

File # 2004032968, OR BK 2435 Page 1129, Recorded 05/04/2004 at 03:19 PM,  
Harold Bazzel, Clerk Bay County, Florida Deputy Clerk EG Trans # 608114

**DECLARATION OF  
RESTRICTIONS, COVENANT, AND CONDITIONS  
OF  
GRANT'S MILL**

THIS DECLARATION, made this 9<sup>th</sup> day of April, 2004, by **MILL BAYOU LAND AND DEVELOPMENT, L.L.C.**, a Florida Limited Liability Company, hereinafter referred to as "Declarant" or "Developer";

**WITNESSETH:**

**WHEREAS**, Declarant is the owner of the real property located in Bay County, Florida, described in Exhibit "A", and

**WHEREAS**, Declarant desires to develop said property by subdividing it into forty-six (46) lots as more fully depicted on the Plat of Grant's Mill Phase I recorded in Plat Book 19 at Page 95, in the Public Records of Bay County, Florida; and,

**WHEREAS**, Declarant desires to provide for the protection of the value and desirability of the above-described land and improvements located thereon and for the maintenance and repair of the common property shared by all owners of individual lots upon said land, Declarant hereby subjects the above-described land and improvements to the covenants, conditions, restrictions, easements, charges and liens hereinafter set forth, each and all of which is for the benefit of said property and each owner of a lot located therein.

**NOW, THEREFORE**, the Declarant hereby declares that all of the property described above shall be held, occupied, sold and conveyed subject to the covenants, condition and restrictions hereinafter set forth, all of which shall be deemed a covenant running with the land and binding on all parties in title to the lots and their heirs, successors and assigns.

**ARTICLE I**

**DEFINITIONS**

**Section 1.** "Association" shall mean and refer to the Grant's Mill Owners' Association, Inc., a Florida non-profit association. See Exhibit "B".

DeclarGM.428

**Section 2. "By-Laws"** shall mean and refer to the By-Laws of Grant's Mill Owners Association, Inc. See Exhibit "C".

**Section 3. "Board of Directors"** means the board of administration responsible for the affairs of the Association or members of the board, herein the "Board".

**Section 4. The "Property" or "Properties"** shall mean and refer to all existing properties subject to this Declaration and any Supplemental Declaration filed under the provisions hereof.

**Section 5. "Common Properties"** shall mean and refer to those areas of land shown on any recorded Subdivision Plat of the Properties which are intended to be devoted to the common use and enjoyment of the Owners of the Properties.

**Section 6. "Common Expenses"** shall include but are not limited to expenses of administration, premiums for insurance, cost of protection and maintenance and reserve funds established for such purposes and all other expenses as may be declared as common expenses associated with the Common Areas, by the provisions of this Declaration or any Amendment hereto, or the Association.

**Section 7. "Declarant"** shall mean and refer to the Developer or Mill Bayou Land and Development, L.L.C., a Florida Limited Liability Company, its successors and assigns.

**Section 8. "Developer"** shall mean the Declarant or Mill Bayou Land and Development, L.L.C., a Florida Limited Liability Company, its successors and assigns.

**Section 9. "Turnover"** shall refer to the relinquishment of control of the Owners Association by the Developer to its Members upon the sale of ninety percent (90%) of the lots in the Subdivision or upon any earlier relinquishment of such control by the Developer and evidenced by a written document recorded in the Official Records of Bay County, Florida.

**Section 10. "Exhibits"** shall refer to attachments to this document, which appear in alphabetical order.

**Section 11. "Lot"** shall mean and refer to an individually numbered parcel of property depicted on the Plat of Grant's Mill Subdivision.

**Section 12. "Member"** shall mean the owner of a lot or one having an interest in a lot that is subject to this Declaration.

**Section 13. "Number and Gender"**. The masculine gender when used herein shall be deemed to include the feminine and the singular the plural, and vice versa, wherever appropriate or as the context hereof permits. References to a female person's surname shall be construed to include all other surnames of such person resulting from changes in her marital status from time to time.

**Section 14. "Owner"** shall mean any person or persons having a fee simple interest in any lot, including any purchaser under an agreement for deed, but excluding a holder of a security interest in the Property for the performance of an obligation, i.e., mortgagee.

**Section 15. "Plat"** shall mean and refer to the Plat of Grant's Mill Subdivision recorded in the Public Records of Bay County, Florida.

## **ARTICLE II**

### **PROPERTY SUBJECT TO THIS DECLARATION AND ADDITIONS TO PROPERTIES**

**Section 1. Existing Property.** The real property which is, and shall be held, transferred, sold, conveyed and occupied subject to this Declaration is located in Bay County, Florida and described in Exhibit "A" attached hereto, all of which is referred to as the "Property" or "Properties".

**Section 2. Common Properties or Common Areas.** Common Properties are those areas or properties restricted and devoted to the common use and enjoyment of the owners of the lots and such other persons as may be granted use rights therein.

**Section 3. Additions to Existing Property.**

(a) Additional properties may be added to the existing property in writing by the Association pursuant to a vote of its members representing fifty-one percent (51%) of Lot Owners entitled to vote, filed in the Official Records of Bay County, Florida.

(b) The developer reserves the right to file or record Supplemental Declarations from time to time, adding property then owned by Developer in Bay County, Florida, to the scheme of this Declaration, and subjecting it to the jurisdiction of the Association. This right may be exercised by the Developer in its sole discretion before or after turnover of the control of the Association and without the vote of the membership or joinder of any other person or entity.

### ARTICLE III

#### **ASSOCIATION MEMBERSHIP AND VOTING RIGHTS**

**Section 1. Owners Association.** The Association is Grant's Mill Owner's Association, Inc., a Florida not-for-profit corporation, the format of which is attached hereto as Exhibit "B". The initial Board of Directors shall be appointed by the Developer. Upon turnover, the Members of the Association shall elect their own Board of Directors. The Association shall be governed by the By-Laws attached as Exhibit "C".

**Section 2. Members.** Every person or entity who is a record owner of a fee or undivided fee interest in any lot which is subject to assessment by the Association shall be a Member of the Association, provided that any person or entity who holds such an interest merely as security for performance of an obligation shall not be a member. Each lot is entitled to one vote, regardless of the number of record owners. If a lot has more than one record owner, all record owners must sign the one vote assigned to the lot; otherwise, the vote will not be valid unless the other owner or owners have given their proxy to the person voting on behalf of the lot.

**Section 3. Voting Rights.** Members shall be all of those owners defined in Section 1 above, with the exception of the Developer. Members who are current in the payment of their maintenance assessments shall be entitled to one vote for each lot in which they hold interest that qualifies for membership. When more than one person holds an interest or interests in any lot, all such persons shall be members and the vote for such lot shall be exercised as they, among themselves, determine, but in no event shall more than one vote be cast

with respect to any such lot. Members shall commence operation of the Owners Association not later than sixty (60) days following the sale of ninety percent (90%) of the lots by the Developer or earlier if the Developer elects not to serve in the capacity as the Owners Association until the required number of lots are sold.

**Section 3. Turnover.**

(a) Upon the sale of ninety percent (90%) of the lots, the Developer shall call a meeting of the members, but only upon giving thirty (30) days written notice, for the election of directors. Following the election of directors, the directors shall elect officers of the Association among themselves. As long as the Developer is the owner of a lot in the subdivision, the Developer shall be entitled to appoint one member of the Board of Directors who may be removed and replaced only by the Developer.

(b) The Developer shall have the right to turn over control of the Association to members by calling a meeting for the election of directors prior to the time that the Developer sells ninety percent (90%) of the lots. Upon "turnover", it shall be the affirmative obligation of the members to elect directors and assume control of the Association. The existing directors of the Association appointed by the Developer shall be deemed to have resigned as of the date of such meeting. Neither the Developer nor the directors shall be liable in any manner in connection with such resignation even if the members refuse or fail to assume control of the Association. Within a reasonable time after the members first elect the members of the Board of Directors of the Association (but not more than thirty [30] days after such event), the Developer shall relinquish control of the Association and shall deliver to the Association title to all property to be owned or controlled by the Association then held or controlled by the Developer. Notwithstanding the foregoing, the Developer may vote all of its lots upon which a maintenance assessment is paid, but not otherwise, at all meetings of the members whether annual or special.

**Section 4. Quorum.**

(a) Except as otherwise provided, a quorum for all purposes of the Association shall consist of one-third (1/3) of the Members who own one-third (1/3) of the lots or more who are entitled to vote who appear in person or by proxy at

any regular or special meeting. All actions of the Association requiring a vote shall be deemed approved upon a majority vote of the Lot Owners present at a meeting having a quorum, except as otherwise provided.

(b) A super-majority vote shall be required to amend this Declaration, to impose a special assessment, to increase the year assessment by more than fifteen percent (15%), to rescind this document after the initial period hereof, to borrow monies, to change the By-Laws of the Owners Association or to dissolve the Corporation of the Owners Association. A super-majority vote is fifty-one percent (51%) of the Lot Owners entitled to vote.

**Section 5. Members Register and Notices.** The Association shall maintain a register of the name and address of every lot owner. It shall be the obligation of all lot owners to register their name and address with the Association. Notice for all purposes shall be deemed to have been properly given when mailed, postage prepaid, to the last known address of the person who appears as a member or owner of a lot on the records of the Association at the time of such mailing. Notice to any owner of a lot shall constitute notice to all owners of such lot and each owner of a lot is deemed to have designated any other owner of the same lot as its agent for such purpose. Notice shall also be deemed to have been properly given upon the posting of the notice on the front door or in a conspicuous place within the foyer or entry area of the front door of a residence where the residence is owner-occupied.

**Section 6. Officers and Directors.** The members of the Association shall elect a Board of Directors consisting of three (3) members but not more than five (5) unless the By-Laws are amended to provide for more members. The Board of Directors shall elect a President, Vice-President, Treasurer and Secretary, all of whom shall be members of the Board of Directors. A member may serve as more than one officer, with the exception that the President may not also serve as the Vice-President. Each director and officer shall serve a term of one year from date of appointment and shall continue in office until removed or until their successors in office have been appointed.

**Section 7. Suspension of Voting Rights.** The voting rights of a Member shall be suspended for all periods that any assessment is due and unpaid for more than thirty (30) days.

**ARTICLE IV****COMMON PROPERTIES, APPURTENANCES  
AND EASEMENTS**

**Section 1. Lot Easements.** The Developer hereby reserves for the use and benefit of itself, the Association and Lot Owners, and providers of utilities within the Subdivision, a maintenance, utility and access easement on, upon, over and across each lot as shown on the Plat of Phase I, Grant's Mill. This provision shall not serve to lessen the responsibility of a Lot Owner to maintain the easement area, drainage avenues or other common structures on his lot.

**Section 2. Roads.** Conveyance of a road, if private, to the Owner's Association shall be subject to a perpetual non-exclusive easement of egress and ingress in favor all Lot Owners and their successors and assigns, including family members, guests, and household help and all others employed or approved by the Association or the Developer and others serving a legitimate purpose requiring their presence in the subdivision. This provision shall apply to any additional properties that may be added to this Declaration.

**Section 3. Rules and Regulations.** Where roads are private, the Developer, or alternatively, the Association, shall have the right but not the obligation to adopt rules and regulations pertaining to the care of common roads, which shall include but not be limited to the control and regulation of types of traffic on the roads and the prohibition against the use of the roads by certain motor vehicles which could, in the opinion of the Developer or the Association, cause damage to the roads, create dangerous conditions or disturb the tranquility of the Subdivision, e.g., four-wheelers, go-carts, etc., the installation of speed limits, speed bumps and other speed limitation devices. The Association or Developer shall have the right to require the removal of any structure or landscaping material, natural or artificial, that obstructs the view of a motorist or that would create a driving hazard.

**Section 4. Reserved Common Roads Rights.** The Developer or the Association, before or after the Developer turns over the common elements to the Association, reserves and shall have the absolute right to dedicate commons roads for public use and to re-designate, relocate or close any part of the common road without the consent or joinder of any owner or institutional mortgagee, so long as no owner or mortgagee is denied reasonable access to such owner's lot or to a public roadway by such re-designations, relocation or closure. The

easement over that portion of the road re-designated, relocated or closed shall terminate and the Association shall forthwith, at its expense, reconvey such portion of the common road to the Developer on request of the Developer.

**Section 5. Additional Rights of Developer.** The Developer may reserve additional rights and easements not inconsistent with the use of private common roads by lot owners or third parties and shall have the right to use the common road to all lots, whether public or private, to serve all additional phases of the development or other properties of the Developer. The Developer shall also have the right to use all common properties and easements for the placement of utilities that may serve any additional phase of the development or other properties of the Developer.

**Section 6. Transfer of Common Properties.** Should the Developer not convey the common properties to the Owners Association by a separate instrument, the filing of this document on the Official Records of Bay County, Florida, shall constitute the conveyance of title to the common properties to the Owners Association at the time the Developer relinquishes control thereof to the Members.

**Section 7. Additional Common Properties.** The Developer may convey properties other than common areas to the Association as common property and the Association shall accept such conveyance. Such conveyance shall be subject to the covenants, conditions, restrictions, and easements of record, and taxes. Also, the Association may acquire common property, either personal or real.

**Section 8. Anticipated Common Areas.** Anticipated common areas shall consist of any private roads, the entry area to subdivision, and drainage avenues and structures across lots reflected on the Plat.

#### ARTICLE V

#### RIGHTS IN COMMON PROPERTIES

**Section 1. Easements of Enjoyment.** Every member subject to assessments under the provisions hereof shall have a right and an easement in and to the common properties, which right and easement shall be appurtenant to and pass with the title to every lot.



**Section 2. Title to Common Properties.** The Developer may retain title to common properties until ninety percent (90%) of the lots have been sold, at which time the Developer shall convey the common elements to the Owners Association. Should the Developer fail to convey the common elements to the Owners Association, the filing of this document on the Official Records of Bay County, Florida, shall be deemed a conveyance of such properties to the Owners Association upon the occurrence of the above event.

**Section 3. Use and Maintenance of Common Properties.** Common properties may be used for all utility purposes, beautification areas, easements, roadways, drainage and stormwater control, open space, rights of ingress and egress, and recreation, and such other uses as the Developer may so designate or the Association may elect, including the granting of use rights and easements in favor of third parties that serve or benefit the subdivision or any future phase of the subdivision or other properties of the Developer. The common areas may be combined with other non-common properties for the above purposes. The Association shall maintain the common areas until the area or any portion thereof becomes subject to a governmental authority for maintenance, at which time the Association shall relinquish control thereof and each Member shall be obligated for the payment of the maintenance assessment established by the governmental authority.

**Section 4. Transfer to Governmental Authority.** If the Association is dissolved or otherwise ceases to exist, the Association shall have the right to assign, convey, transfer and deliver the common properties to a governmental authority or any other like organization, together with all powers reserved or granted to the Association. The governmental authority or other like entities shall not be obligated to accept such transfer.

#### ARTICLE VI

#### **ASSESSMENTS, LIENS, LIABILITIES, ENFORCEMENT AND TRANSFER FEES**

**Section 1. Covenant.** Each Owner of a Lot, by acceptance of the Deed thereto or an Agreement for Deed, whether or not it shall be so expressed in the Deed or Agreement, shall be deemed to have covenanted and agreed to pay the Association

the following: (i) annual assessments; (ii) special assessments for capital improvements, and (iii) individual assessments.

**Section 2. Assessments and Enforcement:** All assessments shall constitute a charge against the lot of each owner to which the assessment applies and a lien against such property. Assessments shall also be the personal obligation of the person who was the owner of the lot at the time of the assessment. All liens created under this Declaration may be foreclosed in the same manner as provided for the foreclosures of mortgages on real property. The lien of an assessment shall be effective from and after the date of its recording on the Public Records of Bay County. The Claim of Lien shall state the name of the record owner, a description of the property, the amount due, including any interest and penalties, collection costs and attorney's fees incurred, and the amount of the monthly assessment that will serve to increase the lien amount until the lien is paid and discharged. Any assessment not paid when due shall bear interest at ten percent (10%) per annum. Further, the Association shall also be entitled to a lien for any and all collection costs, including a reasonable attorney's fee, whether or not suit is instituted. Upon satisfaction of the lien, the owner of the lot to which the lien applies shall be entitled to a recordable Satisfaction of Lien.

**Section 3. Purpose of Assessments.** Assessments levied by the Association shall be used for the purpose of promoting the health, safety and welfare of the residents in the subdivision, the management of the Association and the use and enjoyment of Common Properties, including the payment of all costs for labor, equipment, materials, betterments, management, supervision, taxes and insurance related thereto including reserves associated therewith and such other cost as may be incurred or declared as a common expense. The reserve fund shall be maintained out of regular assessments for the common expenses.

**Section 4. Method of Assessment.** The Board of Directors of the Association by a vote of a majority of the Directors, shall adopt an annual budget and fix the annual assessment sufficient to meet the obligations imposed by this Declaration. Should the Association, through its Directors, at any time determine that the annual assessment is not sufficient to pay the expense, or in the event of an emergency, the Board of Directors shall have authority to levy

and collect additional annual assessments to meet the needs of the Association. The Board shall set the date that annual assessments or additional annual assessments become due. Should the Board not set a date for payment of the annual assessments, the annual assessments shall become due on March 1 of each and every year. The Board may provide for collection of assessments annually, semi-annually, quarterly or monthly. Upon default in the payment of any one or more installments, the entire assessment may be accelerated and declared immediately due and payable in full at the option of the Board. Annual assessments are not subject to proration based on the ownership of a lot for less than a year and shall be due and payable to the Association for the year in which the purchase occurred at the time of the purchase of the lot. The annual assessment shall be divided equally among the Owners of all of the lots subject to this Declaration, provided that no assessment shall be imposed or levied against any Lot owned by the Developer until it is improved and sold.

**Section 5. Special Assessment for Capital Improvements.**

In addition to the annual assessments, the Association may levy in any assessment year a special assessment applicable to that year and not more than the next five (5) succeeding years for the purposes of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of capital improvements on, within or upon the common area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of a majority vote of the lot owners entitled to vote other than the Developer, who are voting in person or by proxy at a meeting of owners or by agreement in writing by such majority without meeting. A majority vote for the purpose hereof is defined as a fifty-one percent (51%) vote of all lot owners in the subdivision entitled to vote, not a majority vote of the Members of the Association at a meeting where a quorum is present. No owner may waive or otherwise escape liability for the assessments by non-use of the common areas or abandonment of its property. All notices of special assessments from the Association to the membership shall designate when they are due and payable. So long as the Developer owns more than ten percent (10%) of the lots subject to this Declaration, no capital assessments shall be effective without the consent of the Developer. All special assessments shall be at a uniform rate and shall apply equally against all lots. Special assessments shall be collectible in the same manner as any other assessment.

**Section 6. Individual Assessments.** Upon failure of an Owner to comply with any obligation imposed by this Declaration, the Association, after ten (10) days written notice from the Association, the Association shall have the right to correct the violation at the expense of the Owner. The Association shall have the right to assess against the Owner and his Lot, the actual cost incurred in correcting the violation, plus fifteen percent (15%) thereof. If the assessment is not paid within ten (10) days after demand, the Association shall have the right to file a lien against the Lot of the Owner. The lien shall comply with requirements of other liens authorized by this Declaration and shall be subject to enforcement in like manner. The Association shall be entitled to recover interest, collection costs and a reasonable attorney's fee which may be incurred in the filing of the lien and the enforcement thereof, whether or not legal proceedings are filed. Failure of an Owner to maintain his yard and shrubbery in a routine and timely manner shall only require a five (5) day notice before the Association can move to correct the problem.

**Section 7. Delinquent Assessments.** If any assessment is not paid within thirty (30) days after the same shall have become due, such assessment shall be delinquent and shall bear interest at ten percent (10%) from the date due until paid. The Association may also bring an action at law against the owner or owners of the lot who are personally obligated to pay the same, or foreclose the lien of the assessment against such lot, and the owner shall be obligated to pay to the Association a reasonable attorney's fees and all costs incurred in connection with the filing, collection or enforcement of the assessments, whether or not a suit is filed. The voting rights of any owner delinquent in the payment of any assessment for thirty (30) days or more may be suspended until the assessment, plus any additional applicable charges, are paid.

**Section 8. Subordination of Lien to Mortgages.** The lien of the assessments provided for herein shall be subordinate to the lien of any mortgage representing a first lien on said property. No sale or transfer shall relieve any owner or purchaser from liability for any assessment that became due or that was owing prior to sale or transfer of his lot. All holders of first mortgages on any lot, upon written request to the Association shall: (i) receive timely written notice of meetings of the Association; (ii) have the right to inspect the financial records of the Association and similar documents

at reasonable intervals during normal business hours; (iii) receive written notice of any form of condemnation, termination, abandonment, or any material amendment to this Declaration or the Articles of Incorporation of the Owner's Association and its By-Laws; and (iv) to receive timely written notice of any substantial damage or destruction to the common areas. In the event the holder of a first mortgage shall accept and record a deed in lieu of foreclosure and obtain a certificate of title, such shall operate to release a subordinate claim of lien of the Association. A suit to recover a money judgment for unpaid assessments may be maintained by the Association without waiving the lien securing the same or the foreclosure thereof.

**Section 9. Voluntary Sale of Lot.** No voluntary sale of any lot shall be effective nor shall marketable title be conveyed unless or until the seller or buyer has obtained from the appropriate officers of the Association a certificate in recordable form attesting to the fact that the seller has paid all assessments to date.

**Section 10. Developer Responsibility for Assessments.** The Developer shall not be responsible for any assessment fees on any lots owned by the Developer before or after turnover. The Developer shall be entitled to one vote on each lot owned by the Developer after the turnover.

**Section 11. Transfer Fees.** Upon the sale of each Lot subsequent to the original purchase of the Lot in the Subdivision, each subsequent purchaser shall pay to the Developer or its successors and assigns a sum of money equal to one percent (1%) of the purchase price at the following address: Mill Bayou Land and Development, L.L.C., 1233 Huntington Ridge Road, Lynn Haven, FL 32444, unless changed by notice in writing from the Developer to the Owner's Association, for a period of twenty-five (25) years from the date of the original purchase of each Lot.

**Section 12. Meeting and Budget.**

(a) Meeting: The Board shall meet as frequently and at such intervals it deems necessary for the management of its affairs, with the exception of its annual meeting which shall be held on the second Monday of November of each year. The purpose of the annual meeting is to elect new directors, to adopt an annual budget for the succeeding year, approve any

special assessment, and to consider such other matters that may come before meeting.

(b) Budget. The budget for the year of 2004 and that of any succeeding year until declared otherwise by the Board shall be as follows:

Lawn and Plant Maintenance	\$ 70.00
Power to Entry Lights and Irrigation Timer	8.00
Maintenance of Pavers in Road Rights-of-Way	55.00
Water	8.00
Sign and Fence Maintenance	5.00
Reserve Fund (10%)	<u>14.00</u>
TOTAL ANNUAL OWNERS ASSOCIATION DUES:	\$ 160.00

(c) Each year the Board shall have the right to increase the annual assessment by an amount that does not exceed the annual assessment of the previous year by fifteen percent (15%) unless approved by a majority vote of the members of the Association. All assessments shall be based on a calendar year.

(d) Power bills for street lights shall be paid by the Owner of the Lot on which the pole is placed. If the light pole is located on property that is not subdivided, the power bill shall be paid by the Owner whose lot is closest to the street light.

**Section 8. Borrowing.** The Association shall have the right to borrow money to improve, preserve or maintain the Common Areas and to give a security interest against maintenance fees, to the extent said fees are needed to pay the debt. The lender or secured party shall have the right to require the Association to impose monthly maintenance fees in an amount necessary to cover the loan payments. The lender or secured party, upon failure of the Association to do so, shall

have the right to file a lien against the lot of a delinquent member to secure payment of its debt and foreclose the lien in the name of the Association for its benefit. The borrowing of monies shall require the approval of a majority of the Lot Owners (51% of those entitled to vote), which shall be evidenced by an instrument authorizing the loan, executed by the President and Secretary of the Association acknowledging such approval at a meeting called for such purposes or by a written agreement of a majority of the lot owners, recorded in the Official Records of Bay County, Florida.

#### ARTICLE VII

##### **ARCHITECTURAL COMMITTEE**

**Section 1. Appointment.** The Board shall have the right, but not the obligation, to create an Architectural Committee (the "AC"). The committee shall consist of three members. Members on the AC may but do not have to be a lot owner or a member of the association. Each member shall be appointed for one year and shall serve until his successors in office are appointed. All members shall serve at the pleasure of the Board.

##### **Section 2. Jurisdiction.**

(a) The Architectural Committee shall regulate the external appearance, use and maintenance of each lot and all structures located thereon in such manner deemed best to preserve and enhance the values of each lot and the development. No improvements or changes in grade or other work shall be undertaken on any lot which alters or modifies the physical condition of the lot from that existing on the date of the original conveyance of the lot, without the written approval of the AC. No alterations or improvements to the exterior of any home or other structure on a lot may be made or done unless plans and specifications showing the nature, kind, shape, height, materials, colors and location of the improvement have been submitted to and approved in writing by the AC. The AC shall have such further rights, powers, authority or obligations that are imposed upon the Committee by this Declaration.

(b) If the Board does not appoint an Architectural Committee, then the Developer shall serve as the Architectural

Committee until the Developer turns over the Owners Association to the Members.

**Section 3. Review Process.** All documents or activities requiring the approval of the AC shall be submitted or presented to the AC in such form or manner as the AC shall require. If the AC fails to approve or disapprove a request within thirty (30) days after receipt of a completed application and a request for approval, approval will be deemed to have been given and compliance with the terms of this Declaration shall be conclusively presumed, unless within such thirty (30) day period or any extension thereof, the AC notifies the applicant or the owner of the need for additional time to process the application, which shall not under any circumstances exceed thirty (30) days from the date of the notice to the owner. Failure of the AC to approve or disapprove any plans or specification will not wave the rights of the AC to approve or disapprove any amendment to any plans or specifications submitted to the AC or the right to approve or disapprove any other plans or specifications required to be submitted to the AC.

**Section 4. Discretionary Power.** The AC shall have the absolute and exclusive right to refuse approval of plans and specification of any building or structure on a Lot which are deemed unsuitable or undesirable by the AC for any reason, including aesthetic reasons. This right shall include but shall not be limited to approval of the location and orientation of the structure on the lot and all proposed grading and landscaping plans.

#### ARTICLE VIII

##### PROTECTIVE COVENANTS

###### **Section 1. Dwellings.**

(a) No building shall be erected, placed or permitted on any lot other than one detached single-family dwelling with an attached garage. Notwithstanding the foregoing limitation, buildings and structures ancillary to the use of the dwelling may be erected on the lot if approved by the AC. Each house or dwelling must front the street. No professional businesses, commercial, religious, charitable or other enterprise of any kind shall be maintained on or in connection with the use



of any lot. Temporary structures of contractors relating to the sale of lot or the constructions of improvements shall not be prohibited by this provision.

(b) Each dwelling shall have a driveway and an enclosed garage of at least two car capacity but not more than three. No carport will be permitted unless specifically approved by the AC as being part of a total design that contributes to the aesthetic appearance of the dwelling and the neighborhood and is in the form of an arbor or pergola. No garage shall be permanently enclosed or converted to any other use without the construction of another garage on the lot that satisfies the requirement of this Declaration. Unless an exception is granted by the AC, an electric garage door opener must be installed and maintained in good working condition on all garages. Garage doors must be kept closed except when opened to permit persons or vehicles to enter or exit from a garage.

**Section 2. Recreational Facilities.** All recreational facilities constructed or erected on a lot including, without limitation, swimming pools, basketball backboards, platforms, playhouses, dog house and like structures (collectively "recreational facilities") must be adequately walled, fenced, or landscaped and approved by the AC before the construction or the erection thereof. No recreational facilities shall be visible from the street or another lot. No lighting of the facility shall be permitted without the approval of the AC. Only in-ground swimming pools shall be permitted if approved by the AC. All pools must be fenced and pool enclosures may not be visible from the street.

**Section 3. Joining of Lots.** Two adjacent lots with common side lot line can be combined to create one building lot on which a single, detached dwelling may be constructed. All restrictions shall apply to the lot as if it were a single lot. Once two lots are joined together for purposes of creating a single building lot, the building lot cannot thereafter be resubdivided into two building lots.

**Section 4. Other Uses of Lots.** The Developer reserves the right (i) to use any lot owned by it for the purpose of ingress and egress to any adjoining property owned by the Developer or subsequently acquired by the Developer or that Developer deems advantageous to be joined to or with any of the lots, and (ii) to cause any lot to be platted as a right-of-way.

**Section 5. Required Plans and Specifications.** Prior to commencement of construction, the owner must submit to the AC:

(a) A site plan drawn to scale, along with such other information required by the AC, indicating the following:

- i. North;
- ii. Lot number, lot line boundaries, wetlands jurisdictional lines, wetland buffer lines, any other applicable building control lines, and road location;
- iii. Architectural plans in graphic scale showing floor plans and elevations of all sides, together with specifications;
- iv. Building footprint;
- v. Building setbacks from property lines on all sides of lot;
- vi. Limits of construction (clearing and grubbing) with trees and natural areas noted;
- vii. Driveways, walkways and accessory structures;
- viii. The manner in which the Owner will comply with the regulatory permit conditions on the Owner's lot.

(b) Natural plant growth and vegetation on the lot and the owner's plans for maintaining such growth shall be submitted to the AC prior to commencement of any lot clearing or construction. At least thirty percent (30%) of the natural vegetation shall be retained during clearing. No trees shall be removed from any lot without the prior approval of the AC. Should any lot be void of natural vegetation, the plan for placement of trees and other plant shall be included on the owner's site plan. Every effort shall be made to preserve all trees. Each lot owner shall use mature plants in landscaping the lot. Owner shall submit a landscape plan drawn by a licensed landscape architect.

**Section 6. Variances.** An Owner or Owner's agent may not seek or apply for a variance of or modification to applicable

zoning or development regulations without the prior written approval of the AC.

**Section 7. Construction Materials.** The exterior of each residence and garage must be constructed using at a minimum of seventy-five percent (75%) brick masonry veneer. Vinyl siding, synthetic stucco, hardiplank, stucco or other material may be used on the remaining portion of the residence and garage if approved by the AC. A minimum of two or more of the following accent material must be incorporated into all buildings: shakes, copper, or stack stone, or cooper-look or earthtone metal.

**Section 8. Roof Pitches.** The roof of every house and garage must have a minimum of a 7/12" pitch and be covered with architectural shingles. All vents and flashings must be painted to match the roof color and must exit on the rear side of the roof.

**Section 9. Setback Requirements.** No part of the living area of the residence shall be closer than thirty-two feet (32') to a property line without approval of the AC. No garage may be constructed closer than twenty-two feet (22') from the property line, twenty-five feet (25') from the rear lot line and nine feet (9') from any side lot line unless it is a corner lot, in which event the side lot line setback shall be twelve feet (12').

**Section 10. Sunday Work:** No construction work may take place on Sundays.

**Section 11. Containment of Work Activities:** All construction materials, vehicles, equipment and supplies must be contained entirely within the lot area upon which the improvement is being built. Trash receptacles and portable toilets shall be placed and maintained on all construction sites. The dumpster must be emptied as often as necessary to maintain the construction site in a neat condition. The dumpster must be in place before any framing activity takes place.

**Section 12. Landscape Approval.** All landscape designs must be approved by the AC before the plan is implemented. All landscaping must be completed before the issuance of a Certificate of Occupancy. Yards must be completely sodded with centipede sod.

**Section 13. Completion Requirements.** The construction of a dwelling or repairs to the dwelling must be completed within twelve (12) months after issuance of a building permit. If the construction is not so completed, the Developer shall have the right to repurchase the property at the same price for which the lot was sold.

**Section 14. Maintenance of Common Areas on Lot.** The maintenance of storm and surface water structures and drainage avenues over and across lots in the subdivision shall be the responsibility of individual Lot Owners. No changes or alterations shall be made to any existing drainage structure or avenue.

**Section 15. Nuisances.** No Owner shall cause or permit a nuisance to exist on his lot. Not in limitation of the generality of the foregoing, no Owner shall create unreasonable noises or odors that transcend the boundaries of an Owner's Lot. No Owner shall cause or permit its lot to be used for any commercial or illegal activity or used in any manner that might be annoying, embarrassing or offensive to his neighbors or the neighborhood.

**Section 16. Floor Elevation.** The floor elevation shall be a minimum of sixteen inches (16") above the center of the road. Stem walls shall not exceed an elevation of twenty-four inches (24") above the center of the road. Any deviation of the floor elevation or height of the stem wall must be approved by the Developer or the AC.

**Section 17. Dirt.** No dirt shall be added to or removed from a lot without the approval of the Developer or the AC.

**Section 18. Temporary Structures.** No structure of a temporary character, including but not limited to trailers, vans, motor homes, basements, tents, shacks, garages, barns, or other outbuilding on a lot shall be used at any time as a residence, either temporarily or permanently.

**Section 19. Irrigation Systems.** Every lot shall be completely sodded. All sodded and landscaped areas must be served by an underground automatic irrigation system.

**Section 20. Mailboxes.** All mailboxes shall be of uniform design and consistent with the architectural style and materials of the subdivision and must be approved by the AC. (Please see AC for supplier of mailboxes.)

**Section 21.** All house numbers must be placed on the mailbox or on a yard sign approved by the AC.

**Section 22. Maintenance of Structure and Fixture.** Every owner shall maintain all structures on his lot in a good state of repair, including but not limited to the painting of the structures as necessary to maintain a consistent colorization of the painted surfaces, repairing the roof, gutters, and downspouts. Every owner shall maintain his property in a clean and neat condition, free from litter, debris, trash, accumulations, newspapers, etc. Mowing of the lawn and the trimming of hedges, shrubs and bushes shall occur in a timely manner.

**Section 23. Vehicles.**

(a) No motor homes or travel trailers may be kept or parked on the premises. Motor homes and travel trailers may be temporarily parked in the driveway of a home for loading, unloading and servicing purpose.

(b) No motor vehicles shall be parked in the front yard of any home or within the road right-of-way or in the common areas. Any inoperative motor vehicle must be stored and kept within the garage or removed from the home site. Boats, trailered boats, utility trailers, campers, golf carts, lawn mowers, go carts, four wheelers, trailered wave runners, motorcycles, motor scooters, maintenance equipment, and other like items must be kept within an enclosed structure.

(c) Notwithstanding the foregoing (i) private automobiles or trucks (exclusive of recreational vehicles) of the occupants of the residential dwelling on the lot and their guests may be parked in the driveways provided they bear no commercial signs; (ii) commercial vehicles may be parked in the driveway during the time necessary but incidental to delivery of goods or the performance of services for which the vehicle is present; (iii) recreational vehicles may be parked in the driveway during periods of loading, unloading and servicing but not to exceed twenty-four (24) hours a week, and provided they are not connected to any water source or septic tank or used as a place of residence.

**Section 24. Signs.** No signs of any kind shall be placed on any lot, except temporary, professionally created signs advertising the property for sale or identifying the builder

during construction, and shall not exceed five square feet in size. Directional signs placed and maintained by the Association or a governmental authority and a name and address plate approved by the AC are excepted herefrom.

**Section 25. Pets.** No animals other than dogs, cats or other household pets deemed to be usual and customary to households may be kept on any lot. Specifically excluded as pets are cattle, swine, sheep, goats, poultry, fowl and reptiles. No animal or pet may be kept, bred or maintained on any lot for any commercial purpose. The right to keep household pets shall be subject to reasonable rules and regulations adopted by the Association.

**Section 26. Containers.** All garbage cans, storage containers and mechanical equipment, including electric meters, gas meters, water meters and air-conditioning compressors and other similar items on lots shall be located or screened so as to conceal them from view from the street unless their location is restricted by governmental authority or the rules and regulation of the utility. Any tank or container for the storage of propane gas or oil shall be buried. Garbage containers may be placed in front of homes only on days of garbage pickup and shall be removed immediately thereafter.

**Section 27. Prohibited Structure and Fixtures Requiring Approval.** No metal building shall be permitted on any lot. No outside lines intended for hanging and drying clothes shall be permitted on any lot. No window air-conditioning units shall be permitted on any structure without the approval of the AC and if approved, shall not be visible from the front of the home or street. No satellite dishes or antennas shall be visible from the street.

**Section 28. Utility Connections.** Connections for all utilities, including but not limited to, water, sewer, electricity, telephone, gas and television must be run underground from the connecting point thereof to the dwelling in a manner acceptable to the utility provider. No individual water system for household supply shall be permitted except for sprinkler systems. Wastewater must be disposed of through the wastewater system serving the subdivision.

**Section 29. Fencing.** All fencing material and finishes shall be approved by the AC. No field fence, hog wire, chicken wire, barbed wire or other wire fencing shall be

allowed. No fences shall be allowed in any front yard and no fence may be located closer to the street than the rear edge of the house. Fence height shall not exceed six (6) feet. All side fences must be uniform and tie together. The finished side of any fence must face outward. This provision may be amended by the Developer as to any additional phases to the subdivision. All wooden fencing must be of six-foot, shadow box in style, and constructed from pressure treated lumber with 4 x 4 posts, six feet (6') on center, with three 2x4 runner and heavy duty gate hardware to prevent sagging.

**Section 30. Lots 1, 12, 13, 14, 15, 16, and 46.** The Owner of these lots must construct a six foot (6') shadow box fence along the road side of their lot. All shadow box fence construction shall be of pressure treated material, 4x4 posts, six feet (6') on center, with three 2x4 runner and heavy duty gate hardware to prevent sagging.

**Section 31. Sidewalks.** Every residential site shall have a forty-two inch (42") concrete sidewalk and control joints at five-foot (5') intervals. Sidewalks must be set back two feet (2') from the rear of the curb. Sidewalks shall be constructed by the homeowner's residential contractor.

**Section 32. Minimum Floor Space.** Every single-story dwelling located on a lot must contain not less than 2,200 square feet of liveable, heated and cooled, enclosed floor area, (exclusive of garages, carports, open or screened porches, terraces, patios, etc.) Each multi-story dwelling located on a lot must contain 1,750 square feet of liveable, heated and cooled, space as defined above on the first floor. No dwelling shall be over two stories in height.

**Section 33. Maintaining Exterior.** Each owner of a lot shall at all times maintain the exterior of all structures on their lot and any and all fixture attached thereto in a good state of repair and in a presentable or sightly state. The Developer or the Board may repair any residence or other improvements located on a lot if, in the opinion of the Board or the Developer, the residence or improvement or attached fixtures on the lot requires repair or maintenance to preserve the quality and value of the neighborhood. The Developer, or the Board as the case may be, may not undertake such repairs or maintenance unless and until the Owner of the Lot fails to make the required repairs within ten (10) days after written notice from the Board or the Developer to the Owner to do so, unless the work is required to remedy an immediate and serious

threat to others, in which case the Board or Developer may, but not required to undertake such repair without notice. Permissible repairs and maintenance under this paragraph include but is not limited to (a) repair and replacement of the roof, gutter or downspouts, (b) painting and (c) yard clean up and maintenance. Each owner grants the Developer or the Board and their respective contractors, employees and agents an easement to enter onto the owner's lot to carry out the foregoing activities. The Board and Developer shall be entitled to a lien for the actual cost of the repair or clean up plus fifteen percent (15%) thereon, plus all other costs associated with or applicable to other liens authorized by this Declaration.

**Section 34. Removal of Structures.** The Developer or the Association shall have the right to enter onto any Lot and remove any structure built thereon in violation of this Declaration, at the owner's expense, and such entry shall not be deemed a trespass but a permissive entry pursuant to an implied easement of the Lot Owner created by the violation of this Declaration.

**Section 35. Sight Distance at Intersections.** No fence, wall, hedge, shrub, or planting which may obstruct sight lines of an operator of a motor vehicle shall be permitted or allowed to remain on any corner lot within the Subdivision at the intersection of roadways within the Subdivision, or at the intersection of any roadway with a driveway or alley. No tree shall be permitted to remain within the sight distances of all intersections unless the foliage line is maintained at sufficient height to prevent obstructions of such sight lines.

**Section 36. Damage to Subdivision Improvements.** Lot owners shall be responsible for any and all damages to subdivision improvements, including but not entitled to, curbs and gutter, water hydrants, sidewalks, power poles, fences, common properties and improvements. The damages shall include those caused by employees, agents, invitees, guest, contractors and subcontractors of the lot owner.

## ARTICLE IX

### GENERAL PROVISIONS

**Section 1. Duration.** These covenants, conditions and restrictions shall, unless released from this Declaration, run



with the land and shall remain in full force and effect until December 31, 2029, subject to any amendments hereto, and shall thereafter automatically renew for successive periods of ten (10) years unless a majority of the Owners of the Lots shown on the recorded Plat of Grant's Mill, Phase I, agree in writing to terminate, extinguish or cancel these covenants, conditions and restrictions.

**Section 2. Declaration Amendments.** Notwithstanding anything in this Declaration to the contrary, this Declaration may be amended from time to time by the Developer prior to "turnover" of control of the Association to its members. After the "turnover", the Association may amend this Declaration by recording in the Public Records of Bay County, Florida, an instrument executed by the President and attested to by the Secretary of the Association that the amendment evidenced thereby was approved by a majority of the owners of the lots ( 51%) in the subdivision at a meeting called for that purpose, or by an agreement in writing signed by a majority of the lot owners, recorded on the Official Records of Bay County, Florida. Any termination, cancellation or extinguishment of this Declaration must be evidenced by a recorded instrument filed in the Official Records of Bay County, Florida, and signed by a majority of the lot owners within the Subdivision (51% of the Lot Owners entitled to vote).

No amendment affecting the rights and obligation of the Developer and its successors and assigns may be made after turnover without the written consent the Developer or it successors and assigns and no such amendment shall affect or interfere with the vested rights previously acquired by lot owners.

**Section 3. General Provision.** The Developer shall have the sole and exclusive right at any time to transfer and assign to such persons or entities as it shall elect, any and all right, powers, privileges, authorities, and reservations given to or reserved by Developer in the Declaration. If at any time after the recording of this Declaration there is no entity or persons entitled to exercise the rights, powers, privileges, authorities, and reservations given to the Developer or reserved by the Developer, the same shall be vested in and be exercised by the Board.

**Section 4. Severability.** Each provision of these covenants, conditions and restrictions shall be severable from all other provisions and the invalidation of any one of these covenants by judgement or court order shall not affect the validity and enforceability of any other provision.

**Section 5. Attorney Fees.** In any action to enforce the provisions of this Declaration, the prevailing party shall be entitled to recover a reasonable attorney's fee in addition to all other authorized court costs.

**Section 6. Enforcement of Provisions of Declaration.** An action to enforce the provisions of this Declaration may be brought by any person or persons owning a Lot within the Subdivision or any member of the AC or Owner's Association or the Developer by proceedings to enjoin such violation or to recover damages caused thereby, at law or in equity, against any person or persons violating or attempting to violate any of these Restrictions, Covenants and Conditions.

**Section 7. Governing Law.** In all cases, the provisions of this Declaration shall be governed and construed in accordance with the laws of the State of Florida.

**Section 8. Captions.** The captions of each paragraph in this Declaration are inserted for convenience only and shall not be construed as defining, limiting, extending or otherwise modifying or adding to the particular section to which they refer.

**Section 9. Remedy of Injunctive Relief.** It is declared that any violation or attempted violation of the within covenants or restrictions cannot be adequately remedied by action at law or exclusively by recovery of damages.

**Section 10. Non-Waiver.** The failure of the AC or the Owner's Association to enforce or insist upon enforcement of any of the terms, covenants, provisions or agreements hereof in any one or more instances shall not be construed as a waiver or a relinquishment of any future enforcement of any such term, covenant, condition, provision or agreement. The approval of any act or condition with knowledge that such circumstance violates the provisions hereof shall not be deemed a waiver of such breach, unless expressed in writing by the AC or the Owner's Association.

IN WITNESS WHEREOF, the undersigned, being all of the members of the Declarant or Developer, have hereunto set their hands and seals, the 9<sup>th</sup> day of April, 2004.

Signed, sealed and delivered in the presence of:

MILL BAYOU LAND AND DEVELOPMENT, L.L.C., a Florida Limited Liability Company  
By and through its Members:

Anita W Putman

Anita W. Putman  
(Print Name of Witness)

Mary Lou Wilson

MARY LOU Wilson  
(Print Name of Witness)

RON PUTMAN CONSTRUCTION, INC.  
a Florida corporation

By Ron Putman  
Ron Putman  
President

Anita W Putman

Anita W. Putman  
(Print Name of Witness)

Mary Lou Wilson

MARY LOU Wilson  
(Print Name of Witness)

GRECO DEVELOPMENT CORPORATION

By Jeffrey D. Gregory  
Jeffrey D. Gregory  
President

STATE OF FLORIDA)  
COUNTY OF BAY )

THE FOREGOING INSTRUMENT was acknowledged before me this 9<sup>th</sup> day of April, 2004, by Ron Putman, as President of Ron Putman Construction, Inc., a Florida corporation and member of Mill Bayou Land and Development, L.L.C., a Florida Limited Liability Company, and he acknowledged his execution in such capacity as his free act and deed on behalf of said entities.

*Mary Lou Wilson*  
NOTARY PUBLIC  
State of Florida at Large



Mary Lou Wilson  
MY COMMISSION # DD113306 EXPIRES  
May 7, 2006  
BONDED THRU TROY FAIR INSURANCE, INC.

STATE OF FLORIDA)  
COUNTY OF BAY )

THE FOREGOING INSTRUMENT was acknowledged before me this 9<sup>th</sup> day of April, 2004, by Jeffrey D. Gregory, as President of Greco Development Corporation, a Florida corporation and member of Mill Bayou Land and Development, L.L.C., a Florida Limited Liability Company, and he acknowledged his execution in such capacity as his free act and deed on behalf of said entities.

*Mary Lou Wilson*  
NOTARY PUBLIC  
State of Florida at Large



Mary Lou Wilson  
MY COMMISSION # DD113306 EXPIRES  
May 7, 2006  
BONDED THRU TROY FAIR INSURANCE, INC.

THIS INSTRUMENT PREPARED BY:  
Rowlett W. Bryant  
Attorney at Law  
P. O. Box 860  
Panama City, Florida 32402





**Description of Lands To Be Platted:***(Grant's Mill - Phase 1)*

Being a tract of land lying in Section 12, Township 3 South, Range 14 West, Bay County, Florida, and being a portion of Lots 102, 107, 108, 117, 118, 123 and 124, ST. ANDREWS BAY DEVELOPMENT COMPANY PLAT OF SECTION 12, TOWNSHIP 3 SOUTH, RANGE 14 WEST, according to the plat hereof, as recorded in Plat Book 6, Page 7, of the Public Records of Bay County, Florida, said tract being more particularly described as follows:

COMMENCING at the southwest corner of said Section 12; thence S.89°54'15"E., along the south line of said Section 12, a distance of 1321.53 feet to the southwest corner of said Lot 123; thence N.00°23'49"W., along the west line of said Lot 123, a distance of 49.26 feet to the northerly Right-of-Way line of County Road 390 (80-foot wide Right-of-Way), said point also being the POINT OF BEGINNING;

Thence continue N.00°23'49"W., along the west line of said Lots 123, 118, 107 and 102, a distance of 976.18 feet;

Thence S.73°40'26"E., a distance of 134.75 feet;

Thence N.87°23'37"E., a distance of 120.13 feet;

Thence N.73°52'52"E., a distance of 115.80 feet;

Thence N.88°25'46"E., a distance of 162.63 feet;

Thence S.39°19'48"E., a distance of 483.23 feet;

Thence N.50°40'12"E., a distance of 9.87 feet;

Thence S.39°19'48"E., a distance of 148.51 feet;

Thence S.05°33'07"E., a distance of 157.40 feet;


Thence S.17°08'12"W., a distance of 168.48 feet;

Thence S.18°58'57"E., a distance of 191.46 feet to the northerly Right-of-Way line of said County Road 390,

Thence N.89°57'15"W., along said northerly Right-of-Way line, a distance of 952.26 feet to the Point of Beginning, containing 18.332 acres, more or less.

Said tract being subject to all easements, reservations and restrictions of record.

# State of Florida



Department of State

I certify the attached is a true and correct copy of the Articles of Incorporation of GRANT'S MILL OWNERS ASSOCIATION, INC., a Florida corporation, filed on April 6, 2004, as shown by the records of this office.

The document number of this corporation is N04000003675.

Given under my hand and the  
Great Seal of the State of Florida  
at Tallahassee, the Capitol, this the  
Thirteenth day of April, 2004



CR2EO22 (2-03)

*Glenda E. Hood*  
Glenda E. Hood  
Secretary of State

EXHIBIT "B"



**FILED****ARTICLES OF INCORPORATION  
OF  
GRANT'S MILL OWNERS ASSOCIATION, INC.**

2004 APR -6 P 4: 20

SECRETARY OF STATE  
TALLAHASSEE, FLORIDA**ARTICLE I - NAME**

The name of this non-profit corporation is **GRANT'S MILL OWNERS ASSOCIATION, INC.**

**ARTICLE II - PURPOSES**

The corporation does not contemplate pecuniary gain or profit, direct or indirect, to its members. The purposes for which it is formed are:

To promote the health, safety and welfare of the Lot Owners of Grant's Mill Phase I, according to the Plat thereof recorded in the office of the Clerk of the Circuit Court of Bay County, Florida, and the preservation of all Common Properties appurtenant to the ownership of a Lot (the "Properties" or "Common Properties"), including:

- A. To own, acquire, operate and maintain for the benefit of Lot Owners, the "Common Properties", together with any buildings or other improvements that may be constructed thereon.
- B. To discharge all obligations of the Declarations of Restrictions, Covenants and Conditions of Grant's Mill.
- C. To enforce any and all covenants, restrictions and conditions of said Declaration.
- D. To take such further actions deemed convenient or desirable to the purposes hereof by the Board.

**ARTICLE III - DEFINITIONS**

The definition of all terms set forth in the Declaration of Restrictions, Covenants and Conditions of Grant's Mill are by reference incorporated herein and shall have the meanings as set forth in that document.

C:\wp51\files\misc\ArtsInc.GMA

Reference to the terms "Member" or "Members" and the percentage of votes required for any action shall in all instances refer to the Lot Owners and the percentage vote of the Lots necessary to take such action.

#### **ARTICLE IV - MEMBERSHIP**

Every person or entity who is a record owner of a fee or undivided fee interest in any Lot which is subject by the Restrictions, Covenants and Conditions ("Covenants" or "Declaration") to assessment by Grant's Mill Owners Association, Inc., shall be a member of the Association from the date such member acquires title to or an interest in a Lot, provided, however, that any such person or entity who holds such interest merely as a security for the performance of an obligation shall not be a member.

#### **ARTICLE V - MEETINGS**

The By-Laws shall provide for an annual meeting of members, and may make provision for regular and special meetings of members other than the annual meeting.

#### **ARTICLE VI - TERM**

This Corporation shall have perpetual existence.

#### **ARTICLE VII - THE INCORPORATOR**

The name and address of the Incorporator of this Corporation is:

Jeffrey D. Gregory

3015 Stanford Road  
Panama City, Fl 32405

#### **ARTICLE VIII - OFFICERS**

The officers shall be a president, a vice president, a secretary and a treasurer, and such other officers as may be determined by the Board of Directors. The president shall be a member of the Board of Directors. The officers shall be chosen by majority vote of the directors. All officers shall hold office at the pleasure of the Board of Directors.

**ARTICLE IX - INITIAL OFFICERS**

<u>NAME</u>	<u>OFFICE</u>	<u>ADDRESS</u>
Jeffrey D. Gregory	President, Secretary and Treasurer	3015 Stanford Road Panama City, Fl 32405

**ARTICLE X - BOARD OF DIRECTORS**

The initial Board of Directors shall consist of one Director who shall hold office until the Owners Association ("OA") is turned over to the Lot Owners or until his or her prior resignation. Thereafter, the affairs of the Corporation shall be managed by a Board of not less than three (3) nor more than five (5) Directors, each of whom shall serve for a one-year term and who shall be members of the Association. The Board may be increased in size up to seven (7) members at the discretion of a majority of the initial Board of Directors. However, the Board shall at all times contain an odd number of members. As long as the Developer owns any Lot on the Properties, the Developer shall be entitled to name one member to the Board of Directors, who cannot be removed except by consent of the Developer.

The name and address of the person who is to act as the initial Director until his or her resignation or the election of his or her successor is:

<u>NAME</u>	<u>ADDRESS</u>
Jeffrey D. Gregory	3015 Stanford Road Panama City, Fl 32405

**ARTICLE XI - INITIAL REGISTERED OFFICE,  
ADDRESS AND NAME OF REGISTERED AGENT**

The initial registered office of this Corporation shall be 1233 Huntington Ridge Road, Lynn Haven, Florida 32444, with the privilege of having its office and branch offices at other places within or without the state of Florida. The initial registered agent at that address shall be Ron Putman.

**ARTICLE XII - INDEMNIFICATION**

1. **Indemnity.** The Association shall indemnify any person who was or is a part or is threatened to be made a part to any threatened, pending or contemplated action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he is or was a director, employee, officer or agent of the Association, against expenses (including attorneys' fees and appellate attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding, unless (a) a court of competent jurisdiction determines, after all available appeals have been exhausted or not pursued by the proposed indemnitee, that he did not act in good faith, nor in a manner he reasonably believed to be in or not opposed to the best interest of the Association, and, with respect to any criminal action or proceeding, that he had reasonable cause to believe his conduct was unlawful, and (b) such court further specifically determines that indemnification should be denied. The termination of any action, suit or proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner in which he reasonably believed to be in or not opposed to the best interest of the Association, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

2. **Expenses.** To the extent that a director, officer, employee or agent of the Association has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Section 1 above, or in defense of any claim, issue or matter therein, he shall be indemnified

against expenses (including attorneys' fees and appellate attorneys' fees) actually and reasonably incurred by him in connection therewith.

3. **Advanced.** Expenses incurred in defending a civil or criminal action, suit or proceeding shall be paid by the Association in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of the affected director, officer, employee or agent to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the Association as authorized in this Article XII.

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

5. **Insurance.** The Association shall have the power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Association, or is or was serving, at the request of the Association, as a director, officer, employee or agent of another incorporation, partnership, joint venture, trust or other enterprise, against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the Association would have the power to indemnify him against such liability under the provisions of this Article.

6. **Amendment.** Anything to the contrary notwithstanding, the provisions of this Article XI may not be amended without the prior written consent of all persons whose interest would be adversely affected by such amendment.

#### ARTICLE XIII - BY-LAWS

The First By-Laws of the Association shall be adopted by the Board of Directors and may be altered, amended or rescinded by the Directors, the Members and the Developer in the manner provided in the By-Laws and the Declaration of Restrictions, Covenants and Conditions.

**ARTICLE XIV - VOTING RIGHTS**

A. The membership shall consist of those Lot Owners as defined in Article IV, with the exception of the Developer. A Member shall be entitled to one vote for each Lot in which he holds an interest required for membership by Article III. When more than one person holds such interest or interests in any Lot, all such persons shall be Members and the vote for such Lot shall be divided among them fractionally as their interest appears on the deed of conveyance but each Lot shall be entitled to only one vote.

B. The Developer shall serve as the Owners Association until the Owners Association is turned over to the Members or until the occurrence of one of the following events:

Within one hundred twenty (120) days after 90% of the total Lots have been conveyed to others or relinquishment of all rights of the Developer to act in the capacity of the Owners Association.

Likewise, upon the happening of either of these event or at such earlier date as the Developer may determine, a meeting of Members shall be called for the purpose of electing officers and directors. The existing officers and directors of the Developer shall be deemed to have resigned from the Owners Association as of the date of such meeting, and the Members shall elect their own officers and directors and assume control of the Corporation. After conversion, the Developer shall be entitled to vote only on those lot(s) on which the Developer is paying assessments pursuant to the Covenants and Restrictions.

**ARTICLE XV - ASSIGNMENT**

No right to any funds or assets of the Association can be assigned, hypothecated or transferred except as an appurtenant right to a Lot or by dissolution of the Corporation..

**ARTICLE XVI - QUORUM FOR OTHER ACTIONS**

Except as otherwise provided, the presence at a meeting of one-third (1/3) of the Members who own one-third (1/3) or more of the Lots who are entitled to cast a vote or who appear

by proxy shall constitute a quorum for any action governed by the Articles of Incorporation, except where a super-majority vote is required by the Declaration of Restrictions, Covenants and Conditions of Grant's Mill Phase I, or the By-Laws of the Corporation.

**ARTICLE XVII - DEDICATION OF PROPERTIES OR  
TRANSFER OF FUNCTION TO PUBLIC AGENCY OR UTILITY**

The Corporation shall have the power to dispose of its real properties only as authorized under the recorded Restrictions, Covenants and Conditions applicable to said properties.

**ARTICLE XVIII - DISSOLUTION**

The Corporation may be dissolved only with the assent given in writing and signed by fifty-one percent (51%) of the Lot Owners entitled to vote, except as otherwise provided in the recorded Restrictions, Covenants and Conditions applicable to the properties. Written notice of a proposal to dissolve, setting forth the reasons therefor and the disposition to be made of the assets (which shall be consistent with Article XIX hereof) shall be mailed to every Lot Owner or posted on the front door of the residences on the Lots that are owner-occupied at least ninety (90) days in advance of any action taken. As long as the Developer owns a lot, a dissolution of the Corporation shall require the written consent of the Developer.

**ARTICLE XIX - DISPOSITION OF ASSETS  
UPON DISSOLUTION**

Upon dissolution of the Corporation, the assets, both real and personal of the Corporation, shall be dedicated to an appropriate public agency or utility that is or will be devoted to the same or similar purposes as those of the Corporation. In the event that such dedication is refused, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization having the same orientation, with due regard, however, for the practicalities of such a situation.

No disposition of **GRANT'S MILL OWNERS ASSOCIATION, INC.** properties shall be effective to divest or diminish any right or title of any member that is vested in him or her under the recorded Restrictions, Covenants and Conditions and the deeds applicable to The Properties unless made in accordance with the provisions of such document.

**ARTICLE XX - AMENDMENTS**

The Developer may amend these Articles consistent with the provisions of the Declaration allowing certain amendments to be effected by the Developer alone until the Owners Association is turned over to its Members.

**ARTICLE XXI - CONFLICT**

In the event of any conflict between these Articles and the Declaration of Restrictions, Covenants and Conditions, the latter shall control, provided such provisions are not contrary to law.

IN WITNESS WHEREOF, the Incorporator has affixed its authorized signature and seal, this 1st day of April, 2004.

  
\_\_\_\_\_  
Jeffrey D. Gregory

STATE OF FLORIDA)

COUNTY OF BAY )

THE FOREGOING INSTRUMENT was acknowledged before me this 1st day of April, 2004, by Jeffrey D.



Gregory, who is personally known to me or who has produced  
as identification.

*Mary Lou Wilson*  
NOTARY PUBLIC  
State of Florida at Large



Mary Lou Wilson  
MY COMMISSION # 00113306 EXPIRES  
May 7, 2006  
BONDED THRU TROY FAIN INSURANCE, INC

CERTIFICATE DESIGNATING PLACE OF BUSINESS  
OR DOMICILE FOR THE SERVICE OF PROCESS WITHIN  
THIS STATE, NAMING AGENT UPON WHOM SERVICE MAY BE SERVED

**FILED**

2004 APR -6 P 4: 20

SECRETARY OF STATE  
TALLAHASSEE, FLORIDA

-----  
IN PURSUANCE OF Chapter 620.105, Florida Statutes, the following is submitted in compliance with said Act:

First, that GRANT'S MILL OWNERS ASSOCIATION, INC., a corporation not-for-profit, desiring to organize or qualify under the laws of the State of Florida, with its principal place of business at 1233 Huntington Ridge Road, Lynn Haven, Florida, 32444, has named Ron Putman at that address as its agent for service of process within this state.

-----  
ACKNOWLEDGMENT

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

DATED this 1st day of April, 2004.

Ron Putman

Ron Putman

**BY-LAWS  
OF  
GRANT'S MILL OWNERS ASSOCIATION, INC.  
A Not-for-Profit Corporation**

**ARTICLE 1 - PURPOSE AND SCOPE OF BY-LAWS**

1. The purpose of these By-Laws is to provide a framework of procedures to be followed and utilized by the Members of the Grant's Mill Owners Association, Inc., ("OA") in the management of its affairs.

2. To some measure, many of the provisions hereof have been set forth in the Declaration of Restrictions, Covenants and Conditions of Grant's Mill (herein "Declaration") and in the event of any conflict between this document and the Declaration, the latter document shall prevail if not contrary to the law.

3. Matters not addressed hereby shall be governed by the provisions of Chapter 617, Florida Statutes.

**ARTICLE II - MEETINGS**

1. **Annual Meeting.** There shall be an annual meeting of the members of the OA on the second Monday of November of each year, commencing with the year of 2004, at a time and place declared for such purposes by the Board of Directors, in Washington County, Florida. The annual meeting shall be preceded by thirty (30) days' notice before the date of the meeting. The meeting shall be held after 5:00 P. M. prevailing time.

2. **Special Meetings.** A special meeting of the members may be called for any purpose at any time by the President, by Resolution of the Board of Directors and by Petition of not less than one-third of the Members of the Association owning one-third (1/3) of the Lots in the Subdivision who are entitled to vote. Notice of a special meeting shall comply with the notice requirements for an annual meeting.

3. **Notice and Waiver.** Notice of a meeting of the Members shall be given in written form by the Secretary of the

MA to every Member or Lot Owner at least thirty (30) days before the date of the meeting, by mailing a copy of the notice to the last known address reflected on the books of the MA, postage prepaid, or by posting a copy of the notice of the meeting on the front door of the dwelling of a Lot Owner, provided the Owner resides in the dwelling, and if he does not, notice of meeting shall be furnished by mail service. Notice shall be deemed to have been given upon the deposit of the notice into a mailing depository of the United States Postal Service. The notice must state the purpose of the meeting and the date, time and place thereof. The notice shall be sufficient for that meeting and any adjournment thereof. Any member may waive notice of any meeting either before or after the meeting. Each Owner of a Lot appoints any other Owner of the same Lot as his agent to receive notice of any Member meeting and notice of any meeting to an Owner of a Lot shall be notice to all Owners of a Lot.

4. **Quorum.**

(a) A quorum shall consist of one-third (1/3) of the Lot Owners entitled to vote who are present at the meeting or who appear by proxy. A majority vote of those present shall control in all instances except as hereinafter provided.

(b) A majority vote (51%) of the Lot Owners entitled to vote shall be required to modify the Declaration (except for the Protective Covenants which cannot be changed); to terminate the Declaration (but only after the initial twenty-five (25) year term); to increase the annual assessment by more than ten percent (10%); to impose a special assessment, and to change these By-Laws. Other matters requiring a like vote is any merger, consolidation, etc.

5. **Voting.** Every person having an interest in a Lot shall be a Member of the OA. There cannot be more than one vote per Lot. All Owners of a Lot must agree to the vote on behalf of a Lot in those instances where a Lot is owned by more than one person; otherwise, the vote will be invalid and will not count. Any person having an interest in a Lot may give his proxy to any other Owner of the same Lot for voting purposes or to any third person. If a proxy is given for a particular meeting, the proxy is good for all matters that might come before that meeting unless restricted and for any reconvened meeting following an adjournment of that meeting. All persons voting by proxy must register the right to vote

their proxy with the recording secretary of the meeting. The recording secretary shall make a record of who is entitled to vote on behalf of another member.

6. **Proxy.**

(a) The following form of Proxy shall be used for Member voting:

I hereby represent that I am the Owner or have an ownership interest in Lot No. \_\_\_\_\_ of Grant's Mill Phase I, as per plat on file in the Official Records of Bay County, Florida. As an Owner, I hereby appoint \_\_\_\_\_

of \_\_\_\_\_ (Name and Address) to be my Proxy to attend the meeting of the Members of Grant's Mill Owners Association, Inc., to be held between the dates of \_\_\_\_\_ and \_\_\_\_\_, and to any continuation thereof, with full power to vote and act for me in my name and place, in the same manner, to the same extent and with the same effect as I might vote if I were present at said meeting or meetings, with full power of substitution and revocation.

Dated this \_\_\_\_\_ day of \_\_\_\_\_.

\_\_\_\_\_  
Member

(b) Any other proxy form other than the one in (a) above may be used to designate a proxy for a particular meeting, a single issue or all issues presented at such meeting or for any and all meetings during the calendar year in which the proxy was executed.

**ARTICLE III - DIRECTORS**

1. **Board of Directors.** The business and affairs of the

MA shall be managed by a Board of Directors. The Board of Directors shall be elected at each annual meeting of the members for a term of one (1) year, and shall serve until the election and acceptance of their successors. Vacancies in the Board of Directors shall be filled by the remaining Board of Directors.

2. **Regular Meeting.** A regular meeting of the Board of Directors shall be held immediately following the annual meeting each year and at such other times as the Board may declare or so fix.

3. **Special Meetings.** Special meetings of the Board of Directors may be called at any time and place by the President or by a Member of the Board of Directors on at least five (5) days notice before the date of the meeting or at any time and place by unanimous written consent of all directors or by the presence of members of the Board of Directors at such meeting if those not present have waived notice of the meeting at any time. Notice of the meeting shall be given in the same manner as such notice is given for a meeting of the Members, i.e., mailing or posting.

4. **Quorum.** A quorum at a meeting shall consist of a majority of the Board. A majority of such quorum shall decide any questions that may come before the meeting. If any meeting has less than a quorum present, the Directors who are present or a majority of them may adjourn the meeting to another time and place. Members shall be deemed present at the meeting if a conference telephone or similar communication equipment is used by which all persons participating in the meeting can hear each other.

5. **Number of Directors.** The Board of Directors shall consist of not less than three (3) members and not more than five (5) members.

6. **Election of Officers.** Officers of the MA shall be elected by the Board of Directors. If any office becomes vacant, the Board of Directors shall fill the vacancy. Any officer elected or appointed may be removed with or without cause by a majority of the Board of Directors.

**ARTICLE IV - OFFICERS OF THE  
MAINTENANCE ASSOCIATION**

1. **Officers.** The officers of the OA shall be a President, Vice President, Secretary and Treasurer, all of whom shall be a Director. The Directors may also create additional offices and elect such additional and assistant officers as deemed necessary. The additional officers need not be directors. All officers shall be elected annually at the regular meeting of the Board of Directors following the annual meeting of the Members. All officers shall be elected for a term of one (1) year unless sooner removed by the Board of Directors, and shall hold office until a successor is elected and accepted the responsibility of the office. A Member of the Board of Directors may serve as more than one officer with the exception of the President who cannot serve as Vice President.

(a) President. The President shall be the chief executive officer of the OA. The President shall preside as chairman of all meetings of the Board of Directors and meetings of the Members and be responsible for the general supervision of the affairs of the MA, make reports to the Board of Directors and the members of the OA, execute all documents in the name of the MA and inscribe the seal where necessary or requested. He shall perform such other duties incidental to his or her office or which are properly required of him or her by the Board of Directors.

(b) Vice President. In the absence of the President, the Vice President shall act in his place and stead, unless his powers are otherwise limited by the Board of Directors.

(c) Secretary. The secretary of the OA shall have custody of and shall maintain all corporate records, with the exception of the financial records. He or she shall serve as recorder of the Minutes of all meetings of the Members and the Board of Directors, send out all notices of meetings, attest the seal of the Corporation where necessary or required, and perform such other duties as may be prescribed by the Board of Directors. Notwithstanding the provisions hereof, someone other than the elected secretary may be designated to serve as recording secretary of any meeting. The elected Secretary

shall serve as the Assistant Treasurer when the Treasurer is absent or unavailable.

(d) Treasurer. The Treasurer shall have custody of all corporate funds and financial records, and shall keep an accurate account of receipts and disbursements and render an accounting thereof at the annual meeting of the Members, and perform such other tasks as prescribed by the Board of Directors. The elected Treasurer shall also serve as an Assistant Secretary when the Secretary is absent or unavailable.

2. **Removal of Officers.** All officers may be removed from office with or without cause by a vote of not less than a majority of the whole membership of the Board of Directors at any regular or special meeting.

#### ARTICLE V - BANK ACCOUNTS AND INSURANCE

1. **Bank Accounts.** The Bank Account of the OA shall require the signature of the President and the Treasurer. If the President is absent or not available, the Vice President shall sign in place of the President and if the Treasurer is absent or unavailable, the Secretary shall sign in place of the Treasurer.

That portion of the budget allocated to road maintenance shall be placed in an interest-bearing trust account and allowed to accumulate until such time as the road of the OA is in need of substantial repairs or replacement. The Road Reserve Account is based on the initial cost of \$100,000.00 for the construction and its replacement at the end of twenty (20) years. This fund cannot be used for ordinary, usual and recurring maintenance costs and expenses and is to be treated as a trust fund.

2. **Insurance.** The OA shall, to the extent the insurance is available, secure and maintain commercial general liability insurance coverage on all common properties; officers and directors liability insurance; employee fidelity coverage in an amount not less than the sum of all annual dues plus accumulated funds on deposit, and such other insurance coverages required by law and in amounts deemed acceptable to the Board of Directors where the minimum amount of coverage is



not provided for.

**ARTICLE VI - SEAL**

The seal of the MA shall consist of a flat faced circular disc with the name of the OA and the word "SEAL" inscribed thereon and may be facsimile, engraved, printed, or an impression seal. Irrespective of the above, the MA, by and through its executing officers of a particular document, may adopt any other form of seal on behalf of the MA which includes the word "SEAL", which shall have the same force and effect of the adopted seal, or alternatively, the MA may waive the use of any seal.

**ARTICLE VII - AMENDMENTS**

1. **Amendment by Board of Directors.** The Board of Directors may amend these By-Laws consistent with any By-Laws adopted by the Members or any part thereof or that has not been adopted by the Members, and may repeal any provision of the By-Laws that was not proposed or adopted by the Members, at any Directors' meeting, by majority vote of the Board of Directors if the notice of proposed action was included in the notice of the meeting or if waived in writing by a majority of the Directors.

2. **Amendment by Members.** The members of the OA may amend, repeal or alter these By-Laws, in whole or in part, at any meeting, regular or special, by a majority vote of all Lot Owners (51%) entitled to vote, if the proposed Amendment or change was included in the notice of the membership meeting. In the absence of any waiver of the notice of the meeting or by written document signed by fifty-one percent (51%) of the Lot Owners entitled to vote.

3. **Limitations.** The Board of Directors may not change a By-Law or an Amendment to the By-Laws or repeal any By-Law adopted by the Members (51% of the Lot Owners). Any amendment or addition to or repeal of any By-Law by the Members can be changed only by the Members (51% of the Lot Owners).

\*\*\*\*\*

THE FOREGOING BY-LAWS were adopted and approved at the organizational meeting of the Members of GRANT'S MILL OWNERS ASSOCIATION, INC., held on the April 9, day of \_\_\_\_\_, 2004.

  
Secretary