurance shall be of the type and amount determined by the Neighborhood Board at its discretion.

14.5 Other Insurance: The Neighborhood Board shall maintain worker's compensation insurance if and to the extent necessary to meet the requirements of law and such other insurance as the Neighborhood Board may deem prudent.

14.6 Repair and Reconstruction After Fire or Other Casualty: If fire or other casualty damages or destroys any of the Neighborhood Common Property, the Neighborhood Board shall arrange for and supervise the prompt repair and restoration of the improvements. The Neighborhood Board shall obtain funds for such restoration first from insurance proceeds, then from reserves for the repair and replacement of such improvements, then from any Special Assessments which may be necessary after exhausting insurance and reserves.

14.7 Indemnity of Declarant: In consideration of Declarant's conveying the Neighborhood Common Property to the Neighborhood Association, the Neighborhood Association releases, indemnifies and holds Declarant, its officers, employees and agents harmless from any and all liability arising out of the Neighborhood Common Property and shall defend Declarant against all claims of any third party. Such indemnity includes any attorney's fees and costs incurred by Declarant, including at trial or on appeal.

14.8 Cost. The cost of all insurance contemplated by this section shall be an expense of the Neighborhood Association or as part of the budget.

14.9 Additional Insureds. All insurance shall name Millhopper Forest Homeowner's Association, Inc. as an additional insured. Each Owner shall be responsible for hazard insurance and liability insurance on their Lot and improvements thereon.

ARTICLE XV ADDITIONAL COVENANTS AND RESTRICTIONS

Owner will not, without the prior written approval of the Declarant, for so long as the Declarant owns any lands, in the Neighborhood Property, and thereafter without the prior written approval of the Neighborhood Board, impose any additional covenants or restrictions on any part of the Neighborhood Property.

**ARTICLE XVI
PARTY FENCES OR IMPROVEMENTS ON LOTS**

To the extent not inconsistent with the provisions of this Declaration, the general rules of law regarding party walls and liability for property damage due to negligence of willful acts or omissions shall apply to each party wall or party fence which is built as part of the original construction and any replacement of improvements in *The Cottages*.

In the event that any portion of any structure, as originally constructed, including any party wall or fence, shall protrude over an adjoining Common Property, Neighborhood Common Property, or Lot, such structure, party wall or fence shall not be deemed to be an encroachment upon the adjoining lands, and the affected Owner shall neither maintain any action for the removal of the party wall or fence or projection, nor for damages. In the event there is a protrusion, it shall be deemed that the affected Owner has granted a perpetual non-exclusive easement to the adjoining Owner for continuing maintenance and use of the projection, party wall or fence. The foregoing shall also apply to any replacements of any structures, party walls or fences if same are construed in conformity with the original structure, party wall or fence.

**ARTICLE XVII
GENERAL PROVISIONS**

17.1 Incorporation of the Declaration: Any and all deeds conveying a Lot shall be conclusively presumed to have incorporated therein all of the terms and conditions of this Declaration.

17.2 Release from Minor Violations: Declarant, the Committee, and the Neighborhood Board, or either of them shall have the right but not the obligation, by written instrument, to release a Lot from minor violation(s) of this Declaration or the Plat including, without limitation (i) encroachments into easements; (ii) encroachments over building restriction lines; and (iii) construction of less than the required minimum square footage for the dwelling provided that the square footage is at least ninety-five percent (95%) of the required minimum.

17.3 Release from Other Violations: Declarant, the Committee, the Neighborhood Board or either of them shall have the right, by written instrument, to release a Lot from a violation or violations of this Declaration or Plat if enforcement of the provision herein violated conflicts with the Americans with Disabilities Act or any other federal or state statute.

17.4 Assignment: Declarant shall have the right from time to time to assign any of its rights or obligations pursuant hereto in part or in whole.

17.5 Notices: Notices shall be deemed to have been given or made as to Owners when posted at the Owner's dwelling or vacant Lot or mailed first-class, postage prepaid to the Owner's address maintained by the Neighborhood Association or when posted at the Neighborhood Common Property if the notice is applicable to all Owners; and, as to Declarant, when mailed certified mail to the corporate address of Declarant filed with the Florida Secretary of State.

17.6 Captions and Statements of Purpose: The Statement of Purpose, the captions and the Article summaries immediately following each Article caption are intended as a matter of convenience and for reference only, and such statement, captions and summaries shall not define, limit or in any way affect any of the terms or provisions of this Declaration.


17.7 Gender and Plural Terms: Wherever the context so requires, any pronoun may be deemed to mean the correspondingly masculine, feminine or neuter form; and the singular form of any noun or pronoun may be deemed to mean the correspondingly plural form thereof and vice versa.

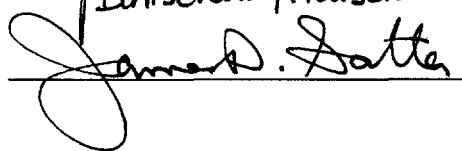
17.8 Severability; Governing Law; Amendment to Laws: In the event any one of the provisions of this Declaration shall be deemed invalid by a court of competent jurisdiction, such judicial determination shall not affect any of the other provisions of this Declaration, which shall remain in full force and effect. Without limiting the foregoing, the invalidation of any of the covenants, restrictions, terms or conditions of this Declaration or a reduction in their term by reason of the legal rule against perpetuities shall not affect any other provision which shall remain in full force and effect for such period of time as may be permitted by law. This Declaration shall be governed by and construed in accordance with the laws of the State of Florida without giving effect to choice of law rules. Any amendment to applicable law which has the effect of reducing the rights of Declarant or of increasing the liabilities of or duties imposed upon Declarant will not be incorporated into this Declaration by reference. All other references to applicable laws and regulations will incorporate amendments to the same.

17.9 Duration and Renewal: This Declaration (but excluding the easements herein created which are perpetual) and the terms, provisions, conditions, covenants, restrictions, reservations, regulations, burdens and liens contained herein, including, without limitation, the provisions for assessment of Lots, shall run with and bind all of the Lots and inure to the benefit of Declarant, the Owners and their respective legal representatives, heirs, successors and assignees for a term of ninety (90) years from the date hereof, after which time this Declaration shall be automatically renewed and extended for successive periods of ten (10) years each unless at least one (1) year prior to the termination of such ninety-year (90-year) time or of each ten-year (10-year) extension, as the case may be, an instrument signed by a majority of all Owners and of all Mortgagees is recorded in the Public Records terminating this Declaration, upon which event this Declaration shall be terminated upon the expiration of the ninety-year (90-year) or ten-year (10-year) extension during which such instrument was recorded, as the case may be.

IN WITNESS WHEREOF, the Declarant has caused these presents to be executed in its name and its seal to be affixed hereto as of the day and year first above written.

Signed, sealed and delivered
in the presence of:

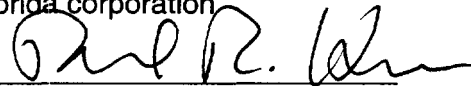


Denise Lowmy Hutson


James D. Satter

Declarant:

HOWE DEVELOPMENT CORPORATION
a Florida corporation

By: 

Richard H. Howe, President

STATE OF FLORIDA
COUNTY OF ALACHUA

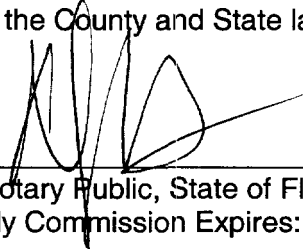
I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared RICHARD H. HOWE, well known to me to be President of HOWE DEVELOPMENT CORPORATION, a Florida corporation, and he acknowledged executing the foregoing Declaration on behalf of said corporation.

WITNESS my hand and official seal in the County and State last aforesaid on this 6 day of May, 2003.

(Seal)



Denise L. Hutson
Commission # DD171511
Expires Dec. 12, 2006
Bonded Thru
Atlantic Bonding Co., Inc.



Notary Public, State of Florida
My Commission Expires:

Exhibit "A"

**ARTICLES OF INCORPORATION
OF
THE COTTAGES AT MILLHOPPER FOREST
HOMEOWNER'S ASSOCIATION, INC.**

By these Articles of Incorporation, the undersigned Subscriber forms a corporation not for profit in accordance with Chapter 720, Florida Statutes, and pursuant to the following provisions ("these Articles"):

**ARTICLE I
NAME**

The name of the corporation shall be **THE COTTAGES AT MILLHOPPER FOREST HOMEOWNER'S ASSOCIATION, INC.**

**ARTICLE II
DURATION**

The Association shall exist perpetually unless and until dissolved according to law. Corporate existence of the Association shall commence upon the filing of these Articles with the Florida Department of State.

**ARTICLE III
DEFINITIONS**

3.1 Additional Property shall mean and refer to those real properties, together with any improvements thereon, other than the property described in the Plat as that term is defined herein, which are made subject to the Declaration under provisions of Article II thereof.

3.2 Assessments shall mean and refer to assessments from time to time levied by the Association for Common Expenses when authorized by the Declaration or by the Board of Directors of the Association.

3.3 Association shall mean and refer to THE COTTAGES AT MILLHOPPER FOREST HOMEOWNER'S ASSOCIATION, INC., a Florida Not-for-Profit corporation, its successors or assigns.

3.4 Board of Directors of the Association shall mean and refer to the Board of Directors initially appointed by the Declarant and thereafter elected by the Owners of Lots in *The Cottages* and given such duties and powers contained in the Declaration.

3.5 Common Expenses shall mean and refer to the actual and estimated expenses of operating the Association and meeting the costs incurred or to be incurred relative to the performance of the duties of the Association, including without limitation, the costs incurred for operation, maintenance and improvement of any Common Property, including any reserves established by the Association, all as may be found to be necessary and appropriate by the Board of Directors of the Association pursuant to the Declaration, the Bylaws and these Articles.

3.6 Common Property shall mean and refer to those lands and any improvements thereon designated as *Common Area, Public Utility Easement, Private Drainage Easement*, on the Plat, which said lands or facilities are intended to be devoted exclusively to the use and employment of the Owners of the Lots located within *The Cottages*. The costs of operation, maintenance and improvements of

Common Property shall be borne solely by the Association as set forth in the Declaration. Provided however, certain portions of the Common Property shall be maintained by the Master Association as that term is defined in the Declaration.

3.7 Declarant shall mean and refer to HOWE DEVELOPMENT CORPORATION, a Florida corporation, and its successors and assigns. No successor or assignee of the Declarant shall have any rights or obligations of the Declarant hereunder unless such rights and obligations are specifically set forth in the instrument of succession or assignment, or unless such rights pass by operation of law. The Declarant may or may not be the Owner of those real properties made subject to the Declaration. The Owner(s) of the real property, at the time of annexation of said real property to the Declaration, shall be deemed to designate and authorize HOWE DEVELOPMENT CORPORATION its successors and/or assigns, as authorized agent to exercise all rights and fulfill all duties required by the Declarant or as an Owner hereunder.

3.8 Declaration shall refer to the Declaration of Covenants, Conditions, Restrictions and Easements for *The Cottages at Millhopper Forest*, executed as of May 6, 2003, and recorded at Official Records Book 2669, page 399 of the Public Records of Alachua County, Florida, and as amended from time to time.

3.9 Lot shall mean a residential Lot in *The Cottages*.

3.10 Owner shall mean and refer to the record holder, whether one or more persons or entities of fee simple title to a Lot in *The Cottages* (other than the Association); but notwithstanding any applicable theory of the law of mortgages, Owner shall not mean or refer to any mortgagee unless and until such mortgagee has acquired title pursuant to a foreclosure proceeding or a conveyance in lieu of foreclosure.

3.11 Plat The Plat of the Cottages at Millhopper Forest recorded at Plat Book 23, Page 70 of the Public Records of Alachua County, Florida.

3.12 The Cottages shall mean and refer to the real property described in the Plat, together with such additional property as may be annexed thereon from time to time under the provisions of Article II of the Declaration.

**ARTICLE IV
PRINCIPAL OFFICE**

The principal office of the Association is located at 3940 NW 16th Blvd., Bldg A, Gainesville, FL 32605.

**ARTICLE V
REGISTERED OFFICE AND AGENT**

Richard R. Howe, whose address is 3940 NW 16th Blvd., Bldg. A, Gainesville, FL 32605 is hereby appointed the initial registered agent of the Association, and the registered office shall be at said address.

**ARTICLE VI
PURPOSE AND POWERS OF THE ASSOCIATION**

The Association is formed to carry out the duties and responsibilities imposed upon it by the Declaration. The Association shall have all the powers of a non-profit corporation organized under the laws of the State of Florida, subject only to such limitations upon the exercise of such powers as are

expressly set forth in these Articles, the Bylaws or the Declaration. The Association shall have the power and duty to do any and all lawful things which may be authorized, assigned, required or permitted to be done by the Declaration, these Articles and the Bylaws, and to do and perform any and all acts which may be necessary or proper for, or incidental to, the exercise of any of the duties or powers of the Association for the benefit of the Owners and for the maintenance, administration and improvement of *The Cottages* and Common Property within its jurisdiction.

The Association is further organized for the management, maintenance, operation and care of real and personal property, including without limitation the following powers:

- A. To fix and make assessments and collect the assessment by any lawful means;
- B. To borrow money as authorized by the Board of Directors for the benefit of the Association;
- C. To use and expend the proceeds of assessments and borrowings in a manner consistent with the purposes for which the Association is formed;
- D. To review plans and specifications of proposed improvements to determine whether said improvements comply with the Declaration;
- E. To maintain, repair, replace, operate and care for real and personal property;
- F. To levy and collect adequate assessments against the owners of the Association for the costs of the Association.
- G. To purchase and maintain insurance;
- H. To make, amend, impose and enforce by any lawful means reasonable rules and regulations for use of the Common Areas, Association property and Lots;
- I. To contract with others for services;
- J. To do and perform anything required by these Articles, the Bylaws or the Declaration to be done by an Owner, but if not done by an Owner in a timely manner, at the expense of Owner; and,
- K. To do and perform any obligations imposed upon the Association by the Declaration or by any permit or authorization from any unit of local, regional, state or the federal government and to enforce by any legal means the provisions of these Articles, the Bylaws and the Declaration.

The foregoing specific duties and responsibilities are not to be construed in any way as limiting the powers of the Association. Rather, the Association will have and exercise all the powers conferred upon associations so formed.

ARTICLE VII MEMBERSHIP

Each Owner, including the Declarant, shall be a Member of the Association. Any person or entity who holds any interest merely as a security for the performance of any obligation shall not be a Member. The Association membership of each Owner shall be appurtenant to the Lot giving rise to such

membership and shall not be transferred except upon the transfer of title to said Lot and then only to the transferee of title thereto. Any prohibited separate transfer shall be void. Any transfer of title to a Lot shall operate automatically to transfer the membership in the Association appurtenant thereto to the new Owner thereof.

**ARTICLE VIII
BOARD OF DIRECTORS**

The affairs of the Association shall be managed by a Board, elected as provided for in the Bylaws of the Corporation, of not less than three (3) nor more than five (5) directors who must be Members. The initial Board shall be comprised of three (3) people. Notwithstanding the above, until such time as the Declarant has relinquished control of the Association pursuant to the Declaration, the Declarant shall be entitled to designate the Board of Directors of the Association. Declarant-appointed directors need not be Members. The names and addresses of persons who are to act in the capacity of director until appointment or election of their successors pursuant to these Articles are as follows:

<u>Name</u>	<u>Address</u>
Richard R. Howe	3940 NW 16 th Blvd, Bldg. A, Gainesville, FL 32605
James D. Salter	3940 NW 16 th Blvd, Bldg. B, Gainesville, FL 32605
Denise Lowry Hutson	3940 NW 16 th Blvd, Bldg B, Gainesville, FL 32605

Once the Declarant relinquishes its right to appoint the Board of Directors, the Members shall elect the directors for terms of two (2) years each, and said Directors shall be Members. In the event that the number of people comprising the Board of Directors is changed, such change in number shall be implemented in such a manner as to have as nearly equal in number as possible the number of directors whose terms expire in any given year.

This provision, requiring notification of transfer of control of the Association, shall not be subject to amendment or deletion.

**ARTICLE IX
OFFICERS**

The affairs of the Association shall be administered by the officers designated in the Bylaws. The officers shall be elected by the Board of Directors at the first meeting, and they shall serve at the pleasure of the Board of Directors. The names and addresses of the officers who shall serve until their successors are designated by the Board of Directors are as follows:

<u>Office</u>	<u>Name</u>	<u>Address</u>
President	Richard R. Howe	3940 NW 16 th Blvd., Bldg. A Gainesville, FL 32605
Secretary/Treasurer	James D. Salter	3940 NW 16 th Blvd., Bldg. B Gainesville, FL 32605
Vice President	Denise Lowry Hutson	3940 NW 16 th Blvd., Bldg. B Gainesville, FL 32605

**ARTICLE X
INDEMNIFICATION**

10.1 Every director and every officer of the Association shall be indemnified by the Association against all expenses and liabilities, including counsel fees, reasonably incurred by or imposed upon a director or officer in connection with any proceeding, whether civil, criminal, administrative or investigative; or any settlement of any proceeding; or any appeal from such proceeding to which a director or officer may be a party or in which a director or officer may become involved by reason of a director or officer being or having been a director or officer of the Association; or having served at the Association's request as a director or officer of any other corporation, whether or not said director or officer is a director or officer at the time such expenses are incurred, regardless of by whom the proceeding was brought, except in relation to matters as to which any such director or officer shall be adjudged liable for gross negligence or willful misconduct, provided that in the event of a settlement, the indemnification shall apply only when the Board of Directors of the Association approves such settlement and reimbursement as being in the best interest of the Association. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such director or officer may be entitled.

10.2 Expenses incurred in defending a suit or proceeding, whether civil, criminal, administrative or investigative, may be paid by the Association in advance of the final disposition of such action, suit or proceeding if authorized by all of the non-interested directors upon receipt of an undertaking by or on behalf of the director or officer to repay such amount if it shall ultimately be determined that said director or officer is not to be indemnified by the Association as authorized by these Articles of Incorporation.

10.3 The Association shall have the power to purchase at its expense and maintain insurance on behalf of any person who is or was a director or officer of the Association, or who is or was serving at the request of the Association as a director or officer of another association against any liability asserted against a director or officer and incurred by a director or officer in any such capacity; or arising out of a director or officer status as such, whether or not the Association would have the power to indemnify a director or officer against such liability under the provisions of these Articles.

**ARTICLE XI
ADOPTION OF BYLAWS; AMENDMENT OF ARTICLES AND BYLAWS
PROCEDURE FOR AMENDMENT**

11.1 Adoption of Bylaws Bylaws of the Association shall be adopted by the Board of Directors and may be altered, amended or rescinded consistent with these Articles, the Bylaws and the Declaration.

11.2 Procedure to Amend Articles Amendments to these Articles of Incorporation shall be made in the following manner:

11.2.1 Resolution. The Board of Directors shall adopt a resolution setting forth the proposed amendment and directing that it be submitted to a vote at a meeting of Members, which may be either the annual or a special meeting.

11.2.2 Notice. Within the time and in the manner provided in the Bylaws for giving notice of meetings of Members, written notice setting forth the proposed amendment or a summary of the changes to be effected thereby shall be given to each Member of record entitled to vote thereon. If the meeting is an annual meeting, the proposed amendment or such summary may be included in the notice of such annual meeting.

11.2.3 Vote. At such meeting, a vote of the Members entitled to vote thereon shall be taken on the proposed amendment. The proposed amendment shall be adopted upon receiving a majority of votes of all Members entitled to vote thereon.

11.2.4 Multiple Amendments. Any number of amendments may be submitted to the Members and voted upon by them at one meeting.

11.2.5 Agreement. If all of the Directors and all of the Members eligible to vote sign a written statement manifesting their intention that an amendment to these Articles be adopted, the amendment shall thereby be adopted as though Subsections 11.2.1 through 11.2.3 had been satisfied.

11.2.6 Action Without Directors. The Members may amend these Articles without an act of the Directors at a meeting for which notice of the changes to be made is given.

11.2.7 Limitations. No amendment shall make any changes in the qualifications for Members nor the voting rights of Members without approval in writing by all Members. No amendment shall be made which is in conflict with the Declaration. So long as the Declarant shall own any lands within Millhopper Forest, no Declarant-related amendment shall be made to the Declaration, to the Articles or the Bylaws of the Association unless such amendment is first approved in writing by the Declarant. Any amendment shall be deemed to be Declarant-related if it does any of the following:

- a. Directly or indirectly by its provisions or in practical application relates to the Declarant in a manner different from the manner in which it relates to other Owners;
- b. Modifies the definitions provided for by Article I of the Declaration in a manner which alters the Declarant's rights or status;
- c. Modifies or repeals any provision of Article III of the Declaration;
- d. Alters the character and rights of membership as provided for by Article VII of the Declaration or affects or modifies in any manner whatsoever the rights of Declarant as a Member of the Association;
- e. Alters any previously recorded or written agreement with any public or quasi-public agencies, utility companies, political subdivisions, public authorities or other similar agencies or bodies, respecting zoning, streets, roads, drives, easements or facilities;
- f. Denies the right of the Declarant to convey Common Property to the Association;
- g. Modifies the basis or manner of assessment as applicable to the Declarant or any lands owned by the Declarant; or,
- h. Alters or repeals any of the Declarant's rights or any provision applicable to the Declarant's right as provided for by any such provision of the Declaration.

11.2.8 Filing. A copy of each amendment shall be certified by the Secretary of State, State of Florida, and be recorded in the Public Records of Alachua County, Florida.

**ARTICLE XII
SUBSCRIBERS**

The name and address of the Subscriber to these Articles of Incorporation is as follows:

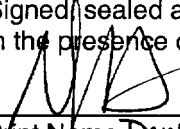
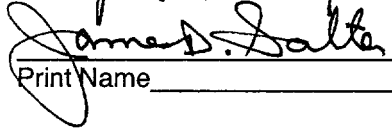
<u>Name</u>	<u>Address</u>
Richard R. Howe	3940 NW 16 th Blvd, Bldg. A Gainesville, FL 32605

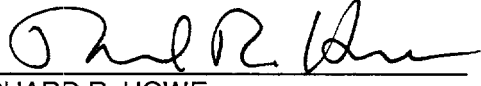
**ARTICLE XIII
NON-STOCK CORPORATION**

The Association is organized on a non-stock basis and shall not issue shares of stock evidencing membership in the Association; provided, however, that membership in the Association may be evidenced by a certificate of membership which shall contain a statement that the Association is a corporation not for profit. In addition, the Association shall not pay dividends, and no part of any income of the Association shall be distributed to its Members, directors or officers.

IN WITNESS WHEREOF, the undersigned Subscriber has caused these presents to be executed as of the 6 day of May, 2003.

Signed, sealed and delivered
in the presence of:


 Print Name: Denise Hutson

 Print Name: _____



 RICHARD R. HOWE

STATE OF FLORIDA
COUNTY OF ALACHUA

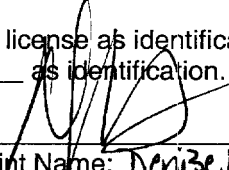
The foregoing instrument was acknowledged before me this 6th day of May, 2003, by RICHARD R. HOWE. Subscriber to the Articles of Incorporation. Such person(s):

- is/are personally known to me.
- produced a current Florida driver's license as identification.
- produced _____ as identification.

(SEAL)



Denise L. Hutson
Commission # DD171511
Expires Dec. 12, 2006
Bonded Thru
Atlantic Bonding Co., Inc.



 Print Name: Denise Hutson
 Notary Public, State of Florida
 My Commission Expires: _____
 Serial Number, if any: _____

REGISTERED AGENT CERTIFICATE

Pursuant to the Florida Not-For-Profit Corporation Act, the following is submitted in compliance with the statute:

That THE COTTAGES AT MILLHOPPER FOREST HOMEOWNER'S ASSOCIATION, INC., desiring to organize under the laws of the State of Florida, with its registered office as indicated in the Articles of Incorporation at the City of Gainesville, County of Alachua, State of Florida, has named RICHARD R. HOWE, as its registered agent to accept service of process and perform such other duties as are required in the State.

ACKNOWLEDGMENT:

Having been named to accept service of process and serve as registered agent for the above-stated corporation at the place designated in this Certificate, the undersigned hereby agrees to act in this capacity and agrees to comply with the provision of the statute relative in keeping open the office and further states that I am familiar with §720.0503, Florida Statutes.


RICHARD R. HOWE

DATED: May 6, 2003

F:\DENISEMILL-FOREST\ARTICLES THE COTTAGES

Exhibit "B"

BYLAWS OF

**THE COTTAGES AT MILLHOPPER FOREST
HOMEOWNER'S ASSOCIATION, INC.**

a Non-Profit Corporation

1. **Definitions.** When used in these Bylaws, the terms defined in Article III of the Articles of Incorporation of The Cottages at Millhopper Forest Homeowner's Association, Inc., ("the Articles") shall have the same meanings as in the Articles.

2. **Identity.** These are the Bylaws of The Cottages at Millhopper Forest Homeowner's Association, Inc., a Florida not-for-profit corporation organized pursuant to Chapter 720, Florida Statutes (the "Association").

2.1 **Office.** The office of the Association shall be located at 3940 NW 16th Blvd., Bldg. A, Gainesville, Florida 3205, or at such other place as may be designated from time to time by the Board of Directors.

2.2 **Fiscal Year.** The fiscal year of the Association shall be the calendar year.

2.3 **Seal.** The seal of the Association shall bear the name of the corporation, the word "Florida," the words "Corporation not for profit" and the year of incorporation.

3. **Members.**

3.1 **Qualification.** The Members of the Association shall consist of every Owner, including the Declarant, and in the case of multiple Owners, every group of record owners, of Lots in *The Cottages*. The foregoing is not intended to include persons or entities who hold an interest merely as security for performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of a Lot.

3.2 **Change of Membership.** Change of membership in the Association shall be established by recording in the Public Records of Alachua County, Florida, a deed or other instrument establishing record title to a Lot. The Owner designated as grantee by such instrument thus becomes a Member of the Association, and the membership of the prior Owner is terminated. The new Owner shall notify the Association of such property transfer and furnish the Association a copy of the recorded deed, the new Owner's address and the Owner's local agent, if any, in the event the Owner is located outside the State of Florida. Any notice requirements set out in these Bylaws and in the Articles shall be deemed to be complied with if notice to an Owner is directed to the address of said Owner as then reflected in the Association's records.

3.3 **Voting Rights.** Voting rights of each Member of the Association shall be as set forth in the Declaration and the Articles, and the manner of exercising such voting rights shall be as set forth in these Bylaws.

3.4 **Designation of Voting Representative.** If a Lot is owned by one person or entity, its rights to vote shall be established by the record title to the Lot. If a Lot is owned by more than one person or entity, the person entitled to cast the votes for the Lot shall be designated by a certificate signed by all the record Owners of the Lot and filed with the Secretary of the Association. If a Lot is owned by a general or limited partnership, the person entitled to cast votes for the Lot shall be designated by a certificate of appointment signed by one of the general partners and filed with the Secretary of the Association. If a Lot is owned by a corporation, the person entitled to cast votes for the Lot shall be designated by a certificate of appointment signed by the President or Vice President of the corporation and filed with the Secretary of

the Association. If a Lot is owned in trust, the person entitled to vote for the Lot shall be designated by a certificate of appointment signed by the trustee of record for the trust and filed with the Secretary of the Association. Such certificates shall be valid until revoked or until superseded by a subsequent certificate or until a change in ownership of the Lot. A certificate designating the person entitled to cast votes of a Lot may be revoked in writing by an Owner thereof.

3.5 Approval or Disapproval of Matters. Whenever the decision of an Owner is required upon any matter, whether or not the subject of an Association meeting, such decision shall be expressed by the same person who would cast the votes of such Owner if at an Association meeting, unless the joinder of record Owner is specifically required by the Declaration, the Articles or by these Bylaws.

3.6 Restraint Upon Assignment of Shares in Assets. The share of a Member in the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to that Owner's Lot.

4. Members' Meetings.

4.1 Annual Members' Meetings. The annual Members' meeting shall be held at the office of the Association at 5:00 p.m. on the third Wednesday of January of each year for the purpose of electing directors and for transacting any other business authorized to be transacted by the members; provided, however, if that day is a legal or religious holiday, the meeting shall be held at the same hour on the next day which is not a legal or religious holiday. Provided, however, the Board of Directors shall have the discretion to hold the annual meeting at any other time or during the month of January which they may deem to be more convenient to the Members of the Association.

4.2 Special Members' Meetings. Special meetings of the Members may be called by any one of the following persons or groups:

- (a) The Board of Directors, or
- (b) The holders of not less than one-fourth (1/4) of all the votes entitled to be voted at the meeting.

4.3 Notice of All Meetings of Members. Written notice stating the place, day and hour of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called shall be delivered to each Member entitled to vote at such meeting not less than ten (10) or more than sixty (60) days before the date of the meeting, either personally or by first-class mail, by or at the direction of the President, the Secretary or the officer or persons calling the meeting.

4.4 Quorum. A quorum at Members' meetings shall consist of thirty percent (30%) of all votes in the Association, whether represented in person or by proxy. If a quorum is present, the affirmative vote of a majority of votes represented at a meeting and entitled to vote on the subject matter shall constitute the acts of the Members except when approval by a greater number of Members is required by the Declaration, these Bylaws or the Articles. When a specified item of business is required to be voted upon by a particular class of Members, a majority of the votes of such class of Members shall constitute a quorum for the transaction of such item of business by that class. After a quorum has been established at a Members' meeting, the subsequent withdrawal of Members so as to reduce the number of votes at the meeting below the number required for a quorum shall not affect the validity of any action taken at the meeting or any adjournment thereof.

4.5 Proxies. Every Member entitled to vote at a meeting of members or to express consent or dissent without a meeting or that Member's duly authorized attorney-in-fact may authorize another person or persons to act for that Member by proxy. Every proxy must be signed by the Member or that Member's attorney-in-fact. No proxy shall be valid after the expiration of eleven (11) months from the date thereof unless otherwise provided in the proxy. Every proxy shall be revocable at the pleasure of the Member executing it and shall expire upon the transfer of title to the Lot giving rise to the voting rights to

which the proxy pertains. The authority of the holder of a proxy to act shall not be revoked by the incompetence or death of the Member who executed the proxy unless, before the authority is exercised, written notice of an adjudication of such incompetence or of such death is received by the Association officer responsible for maintaining the list of Members.

4.6 Adjourned Meetings. When a meeting is adjourned to another time or place, it shall not be necessary to give any notice of the adjourned meeting if the time and place to which the meeting is adjourned are announced at the meeting at which the adjournment is taken, and any business may be transacted at the adjourned meeting that might have been transacted on the original date of the meeting. If, however, after the adjournment the Board fixes a new record date for the adjourned meeting, a notice of the adjourned meeting shall be given in compliance with these Bylaws to each Member on the new record date entitled to vote at such meeting.

4.7 Order of Business. The order of business at annual Members' meetings, and as far as practical at all other Members' meetings, shall be as follows:

- a. Calling of the roll and certifying of proxies.
- b. Proof of notice of meeting or waiver of notice.
- c. Reading and disposing of any unapproved minutes.
- d. Reports of officers.
- e. Reports of committees.
- f. Appointment of directors.
- g. Appointment of nominating committee.
- h. Unfinished business.
- i. New business.
- j. Adjournment.

4.8 Minutes of Meetings. The Association shall maintain minutes of each meeting of the membership and of the Board of Directors in a businesslike manner. The minutes shall be kept in a book available for inspection by members or their authorized representatives at any reasonable time. The Association shall retain these minutes for a period of not less than three (3) years.

5. Board of Directors.

5.1 Number. The affairs of the Association shall be managed by a Board of not less than three (3) nor more than five (5) directors. The initial Board shall be comprised of three (3) directors. The number of directors may be increased from time to time by amendment to the Articles to a maximum of five (5) directors. In the event that the number of directors is changed, such change in number shall be implemented in such a manner as to have as nearly equal in number as possible the number of directors whose terms expire in any given year. Anything in these Bylaws to the contrary notwithstanding, the Declarant shall be entitled to designate the Board of Directors of the Association as set forth in the Declaration.

5.2 Term of Office. Once the Declarant has relinquished the power to designate the Board of Directors, the Members shall elect the directors for a term of two (2) years each as provided in the Articles. Each director shall hold office for the term for which said director is elected and until said director's successor shall have been elected and qualified or until the director's resignation, removal from office or

death.

5.3 Removal. Except for the Declarant-appointed directors who may only be removed by the Declarant, any director may be removed from the Board, with or without cause, by a majority vote of the Members of each class. In the event of the death, resignation or removal of a director, the director's successor shall be selected by the remaining directors and shall serve the unexpired term of the director's predecessor except in the case of a Declarant-appointed Director, in which case Declarant shall appoint the successor.

5.4 Directors' Fees. Directors shall serve without compensation or fees; provided, however, nothing herein shall be deemed to prevent reimbursement of out-of-pocket expenses approved by the Board and incurred on behalf of the Association.

5.5 Election. Except for Declarant-appointed directors, election to the Board of Directors shall be by written ballot as hereinafter provided. At such election, the Members or their proxies may cast, in respect of each vacancy, as many votes as they are entitled to cast under the provisions of the Articles. The persons receiving the largest number of votes for each vacancy shall be elected.

5.6 Nominations. Nominations for election to the Board of Directors shall be made by a Nominating Committee, which shall be one of the standing committees of the Association.

5.7 Nominating Committee. The Nominating Committee shall consist of a Chairman, who shall be a director, and two or more Members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the Members to serve from the close of such annual meeting until the close of the next annual meeting, and such appointment shall be announced at each annual meeting.

5.8 Duties of Nominating Committee. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine but not less than the number of vacancies that is to be filled. Such nominations may be made from among Members or officers, directors or agents of the Declarant, as the Committee in its discretion shall determine. Separate nominations shall be made for each vacancy to be filled. Nominations shall be placed on a written ballot as provided in Section 5.9 and shall be made in advance of the time fixed in Section 5.9 for the mailing of such ballots to Members.

5.9 Ballots. All elections to the Board of Directors shall be made on a written ballot which shall (a) describe the vacancies to be filled; (b) set forth the names of those nominated by the Nominating Committee for each such vacancy; and (c) contain a space for a write-in vote by the Members for each vacancy. Such ballots shall be prepared and mailed by the Secretary to the Members at least fourteen (14) days in advance of the date set forth therein for a return (which shall be a date not later than the day before the meeting at which the vote is to be taken).

5.10 Number of Ballots. Each Member shall receive as many ballots as it has votes. Notwithstanding that a Member may be entitled to several votes, it shall exercise on any one ballot only one vote for each vacancy shown thereon.

6. Meetings of Directors.

6.1 Regular Meetings. Regular meetings of the Board of Directors shall be held at least quarterly without notice at such place and hour as may be fixed from time to time by resolution of the Board. If the day for such regular meeting is a legal holiday, the meeting shall be held at the same time on the next day that is not a legal holiday. Notice of such regular meeting is hereby dispensed with. Regular meetings of the Board of Directors shall be open to the Members.

6.2 Special Meetings. Special meetings of the Directors may be called by the Chairman of the Board, by the President of the Association or by any two (2) directors. No less than two (2) days' notice of the special meeting shall be given to each director personally or by fax, first-class mail, telegram or cablegram, which notice shall state the time, place and purpose of the meeting.

6.3 Action Taken Without a Meeting. The transaction of any business at any meeting of the Board of Directors, however called and noticed, or wherever held, shall be as valid as though made at a meeting duly held after regular call and notice if a quorum is present and, if either before or after the meeting, each of the directors not present signs a written waiver of notice, or a consent to the holdings of such meeting or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the Association's records and made a part of the minutes of the meeting. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting.

6.4 Defects in Notice, etc., Waived by Attendance. Attendance of a director at a meeting shall constitute a waiver of notice of such meeting and a waiver of any and all objections to the place of the meeting, the time of the meeting or the manner in which it has been called or convened except when a director states, at the beginning of the meeting, any objection to the transaction of business because the meeting is not lawfully called or convened. Directors may participate in a meeting of such Board by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time. Participation by such means shall constitute presence in person at a meeting.

6.5 Quorum. A quorum at a directors' meeting shall consist of a majority of all votes of the entire Board of Directors. The acts approved by a majority of those votes represented at a meeting at which a quorum is present shall constitute the act of the Board of Directors except where approval by a greater number of directors is required by the Declaration, a Supplemental Declaration, the Articles or these Bylaws.

6.6 Adjourned Meetings. A majority of the directors present, whether or not a quorum exists, may adjourn any meeting of the Board of Directors to another time and place. Notice of any such adjourned meeting shall be given to the directors who were not present at the time of the adjournment and, unless the time and place of the adjourned meeting are announced at the time of the adjournment, to the other directors.

6.7 Action by Directors Without a Meeting. Any action required to be taken at a meeting of the directors or a committee thereof may be taken without a meeting if a consent in writing setting forth the action to be taken signed by all the directors or all the members of the committee, as the case may be, is filed in the minutes of the proceedings of the Board or of the committee. Such consent shall have the same effect as a unanimous vote.

6.8 Presiding Officer. The presiding officer of directors' meetings shall be the President. In the absence of the President, the Vice President shall preside, and in the absence of both, the directors present shall designate one of their number to preside.

6.9 Powers and Duties of Board of Directors. All of the powers and duties of the Association existing under Chapter 720, Florida Statutes, the Declaration, the Articles and these Bylaws shall be exercised by the Board of Directors, subject only to approval by Members when such is specifically required.

7. Officers.

7.1 Officers and Election. The executive officers of the Association shall be a President, who shall be selected from the Board of Directors; a Vice-President, who also shall be selected from the Board of Directors; a Treasurer; and a Secretary, all of whom shall be elected annually by the Board of Directors and who may be peremptorily removed by vote of the directors at any meeting. Any person may

hold two or more offices except that the President shall not also be the Secretary. The Board of Directors shall from time to time elect such other officers and designate their powers and duties as the Board shall find necessary or convenient to manage properly the affairs of the Association.

7.2 President. The President shall be the chief executive officer of the Association. The President shall have all the powers and duties which are usually vested in the office of President of an association, including but not limited to, the power to appoint committees from among the Members from time to time as the President may in his discretion determine appropriate to assist in conducting the affairs of the Association. The President shall serve as chairman of all Board and Members' meetings.

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

7.4 Secretary. The Secretary shall keep the minutes of all proceedings of the directors and the Members. The Secretary shall attend to the giving and serving of all notices to the Members and directors and other notices required by law. The Secretary shall keep the records of the Association, except those of the Treasurer, and shall perform all other duties incident to the office of Secretary of an association and as may be required by the directors or the President. The duties of the Secretary may be fulfilled by a manager employed by the Association.

7.5 Treasurer. The Treasurer shall have custody of all property of the Association, including funds, securities and evidences of indebtedness; the Treasurer shall keep the books of the Association in accordance with good accounting practices and provide for collection of assessments; and the Treasurer shall perform all other duties incident to the office of Treasurer. The duties of the Treasurer may be fulfilled by a manager employed by the Association.

7.6 Compensation. Directors will not receive compensation for their services unless approved by the Members.

8. Books and Records. The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member. The Declaration, the Articles and the Bylaws of the Association shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at a reasonable cost.

9. Fiscal Management. The provisions for fiscal management of the Association set forth in the Declaration shall be supplemented by the following provisions.

9.1 Accounts. The receipts and expenditures of the Association shall be credited and charged to accounts under the following classifications and any other classifications as shall be appropriate, when authorized and approved by the Board of Directors. The receipts shall be entered by their amounts, by accounts and receipt classifications. Expenses shall be entered by their amounts, by accounts and expense classifications.

a. Current Expense. The current expense account shall include all receipts and expenditures to be made within the year for which the expenses are budgeted and may include a reasonable allowance for contingencies and working funds. The balance in this fund at the end of each year shall be applied to reduce the assessments for current expense for the succeeding year or to fund reserves. This may include, but not be limited to, in any order:

- (1) Professional, administration and management fees and expenses;
- (2) Taxes on Common Property;

- Common Property;
- (3) Expenses for utility services and maintenance expenses relating to the
 - (4) Insurance costs;
 - (5) Administrative and salary expenses; and,
 - (6) Operating capital; and
 - (7) Other expenses.

b. Reserve for Deferred Maintenance. If required by the Board of Directors, there shall be established a reserve account for deferred maintenance which shall include funds for major maintenance items which are the obligation of the Association and which occur less frequently than annually.

c. Reserve for Replacement. If required by the Board of Directors, there shall be established a reserve account for replacement which shall include funds for repairs or replacements which the Association is obligated to make resulting from damage, depreciation or obsolescence.

9.2 Budget. The Board of Directors shall adopt an operating budget for the Property in advance for each calendar year which shall include the estimated funds required to defray the current expenses and shall provide funds for the foregoing reserves.

9.3 Depository. The depository of the Association will be such banks in Alachua County, Florida, as shall be designated from time to time by the directors. The withdrawal of monies from such accounts shall be only by checks signed by such persons as authorized by the directors; provided, however, that the provisions of a management agreement between the Association and a manager relative to the subject matter of this section shall supersede the provisions hereof.

10. Parliamentary Rules. Roberts' Rules of Order (late edition) shall govern the conduct of Association meetings when not in conflict with these Bylaws.

11. Amendment. Amendments to these Bylaws shall be proposed and adopted in the following manner:

11.1 Resolution. The Board of Directors shall adopt a resolution setting forth the proposed amendment and directing that it be submitted to a vote at a meeting of Members, which may be either the annual meeting or a special meeting.

11.2 Notice. Within the time and in the manner provided in these Bylaws for giving notice of meetings to Members, written notice setting forth the proposed amendment or a summary of the changes to be effected thereby shall be given to each Member of record entitled to vote thereon. If the meeting is an annual meeting, the proposed amendment or such summary may be included in the notice of such annual meeting.

11.3 Vote. At such meeting, a vote of the Members entitled to vote thereon shall be taken on the proposed amendment. The proposed amendment shall be adopted upon receiving both the affirmative vote of a majority of the votes of Members of each class entitled to vote thereon as a class and the affirmative vote of a majority of the votes of all Members entitled to vote thereon.

So long as the Declarant shall own any lands within the Development Plan, no Declarant-related amendment shall be made to the Declaration, to the Articles or to the Bylaws of the Association unless such amendment is first approved in writing by the Declarant. Any amendment shall be deemed to be Declarant-related if it does any of the following:

(i) Directly or indirectly by its provisions or in practical application relates to the Declarant in a manner different from the manner in which it relates to other owners;

(ii) Modifies the definitions provided for by Article I of the Declaration in a manner which alters the Declarant's rights or status;

(iii) Modifies or repeals any provision of Article III of the Declaration;

(iv) Alters the character and rights of membership as provided for by Article VII of the Declaration or affects or modifies in any manner whatsoever the rights of Declarant as a Member of the Association;

(v) Alters any previously recorded or written agreement with any public or quasi-public agencies, utility companies, political subdivisions, public authorities or other similar agencies or bodies, respecting zoning, streets, roads, drives, easements or facilities;

(vi) Denies the right of the Declarant to convey Association Common Property; or,

(vii) Modifies the basis or manner of assessment as applicable to the Declarant or any lands owned by the Declarant.

11.4 Multiple Amendments. Any number of amendments may be submitted to the Members and voted upon by them at one meeting.

11.5 Agreement. If all the directors and all the Members eligible to vote sign a written statement manifesting their intention that an amendment to these Bylaws be adopted, and the same do not violate the prohibitions of 11.3 relative to the Declarant, the amendment shall thereby be adopted as though Subsections 11.1 through 11.3 had been satisfied.

11.6 Recording. A copy of each amendment shall be recorded in the Public Records of Alachua County, Florida, as soon as possible after adoption.

11.7 Provisions. No amendment shall make any changes in the qualifications for membership nor the voting rights of Members without approval in writing by all Members. No amendment shall be made that is in conflict with Chapter 720, Florida Statutes, or with the Declaration or Articles of Incorporation.

12. Pronouns. Whenever the context permits, the singular shall include the plural, and one gender shall include all.

The foregoing were adopted as the Bylaws of The Cottages at Millhopper Forest Homeowner's Association, Inc., a non-profit corporation established under the laws of the State of Florida, at the first meeting of the Board of Directors on the 6 day of May, 2003.



RICHARD R. HOWE
Chairman and Director