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THIS INSTRUMENT PREPARED BY AND RETURN TO:
Richard S. Johnson, P.A.
36008 Emerald Coast Parkway, Ste. 301
Destin, Florida 32541

STATE OF FLORIDA
COUNTY OF OKALOOSA

DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS AND RESTRICTIONS FOR ENDICOTT VILLAGE HOMEOWNERS' ASSOCIATION, INC.

PHASE I

KNOW ALL MEN BY THESE PRESENTS, that ENDICOTT VILLAGE HOMEOWNERS' ASSOCIATION, INC., a Florida corporation, whose address is 109 Mulry Drive, Niceville, FL 32578, (hereinafter referred to as Declarant).

WITNESSETH:

WHEREAS, Declarant is the owner of certain lands in Niceville, Okaloosa County, Florida, being developed for residential purposes, said lands being as hereinafter described on Exhibit A attached hereto and made a part hereof, hereby declares and files herewith, the following covenants and restrictions running with the land subjected hereto and conditions of use and occupancy thereof, which covenants, restrictions and conditions are filed pursuant to a general plan of development making the covenants, restrictions and conditions applicable with uniformity to the land subjected hereto; and

WHEREAS, the purpose of these covenants, conditions, easements and restrictions, which shall apply only to the property of Phase I hereinafter described, with additional Phases to become subject to these same covenants, conditions, easements and restrictions, is to enable and aid the establishment and maintenance of an exclusive residential community of the highest quality for the maximum benefit and enjoyment of the owners of property therein and their guests; said residential community to be named ENDICOTT VILLAGE; and

WHEREAS, Declarant desires to insure the attractiveness of the various common property, structures and facilities within ENDICOTT VILLAGE, and to prevent any future impairment thereof, to prevent nuisances, to preserve, protect and enhance the values and amenities of the said property and to provide for the maintenance of common property, structures and facilities; and

WHEREAS, to such end, Declarant desires to subject the real property hereinafter described to the covenants, conditions, restrictions, easements, charges and liens, hereinafter set forth, all of which are for the benefit of said real property and each owner thereof, and

WHEREAS, Declarant has deemed it desirable to provide for the preservation, protection and enhancement of the values and common property in ENDICOTT VILLAGE and to protect the owners' enjoyment of the specific rights, privileges and easements hereinafter set forth by creating an organization to be assigned the powers and responsibilities of administering and enforcing the covenants, conditions, restrictions, easements, charges and liens and collecting and disbursing the assessments and charges hereinafter created; and

WHEREAS, Declarant hereby undertakes to incorporate such organization under the laws of the State of Florida, as a non-profit corporation to be named ENDICOTT VILLAGE for the aforesaid purposes.

NOW, THEREFORE, Declarant hereby declares that the real property known as:

SEE ATTACHED EXHIBIT "A"

is and shall be held, transferred, sold, conveyed and occupied subject to the covenants, conditions, restrictions, easements, charges and liens (all of which may sometimes be herein called covenants and restrictions) hereinafter set forth, which covenants and restrictions are for the purpose of protecting the value and desirability of, and which shall run with, the real property, and which shall be binding on all parties having any right, title or interest in any of the properties subject to this Declaration or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I - DEFINITIONS

1. "Association" shall mean and refer to ENDICOTT VILLAGE HOMEOWNERS' ASSOCIATION, INC., its successors and assigns. A copy of the Articles of Incorporation and By-Laws for ENDICOTT VILLAGE HOMEOWNERS' ASSOCIATION, INC., are attached hereto as Exhibits "B" and "C" respectively.

2. "Property" shall mean and refer to that certain real property described in the Declaration of Covenants, Conditions and Restrictions attached hereto and such additions thereto as may hereafter be brought within the jurisdiction of the association.

3. "Common Property" shall mean all real property either owned or maintained by the Association for the common use and enjoyment of the owners in ENDICOTT VILLAGE, which shall include those areas deeded to the Association and designated on the plat as Common Property and the stormwater drainage system and stormwater retention areas and any lighting or utility systems, which are maintained by the Association. Part of the Common Property may be included in areas previously dedicated to the City of Niceville as easements or right-of-ways.

4. "Unit" shall mean and refer to any plot of land shown upon the recorded subdivision plat of the Properties with the exception of the Common Area. Said plat being recorded in the Official Records of Okaloosa County. An ownership

of dwelling constructed on a lot, together with fee simple interest in lot upon which dwelling sits.

5. "Dwelling Structure" shall mean ownership of the dwelling constructed on a lot, together with a fee simple interest in the lots upon which the dwelling stands.

6. "Common Expense" shall mean all expenses incurred by the association and charged to the owners of all units on common basis, including but not limited to supplies, materials, parts, services, utilities, maintenance, repairs, replacements, landscaping, insurance and ad valorem taxes on common property and other expenses of the association incurred on behalf of all members (and distinguished from individual mortgage payments, real estate taxes, and individual telephone, electricity and other individual or separate basis rather than on a common basis).

7. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any unit which is a part of the properties, including contract sellers, but excluding those having such interest merely as security for the performance of the obligation.

8. "Declarant" means FEMM ENTERPRISES, LLC, its successors and assigns. Declarant also may be an Owner. The various rights of Declarant under this Declaration may be separated and assigned to different parties and, if so assigned, each assignee will be considered "Declarant" as to the specific rights so assigned. Declarant may collaterally assign their rights as Declarant by mortgage or other instrument, and such assignees may elect to either exercise such rights if such assignees succeed to Declarant's interest in ENDICOTT VILLAGE or any portion thereof.

9. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions, Easements and Restrictions applicable to ENDICOTT VILLAGE and all supplements and amendments to this Declaration recorded in the Office of the Clerk of Circuit Court, Okaloosa County, Florida.

10. "Member" shall mean and refer to those persons entitled to membership as provided in the Declaration.

11. "Drainage System" means all drainage rights of way, ponds, water management tracts, drainage facilities, conservation area, and buffer zones, as shown on the Plat and drainage and engineering plans filed with the City of Niceville. The "Drainage System" also means a system that is designed and constructed or implemented to control discharges necessitated by rainfall events, incorporating methods to (1) collect, convey, store, absorb, inhibit, treat, use, or reuse water; or (ii) prevent or reduce flooding, over drainage, environmental degradation, and water pollution, or otherwise affect the quantity and quality of discharges from the system as permitted pursuant to Chapters 4OC-4, 4OC-40 or 4OC-42 of the Florida Administrative Code.

12. "Articles of Incorporation" means the Articles as filed with the Secretary of State to incorporate the Homeowners' Association, a copy of which is attached hereto as Exhibit "B".

13. "Bylaws" means the Bylaws of the Association governing the Homeowners' Association, a copy of which is attached hereto as "C".

ARTICLE II - GENERAL COVENANTS AND RESTRICTIONS

1. All units above described in the preambles hereto shall be known, described, used and occupied as residential units. The term "residential" as used herein shall be held and construed to exclude hospitals, nurseries, and any development, operations or drilling for oil, gas, or other minerals, or any refining or quarrying or mining or placing or maintaining on the premises of any tanks, well, shafts, mineral excavations, derricks or structures of any like incident to any such oil, gas or other mineral operations; and any such usage of this property is hereby expressly prohibited. Nothwithstanding the provisions of this paragraph, dwelling constructed on the lots to which these covenants, restrictions and reservations are applicable may, with the written permission of the developer, be temporarily used as model homes. The use of dwellings for such purpose shall only be for such period of time and only upon such conditions as developer may in its sole discretion specify.

2. The word "house", or "residence", or "building", or "structure" or "dwelling" as used herein shall include galleries, porches, porte cocheres, projections and every other permanent part of such improvements, except roofs.

3. No out buildings, detached garages or detached servants' houses or other detached buildings shall be constructed on any lot in the subdivision unless the developer or its duly designated representative shall have expressly consented to such construction in writing.

4. No building materials or temporary building of any kind or character shall be placed or stored on the property until the owner is ready to commence improvements, and then such material or temporary building shall be placed within the property line of the lot or parcel of land upon which the improvements are to be erected and shall not be placed in the streets or between the curb and the property line. Any such temporary building or structure buildings and unused materials shall be removed immediately upon completion of constructed or within one year after such material or temporary building was placed thereon, whichever is sooner.

5. No noxious or offensive trade or activity shall be carried on upon any homesite nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood.

6. Landscaping: Association will maintain landscaping.

7. No garbage, trash, ashes, refuse, junk or other waste, inoperative vehicles, travel trailers or house trailers shall be stored, kept, thrown or dumped on any lot or street in the subdivision or permitted to remain on any such place. Regardless of its size, no recreational vehicle, boat, boat tower, or boat cabin, or any part of a boat, yacht or any other water craft shall be stored or kept on any lot within the subdivision. All garbage shall be kept in sanitary containers. Nothing herein shall be interpreted to allow parking overnight.

8. No animals, livestock or Poultry of any kind shall be raised, bred, kept, staked or pastured on any lot, excepting dogs, cats, or other household pets may be kept, provided they are not kept, bred or maintained for commercial purpose. However, domestic pets are allowed not in excess of two (2) and the size no more than 100 Ibs. without Board approval. All owners are required to pickup waste after dogs. No renters shall be allowed to have pets without Board approval.

9. No building, fence, wall or other structure shall be commenced, erected or maintained upon the Properties, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, materials and location of the same shall have been submitted to an approved in writing as to harmony of external design and location in relating to surrounding structures and topography by the Board of Directors or the Association, or by an architectural committee composed of three (3) or more representatives by the Board. In the event said Board, or its designated committee, fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required, and this Article will be deemed to have been fully complied with.

10. No sign, advertisement, notice or other lettering shall be exhibited, inscribed, painted or affixed by any Owner on any part of the outside or inside of unit without prior written consent of the Association, except one "For Sale" or "For Rent" sign not exceeding six (6) square feet in size. The provisions of this paragraph shall not apply to any sign, advertisement or display during the development and sales period on the Properties. Nothing in this agreement shall prohibit the right of the Declarant or any successor developer to use certain residential units as model homes during the development and sales period on the entire property with the perimeter description

11. No children's toys, tricycles, bicycles, or other unsightly material will be permitted to remain on or around the Common Area. The developer retains the right, after reasonable prior notice to the owner, to correct deficiencies in this or any other paragraph and to bill the owner for the cost of the corrections.

12. The power line from a residence connecting to the utility company power pole must be underground.

13. Developer or its duly designated representative reserves the right to hereinafter modify, amend or grant variances to any of the foregoing covenants and restrictions which in the developer's sole discretion such modification, amendment or variance is deemed proper. Developer or its duly designated representative may also make other restrictions applicable to each homesite by appropriate provision in the contract for deed or in any deed, without otherwise modifying the general plan herein outlined, and such other restrictions shall inure to the benefit of the owners of homesites in the subdivision and shall bind the grantees and their respective heirs, successors or transferees in the same manner as though they had been expressed herein.

14. Developer reserves a perpetual easement in ENDICOTT VILLAGE, in, on, over and under all drainage and utility easements as reflected on the plat of ENDICOTT VILLAGE, as recorded in the Public Records of Okaloosa County, Florida, and additionally reserves unto itself a perpetual easement for drainage and utility purposes in, on, over and under a strip of land five feet in width along the side and rear lines and 10' along the front of each lot subject to these covenants, restrictions and reservations with full right of entry by it or its licensees for the purpose of establishing, constructing and maintaining any utility, with the right to maintain conduits and wires for telephone, electric power and other purposes and to lay, install and maintain facilities for sewage, water, gas, storm drainage and other utilities therein.

15. Violation of any restriction or covenant shall give the developer or its duly designated representative the right to enter upon the property, after proper notice, where such violation exists and summarily abate or remove the same at the expense of the owner, and such entry and abatement or removal shall not be deemed as trespass.

16. These covenants and restrictions are to run with the land, and shall be part of all deed and contracts or conveyances of any and all units in this subdivision and shall be binding on all parties and all persons claiming under them until January 1, 2020 at which time said covenants, restrictions and reservations shall be automatically renewed for additional successive periods of ten years, unless by written and recorded agreement of a majority of the record owners on January 1, 2020 and each successive ten-year anniversary date thereafter, the decision shall be made to terminate these covenants and restrictions.

17. If any owner, tenant or occupant of this subdivision shall violate or attempt to violate any of these covenants, restrictions and reservations while in force and effect, it shall be lawful for the developer, its duly designated representative or any other person or persons having any ownership interest in any other unit in the subdivision to prosecute any proceeding at law or in equity against any person

violating or attempting to violate such covenants, restrictions and reservations and either to prevent them from doing so or to recover damages for such violation. In the event the developer or its duly designated representative shall commence any proceeding to enforce these restrictions, then in such event the party against whom such action has been brought or defended shall be responsible to pay the developer a reasonable attorney's fee for the bringing or defending of such action.

18. In no event and under no circumstances shall a violation of any covenant or restriction or reservation herein contained work a forfeiture or reverter of title. Invalidation of any of these covenants, restrictions and reservations by judgment or court order shall in no way affect any other provision, which shall remain in full force and effect.

ARTICLE III - PARTY WALLS

1. General Rules of Law to Apply. Certain of the walls which are built as part of the original construction of the homes and placed on the dividing lines between the units shall constitute party walls.

2. Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a party wall shall be shared equally by the owners abutting said wall.

3. Destruction by Fire or Other Casualty. If a party wall is destroyed by fire or other casualty, any Owner abutting the wall may restore it (or of no Owner acts to restore it, then the Association may do so) and the cost of restoration thereof shall be paid in equal portions by each Owner abutting the wall; without prejudice, however, to the right of any such Owners to call for a larger contribution from the others under any rule or law regarding liability for negligent or willful acts or omissions. If the Association has elected to carry the building casualty insurance, then the Association shall repair said damage.

4. Weatherproofing. Notwithstanding any other provision of this Article, an Owner who by his negligent or willful act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

5. Right to Contribution Runs with Land. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner's successors in title.

6. Arbitration. In the event of any dispute arising concerning a party wall, or under the provisions of this Article, each party shall choose one additional arbitrator, and the decision shall be by a majority of all the arbitrators.

ARTICLE IV - MEMBERSHIP AND VOTING RIGHTS

1. Membership in Association: Every owner of a residential lot which is subject to assessment is required to be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any lot which is subject to assessment.

2. Votes of Membership: The association shall have two (2) classes of voting membership.

Class A. Class A members shall be all Owners with the exception of the Declarant (who shall become a Class A member as provided hereafter) and shall be entitled to one (1) vote for each lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any lot.

Class B. Class B members shall be Declarant and it shall be entitled to three (3) votes for each lot owned. The class B membership shall cease and be converted to Class A membership when the total votes outstanding in the Class A membership equal the total votes outstanding in Class B membership.

Notwithstanding any of the foregoing, Class B membership shall cease to exist, be converted to Class A and shall not thereafter be re-instituted on December 31, 2010.

The Declarant shall not exercise its voting rights granted to it under this Article in an unreasonable manner nor in such a way as to cause undue hardship on any owner. Likewise, Class A members shall not exercise their voting rights granted to them in a manner so as to hinder the Declarant, in any manner, in selling lots it has remaining, nor to affect any reservation or right of the Declarant contained herein, or elsewhere, so long as Declarant holds at least one (1) Lot for resale purposes.

ARTICLE V - HOMEOWNERS' ASSOCIATION

1. Each owner of a unit to which these covenants, restrictions and reservations are applicable shall be required to participate as a member of ENDICOTT VILLAGE HOMEOWNERS' ASSOCIATION, INC., a Florida corporation not for profit, which corporation has been organized by the developer to provide a means by which the owners of units within the present subdivision and subsequent additions to it may collectively share the expense of maintenance of the common property and additional lighting and security services at a later date if deemed needed.

2. Developer hereby covenants that each owner of a unit, by acceptance of a deed

therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay the Association an annual assessment. Such assessments shall be established and collected as hereinafter provided.

3. The assessments, charges and liens created under this Article shall not apply to the Common property or any Lot owned by the Declarant. In addition, all real property, if any, dedicated to and accepted by a local public authority or governmental institution or entity shall likewise be exempt therefrom.

4. All such assessments, together with interest thereon and costs of collection thereof as hereinafter provided shall be a charge on the land and shall be a continuing lien upon the unit against which each assessment is made. Each such assessment, together with interest thereon and costs of collection thereof, when delinquent, shall also be the personal obligation of the person or entity who was the owner of such unit at the time when the assessment fell due.

5. The annual assessment levied by the Association shall be used exclusively for the improvement, maintenance and operation of any common area owned by the Association. Each unit, which has been conveyed to an owner, shall be assessed at a uniform rate. For the purpose of assessment, the term"owner"shall exclude the Developer. Notwithstanding any provisions herein to the contrary, the Association shall not assess any developer-owned units or units owned by the developer's lenders.

6. By a majority vote of the Board of Directors, the Association shall fix the annual assessment upon the basis provided herein. The annual assessments shall be sufficient to meet the obligations imposed upon the Association by these covenants and restrictions. Such assessments shall become due annually beginning January 1st, and purchasers of units subsequent to said date shall be responsible for their prorata share of the annual assessment in effect. The Board of Directors may provide for collection of assessments annually or in monthly, quarterly or semi-annual installments, provided however, that the entire balance of such assessment may be accelerated at the option of the Board of Directors and be declared due and payable in full.

7. The assessment shall initially be $204.00 per month, per Unit, and may be imposed on each unit from the date of conveyance of such Unit by the Declarant. At the closing and transfer of title to the owner, such owner, shall contribute an amount equal to two months' dues to the Association. This contribution shall be used by the Association for the purpose of the initial and recurring capital expenses of the Association and for providing initial working capital for the Association. Such contribution shall not be considered as a pre-payment of any future assessments.

8. Any assessment not paid within fifteen (15) days after the due date shall bear a late fee of $25 further, any assessment not paid within thirty (30) days after the

due date shall bear interest from the due date at a percentage rate equal to the highest rate allowed by law and shall, together, with such interest thereon and cost of collection thereof (including reasonable attorney's fees, become a lien on such unit. The Association may bring an action at law against the owner personally obligated to pay the same or foreclose the lien against the unit and interest, costs and reasonable attorney's fees; fees of any such action will be added to the amount of such assessment. Each such owner, by his acceptance of title to the unit, hereby expressly vests in the Association the right and power to bring all actions against such owner personally for the collection of such assessments as a debt and to enforce the aforesaid by all methods available for the enforcement of such liens, including foreclosures by an action brought in the name of the Association in a like manner as a mortgage lien on real property, and such owner hereby expressly grants to the Association the power of sale in connection with such lien. The Association, acting on behalf of the owners, shall have the power to bid for an interest foreclosed at such foreclosure sale and to acquire and hold, lease, mortgage and convey the same. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his/her unit.

9. The lien of the assessments provided for herein shall be inferior and subordinate to the lien of any bank, savings and loan association or other institutional Mortgage now or hereafter placed upon the unit subject to assessments. Sale or transfer of any unit shall not affect the assessment lien; however, the sale or transfer of any unit pursuant to foreclosure of such a Mortgage may extinguish the lien of such assessments as to payments which come due prior to such sale or transfer. No sale or transfer shall relieve such unit from liability for any assessments thereafter becoming due or from the lien thereof

10. The Treasurer of the Association, upon demand of any owner liable for an assessment, shall furnish to such owner a certificate in writing, signed by a Director, setting forth whether such assessment has been paid. Such certificate, when co-signed by the Secretary of the Association, shall be conclusive evidence of payment of any assessment therein stated to have been paid.

11. The fiscal year of the Association shall consist of the twelve-month period commencing on January 1 of each year and terminating December 31 of that year.

12. On or before 60 days prior to the annual meetings, the Board of Directors shall adopt a budget for the coming year containing an estimate of the total amount which it considers necessary to pay the cost of all expenses to be incurred by the Association to carry out the responsibilities and obligations of the Association hereunder including, without limitation, the cost of wages, materials, insurance premiums, services, supplies and other expenses for rendering to the owners of all services required hereunder. Such budget shall also include such reasonable amounts, as the Board of Directors considers necessary to provide working

capital for the Association and to provide for a general operating reserve and reserves for contingencies and replacements. The budget is not to exceed 15% per year. The Board of Directors shall send to each owner a copy of the budget, in a reasonably itemized form that sets forth the amount of the assessments payable by each owner, on or before December 15 preceding the fiscal year to which the budget applies. Such budget shall constitute the basis for determining each owner's assessment as hereinbefore provided.

13. The failure or delay of the Board of Directors to prepare or adopt the annual budget or adjusted budget for any fiscal year shall not constitute a waiver or release in any manner of an owner's obligation to pay their assessments as herein provided, whenever the same shall be determined, and in the absence of any annual budget or adjusted budget, each owner shall continue to pay the assessment at the then existing rate established for the previous fiscal period in the manner such payment was previously due until notified otherwise.

14. Except as otherwise provided herein, all sums collected by the Board of Directors with respect to assessments against the owners may be commingled in a single fund.

ARTICLE VI - COVENANT FOR MAINTENANCE ASSESSMENTS

1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each unit owned within the Properties, hereby covenants, and each Owner of any unit by acceptance of a deed therefore whether or not it shall be so expressed in such deed, is deemed to covenant and agrees to pay to the Association: (1) annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as is hereinafter provided.

   The annual and special assessments, together with interest, costs and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed in writing, by the successor.

2. Purpose of Assessments. The assessments levied by the Association shall be exclusively to promote the recreation, health, safety and welfare of the residents in the Properties and for the improvement and maintenance of the Common Area.

3. Maximum Annual Amendment. Until January 1 of the second year immediately following the conveyance of the first unit to an Owner, the maximum annual assessment shall be $2,448.00 per unit, plus each Owner's pro-rata share of insurance premium for building casualty insurance if such insurance is carried by the Association instead of by each Owner.

(a) The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the common area, including fixtures and personal property thereto, provided that any such assessment shall have the assent of fifty-one percent (51%) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

5. Notice and Quorum for any Action Authorized Under Section 3 & 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or 4 shall be sent to all members no less than 14 days not more than 30 days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2), of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than 60 days following the preceding meeting.

6. Uniform Rate of Assessment. Annual assessments must be fixed at a uniform rate for all improved units and the annual assessments on units whose improvements are not completed must be at least 25% of the annual assessment on improvement units. Special assessments shall be fixed at a uniform rate for all units. All assessments may be collected on a monthly basis with the exception of Special Assessments. The annual assessments provided for herein shall commence as to all units on the first day of the month following the conveyance of the Common Area. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each unit at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified unit have been paid.

7. Capital Contribution. At the closing and transfer of title of each Unit to the first Owner other than the Declarant after recording of this Declaration, such Owner shall contribute to the Association an amount equal to two month's General Assessment. This contribution shall be used by the Association for the purpose of initial and nonrecurring capital expenses of the Association and for providing

initial working capital for the Association, and shall not be considered as a pre-payment of Assessments.

8. Effect of Nonpayment of Assessments. Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of 18% per annum, or the highest rate allowable by law, plus a $25.00 late payment processing fee. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property to include attorney's fees and costs of such action of responsible party found at fault. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his unit.

9. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any unit shall not affect the assessment lien. However, the sale or transfer of any unit pursuant to mortgage foreclosure or any proceeding in the lien thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale of transfer shall relieve such unit from liability for any assessments thereafter becoming due or from the lien thereof.

ARTICLE VII - COMMON PROPERTY

1. Ownership. Ownership of Common Property will be owned by the Association for the benefit of all owners, and the Association when necessary may improve, convey, or lease the Common Property.

2. Conveyance. The Association is authorized to buy or lease real or personal property to be added to the Common Property. The Association may (with the consent of Declarant) sell or lease any part of the Common Property, however, membership approval is not needed for the Board to sell property or to grant easements on real property.

3. Maintenance; Management; Contracts, Association Responsibility. The Association will be responsible for the management, control, maintenance, repair, replacement and improvement of the Common Property and must keep the same attractive, clean, and in good repair in accordance with this Declaration and applicable governmental regulations. This shall include, but not be limited to, water and sewer lines, lift stations, and roads.

4. Management Agreements. The Association may contract the Declarant or any other party for the performance of all or any portion of the management of the Association and the Association's maintenance and repair obligations.

Management costs will be included within the Assessments. The property manager for the Association, its employees, officers, contractors, and assigns will have the right to use the Common Property without liability for Assessments or other charges, as more particularly specified in the management agreement.

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

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

7. Compliance with Laws. Lots and Common Property may be used and must be maintained in accordance with all applicable laws, ordinances, and regulations, including, without limitations, all regulations and requirements of the Water Management District and the Florida Department of Environmental Protection.

8. Rules for Use Of Common Property. Members will have the right to use the Common Property only in accordance with the terms of the Rules initially made by Declarant and revised from time to time by the Association. The Rules may restrict the time of use, provide limitations on use of the common Property by a Member's guests and lessees, and provided such fee or charge is uniformly assessed. No Member will be entitled to any rebate or reduction in such Member's Assessments on account of any such restrictions imposed on the Member's use of the Common Property. The Rules will be kept at the offices of the Association and copies will be made available without charge to any Member requesting the same.

9. Drainage System Located in Common Property. The Association will be responsible for the maintenance, operation, and repair of such portion of the Drainage System as is located on Common Property. Maintenance means the exercise of practices that allow the system to provide drainage, water storage, conveyance, or the stormwater management capabilities as permitted by the Water Management District and the Florida Department of Environmental Protection. Any repair or reconstruction of the Drainage System shall be as permitted or, if modified, as approved by the Water Management District and the Florida Department of Environmental Protection.

10. Taxes. In the event any common area owned by the Association is taxed separately from the units deeded to owners, the Association shall include such taxes as part of the general assessment. In the event the Common Property owned by the Association are taxed as a component of the value of the unit owned by each owner, it shall be the obligation of each owner to promptly pay

such taxes prior to them becoming a lien on the property.

11. Use and Benefit of Common Property. The Common Area shall be held by the Association for the use and benefit of the Members, their tenants and invitees. Every owner of the Unit will have a right and easement of enjoyment in and to the common area said right of easement shall specifically include but not be limited to the right of ingress and egress over the Common Property, and this right will be appurtenant to and will pass with the title to such Unit, subject to the right of the Association to dedicate or transfer all or any part of the common area to any municipality, public agency, authority, or utility for the purposes in subject to the conditions they may be agreed upon by the members. In no event, will the dedication or transfer of any or all of the Common Property prohibit the Unit owners' easement of ingress and egress over the Common Property.

ARTICLE VIII - EASEMENTS

1. Blanket Easement for Utilities. There is hereby created a blanket easement for the purpose of installing and maintaining utilities upon, across, over and under all areas for ingress, egress, installation, replacing, repairing and maintaining all utilities including, but not limited to stormwater, water, sewers, telephones, electricity, and cable television system. By virtue of this easement, it shall be expressly permissible for any company providing electrical, water, sewer, cable television, and/or telephone service to install, erect and maintain all necessary lines, pipes and conduit underground and other necessary equipment at or below grade on the Common Area. An easement is further granted to all police, fire protection, ambulance and all similar persons, companies or agencies performing emergency service to enter upon the Common Property and Units in the performance of their duties. Further, an easement is hereby granted to the Association, its officers, agents, employees, and to any management company selected by the Association to enter in or to cross over all property subject to this Declaration, including without limitation, the Common Area and Units, and to enter any other place within ENDICOTT VILLAGE during reasonable hours and upon request, except in an emergency or when such property is not occupied, to inspect and to perform the duties of maintenance and repair of the Common Area as provided herein. Notwithstanding anything to the contrary contained in this paragraph, no sewers, electrical lines, water lines, or other utilities may be installed or relocated on property subject to this Declaration except as initially programmed and approved by the Declarant or thereafter approved by Declarant or the Association's Architectural Review Committee. Should any utility furnishing a service covered by the general easement herein provided request a specific easement to be made with a separate recordable document, Declarant shall have the right to grant such easement with respect to any real property subject to this Declaration without conflicting with the terms hereof. The easements provided in this Article IV shall in no way affect any other recorded easement on said premises.

2. Easements Reserved for Certain Purposes. Easements and rights-of-way are hereby expressly reserved to Declarant, its successors and assigns, in, on, over

and under the Common Property for the following purposes:

(a) for the erection, installation, construction, maintenance, repair and restoration or replacement of (i) wires, lines and conduits, and the necessary or proper attachments in connection with the transmission of electricity, telephone, television cables and other utilities and other similar facilities and (ii) storm-water drains and stormwater retention facilities, land drains, public and private sewers, pipe lines for supplying water and heat, and for any other public or quasi-public utility facilities, service or function, whether above ground or underground (iii) for maintenance of any retaining wall located on a common area or individual unit;

(b) for slope control purposes, including the right to grade and plant slopes and to prevent the doing of any activity which might interfere with slope ratios approved by Declarant, its successors and assigns, or which might create erosion or sliding problems, or change, obstruct or retard drainage flow;

(c) for the construction, installation, maintenance, repair and restoration or replacement of streets, rights-of-way, drainage areas, recreation areas and improvements, open space or other Common Property, or for security or other purposes for which Association is primarily, secondarily or contingently responsible or authorized as expressly or impliedly provided in this Declaration; and

Declarant and its respective agents, successors and assigns shall have the right to enter upon all parts of the easement area for any of the purposes for which said easements and rights-of-way are reserved.

Declarant shall also have the right, at the time of or after grading any street or any part thereof, to enter upon any abutting Common Property and grade the portion of such Common Property adjacent to such street to a slope generally appropriate to the conditions of the land and its development, but there shall be no obligation on Declarant to do such grading or to maintain the slope.

Declarant and its respective agents, successors and assigns shall have an easement across that area shown in accordance with the recorded Plat Book ____ Page ____ of the Okaloosa County Official Records as Utility Easement to access of ENDICOTT VILLAGE for purposes of maintaining that portion of the stormwater retention facility located in accordance with said recorded Plat. It is expressly understood that is not encumbered by this Declaration, except that Declarant, its successors and assigns, obtains an easement across and over that portion of the property solely for the purposes of maintaining the stormwater retention facility located in accordance with the recorded Plat Book ____ Page ____ of the Okaloosa County Official Records.

3. Benefit. The easements reserved by this Declaration shall be for the benefit of Declarant, the Association, the Members and their respective tenants and invitees. There further exists appurtenant easements of access to all private

streets within the subdivision to Okaloosa County or any of its franchisees for the use of county personnel and equipment on county business.

IN WITNESS WHEREOF, the owner has hereunto caused its hand and seal to be affixed this 24 day of Jan, 2006.

Signed in the presence of:

Carl Sanson

Lori M. Meeker

ENDICOTT VILLAGE HOMEOWNERS' ASSOCIATION, INC.,
a Florida Corporation

By: Michael R. Floyd
as Managing Member

STATE OF _____
COUNTY OF _____

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared, Michael Floyd as MANAGING MEMBER OF ENDICOTT VILLAGE HOMEOWNERS' ASSOCIATION, INC., a Florida corporation, who is personally known to me or who has produced _____ for identification, and who did not take an oath, and acknowledged to me to be the person described in and who executed the foregoing instrument and he acknowledged before me that he executed the same for the purposes therein expressed, on behalf of said corporation.

WITNESS my hand and official seal in the County and State last aforesaid this 24 of January, 2006.

Lori M Meeker
Notary Public

LORI M. MEEKER
MY COMMISSION # DD 560854
EXPIRES: September 22, 2010
Bonded Thru Notary Public Underwriters

EXHIBIT 'A'

PARCEL A:

BEGINNING AT THE SE CORNER OF BLOCK 42, S/D #1, PLAT OF VALPARAISO REALTY COMPANY'S PINECREST ADDITION TO VALPARAISO, AS RECORDED IN PLAT BOOK 1, PAGE 55, OF THE PUBLIC RECORDS OF OKALOOSA COUNTY, FLORIDA; PROCEED NORTH 16 FEET AND WEST 8 FEET TO THE POINT OF BEGINNING; THENCE NORTH 451.8 FEET ALONGTHE WEST LINE OF REDWOOD AVENUE (BEING ON AN 8 FOOT STAT ROAD DEPT. WIDENING) TO THE SOUTH LINE OF THE C.J. KING, JR. PROPERTY DEED BY RUCKEL PROPERTIES, INC. ON DECEMBER 13, 1965, THENCE WEST 142 FEET ALONG THE C.J. KING, JR. LINE, THENCE SOUTH 451.8 FEET; MORE OR LESS TO THE NORTH LINE OF 27TH STREET (BEING A 16 FOOT STATE ROAD DEPT. WIDENING) THENCE EAST 142.0 FEET TO THE POINT OF BEGINNING, ALL LYING WITHIN BLOCK 42, S/D #1 PINECREST AND INCLUDING ALL OF LOTS 2 THROUGH 9 (AFTER THE STATE ROAD WIDENING) AND THE MAJOR PORTION OF LOT 1.

PARCEL B:

BEGINNING AT THE SE CORNER OF BLOCK 42, S/D #1, VALPARAISO REALTY COMPANY PINECREST TO VALPARAISO, AS RECORDED IN PLAT BOOK 1, PAGE 55, PUBLIC RECORDS OF OKALOOSA COUNTY, FLORIDA, PROCEED NORTH 16 FEET AND WEST 8 FEET TO THE SE CORNER OF BLOCK 42 (AFTER STATE ROAD DEPT. WIDENING) THENCE NORTH 451.8 FEET ALONG THE WEST LINE OF REDWOOD AVENUE (BEING AN 8 FOOT STATE ROAD DEPT. WIDENING) TO THE SOUTH LINE OF THE C.J.KING, JR. PROPERTY DEEDED BY RUCKEL PROPERTIES, INC. DEEDED ON DECEMBER 13, 1965; THENCE CONTINUE WEST 142 FEET ALONG THE C.J. KING, JR. LINE FOR THE POINT OF BEGINNING; THENCE SOUTH 453.7 FEET TO THE NORTH LINE OF 27TH STREET (BEING ON A 16 FOOT STATE ROAD DEPT. WIDENING) THENCE WEST 150 FEET TO THE SW CORNER OF LOT 10 (AFTER STATE ROAD WIDENING) THENCE NORTH 476.02 FEET TO THE NW CORNER OF LOT 18; THENCE SOUTH 85 DEGREES 50 SECONDS EAST 143.67 FEET TO THE WEST PROPERTY LINE OF C.J. KING, JR; THENCE 12.6 FEET TO AN IRON PIPE MARKING THE SW CORNER OF C.J. KING, JR. PROPERTY; THENCE EAST 6.7 FEET TO THE POINT OF BEGINNING, MORE PARTICULARLY DESCRIBED AS FOLLOWS: ALL BEING WITHIN BLOCK 42, S/D #1 VALPARAISO REALTY COMPANY'S PINECREST ADDITION TO VALPARAISO AND INCLUDING ALL OF LOTS 10 THROUGH 18 (AFTER STATE ROAD DEPT. WIDENING) AND EXCEPT THE EXTREME NE CORNER OF LOT 18, LESS THE EARLY CEMETERY ENCROACHMENT DESCRIBED AS FOLLOWS: BEGINNING AT THE SW CORNER OF BLOCK 42, S/D #1 PLAT OF VALPARAISO REALTY COMPANY'S PINECREST ADDITION TO VALPARAISO, AS RECORDED IN PLAT BOOK 1, PAGE 55, PROCEED NORTH 16.0 FEET TO THE PRESENT NORTH RIGHT

OF WAY OF 27TH STREET; THENCE CONTINUE NORTH ALONG THE EAST SIDE OF QUINCE STREET 328.2 FEET TO THE POINT OF BEGINNING OF THE LAND HEREIN DESCRIBED; THENCE SONTINUE NORTH 115.7 FEET; THENCE SOUTH 82 DEGREES 27 SECONDS EAST 18.5 FEET; THENCE SOUTH 9 DEGREES 16 SECONDS WEST 14.8 FEET OT THE POINT OF BEGINNING

AND

PROPERTY EAST OF REDWOOD AVENUE:
LOTS 3 THROUGH 16, BLOCK 43, SUBDIVISION NUMBER 1, PINE CREST ADDITION TO VALPARISO AS RECORDED IN PLAT BOOK 1, PAGE 55, OF THE PUBLIC RECORDS OF OKALOOSA COUNTY, FLORIDA; LESS AND EXCEPT THE SOUTH 16 FEET OF LOT 9 AND 10 AND THE WEST 8 FEET OF LOTS 10 THROUGH 16.

ARTICLES OF INCORPORATION
OF

ENDICOTT VILLAGE HOMEOWNERS' ASSOCIATION, INC.

The undersigned, acting as incorporator of a not-for-profit corporation organized pursuant to Chapter 617, Florida Statutes, hereby adopts the following Articles of Incorporation:

ARTICLE I. CORPORATE NAME.

The name of this corporation shall be ENDICOTT VILLAGE HOMEOWNERS' ASSOCIATION, INC.

ARTICLE II. PRINCIPAL OFFICE.

The initial principal place of business of this corporation is 109 Mulry Drive, Niceville, FL 32578; and the mailing address is 109 Mulry Drive, Niceville, FL 32578.

ARTICLE III. NATURE OF BUSINESS

This corporation shall be a not-for-profit corporation in accordance with Chapter 617, Florida Statutes, the primary purpose for which will be to own the common areas designated on the following described real property, to wit:

Endicott Village is a proposed subdivision to be recorded in the Public Records of Okaloosa County, Florida, and to provide for the improvement, maintenance, landscaping and deal with other matters relating to the common areas shown on said plat; to affix, levy and collect all charges and assessments made against any lot in Endicott Village or any other property coming under the jurisdiction or authority of this corporation, as provided by the Declarations of Covenants, Conditions, and Restrictions relating thereto as recorded in the Public Records of Okaloosa County, Florida and pursuant to such bylaws as may be established for this corporation; and to otherwise deal to the full extent permitted by law, with any matters relating to the management or control of any property coming under the authority of this corporation.

ARTICLE IV. DIRECTORS

This corporation shall have one director initially. The names and street addresses of the initial members of the Board of directors are:

MICHAEL FLOYD	109 MULRY DRIVE, NICEVILLE, FLORIDA 32578
YVONNA E. FLOYD	109 MULRY DRIVE, NICEVILLE, FLORIDA 32578
MATTHEW R. FLOYD	109 MULRY DRIVE, NICEVILLE, FLORIDA 32578

ARTICLE V. INITIAL REGISTERED AGENT AND OFFICE.

The street address of the initial registered agent office of this corporation shall be located at 4400 Highway 20 East, Suite 313, Niceville, Florida 32578, and the name of the initial registered agent is Darlane Landsberger.

ARTICLE VI. INCORPORATORS.

The name and street address of the incorporator of these articles of incorporation is: Richard S. Johnson, 36008 Emerald Coast Parkway, Suite 301, Destin, Florida 32541.

ARTICLE VII. TERM OF EXISTENCE.

This corporation is to exist perpetually.

ARTICLE VIII. AMENDMENTS.

These Articles of Incorporation may be amended in the manner provided by Florida Law. Every amendment to these Articles shall be approved at a meeting of the Board of Directors, proposed by them to the members and approved at the members' meeting by a majority of the Directors entitled to vote thereon, unless all of the Directors sign a written statement manifesting their intention that a certain amendment of these Articles be made.

ARTICLE X. EFFECTIVE DATE

These Articles of Incorporation shall be effective the 24 day of Jan., 2007.

IN WITNESS WHEREOF, the undersigned authorized agent of Endicott Village HOA, Inc. has hereunto set his hand and seal on this 24 day of January, 2007.

Michael R. Floyd

By: Michael Floyd
Incorporator

STATE OF FLORIDA
COUNTY OF OKALOOSA

The foregoing instrument was acknowledged before me this 24 day of January, 2007, by Michael Floyd who is personally known to me.

(Seal)

Lori M. Meeker
Notary Public-State of Florida
Printed Name: _____
My Commission Expires: _____

LORI M. MEEKER
MY COMMISSION # DD 560854
EXPIRES: September 22, 2010
Bonded Thru Notary Public Underwriters

ACCEPTANCE BY THE REGISTERED AGENT

I, Darlane Landsberger, hereby accept appointment as registered agent for the corporation, and acknowledge my acceptance with my signature below on this the 1 day of April, 2007.

Darlane Landsberger, as Registered Agent
for Endicott Village Homeowners' Association, Inc.

THIS INSTRUMENT PREPARED BY AND RETURN TO:
Richard S. Johnson, P.A.
36008 Emerald Coast Parkway, Ste. 301
Destin, Florida 32541

BYLAWS OF ENDICOTT VILLAGE HOMEOWNERS' ASSOCIATION, INC.

ARTICLE I. NAME AND LOCATION.

The name of the corporation is ENDICOTT VILLAGE HOMEOWNERS' ASSOCIATION, INC., hereinafter referred to as "Association". The principal office of the corporation shall be located at 109 Mulry Drive, Niceville, FL 32578, but meetings of members and directors may be held at such places within the State of Florida as may be designated-by the board of directors.

ARTICLE II. DEFINITIONS.

Section 1. "Association" shall mean and refer to ENDICOTT VILLAGE HOMEOWNERS' ASSOCIATION, INC., a Florida Corporation not for profit, its successors and assigns.

Section 2. "Property" shall mean and refer to that certain real property described in the Declaration of Covenants, Conditions and Restrictions attached hereto and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 3. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the owners in ENDICOTT VILLAGE HOMEOWNERS' ASSOCIATION, INC.

Section 4. "Unit" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the Common Area. Dwelling to be constructed on lot, together with fee simple interest in lot upon which dwelling shall stand.

Section 5. "Dwelling Structure" shall mean ownership of the dwelling constructed on a lot, together with a fee simple interest in the lots upon which the dwelling stands.

Section 6. "Common expense" shall mean all expenses incurred by the association and charged to the owners of all lots on a common basis, including but not limited to, supplies, materials parts, services, utilities maintenance, repairs, replacements, landscaping, insurance, and ad valorem taxes on common areas and other expenses of the association incurred on behalf of all members (as distinguished from individual mortgage payments, real estate taxes, and individual telephone, electricity and other individual expenses billed or charged to the members on an individual or separate basis rather than on a common basis).

Section 7. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any unit which is a part of the properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 8. "Declarant" shall mean and refer to FEMM Enterprises, LLC, its successors and assigns.

Section 9. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions applicable to the Properties recorded in the Office of the Clerk of Circuit Court, Okaloosa County, Florida.

EXHIBIT
C
Blumberg No. 6208

Okaloosa County, Florida.

Section 10. "Member" shall mean and refer to those persons entitled to membership as provided in the Declaration.

Section 11. Quorum. The presence at the meeting of members entitled to cast, or of proxies entitled to cast thirty-three percent (33%) of the votes of the membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote there at shall have the power to adjourn the meeting and another meeting may be called, subject to notice requirement set forth above and the required quorum at such subsequent meeting shall be one-half (1/2) of the required quorum of the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 12. Proxies. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary of the association. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his lot.

ARTICLE III. BOARD OF DIRECTORS; SELECTION; TERM OF OFFICE.

Section 1. Number. The affairs of this association shall be managed by a board of not less three (3), nor more than seven (7) directors who need to be members of the association.

Section 2. Term of Office. The term of the directors shall be for a period of one year or until their successors are elected at the next ensuing meeting of the membership.

Section 3. Removal. Any director may be removed from the Board, with or without cause, by a majority of the members of the association. In the event of death, resignation or removal of a director, his successor shall be selected by the remaining members of the board and shall serve for the unexpired term of his predecessor.

Section 4. Compensation. No director shall receive compensation for any service he may render to the association. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5. Action Taken without a Meeting- The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

ARTICLE IV. NOMINATION AND ELECTION OF DIRECTORS.

Section 1. Nomination. Nominations shall be submitted for consideration in writing at least 60 days prior to the annual meeting at which elections are held. All nominations shall be subject to the Florida Administration Code.

Section 2. Election. Election to the board of directors shall be by secret written ballot. At such elections the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the " Articles of Incorporation". The persons receiving the largest number of votes shall be elected. Elections shall be conducted according to Florida Administrative Code.

ARTICLE V. MEETINGS OF DIRECTORS.

Section 1. Regular Meetings. Regular meetings of the board of directors shall be held as called with 48 hours notice at such place as may be fixed from time to time by resolution of the board.

Section 2. Special Meetings. Special meetings of the board of directors shall be held when called by the president of the association, or by any two directors, after not less than 48 hours notice to each director. The board may waive notice of a meeting, consent to the holding of a meeting without notice, or consent to any action of the board, with majority approval, without a meeting. Meetings may be held by telephone.

Section 3. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the board.

ARTICLE VII. POWERS AND DUTIES OF THE BOARD OF DIRECTORS.

Section 1. Powers. The board of directors shall have power to:

(a) adopt and publish rules and regulations governing the use of the common area facilities and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof;

(b) suspend the voting rights and right to use the recreational facilities of a member during any period in which such member shall be in default in the payment of any assessment levied by the association. Such rights may also be suspended after notice and hearing, for a period not to exceed 60 days for infraction of published rules and regulations.

(c) exercise for the association all powers, duties and authority vested in or delegated to this association and not reserved to membership by other provisions of these By-Laws, the Articles of Incorporation, or the Declaration;

(d) declare the office of a member of the board of directors to be vacant in the event that a director shall be absent from three consecutive regular meetings of the board of directors;

(e) elect officers of the association as hereinafter provided; and

(f) authorize the officers to enter into one or more management agreements with third parties in order to facilitate efficient operation of the property. It shall be the primary purpose of such management agreements to provide for the administration, management, repair and maintenance of the property, all improvements included therein and designated as common areas, and the receipt and disbursement of funds as may be authorized by the board of directors. The terms of said management agreement shall be as determined by the board of directors to be in the best interest of the corporation, and shall be subject in all respects to the Articles of Incorporation and these By-Laws.

Section 2. Duties. It shall be the duty of the board of directors or their assigned representatives to:

(a) cause to be kept a complete record of all its acts and corporate affairs and to present a financial statement thereof to the members at the annual meeting of the members, or at any special meeting when such statement is requested in writing by one-fourth (1/4th) of the

membership who are entitled to vote;

(b) supervise all officers, agents and employees of this association, and to see that their duties are properly performed;

(c) to adopt administrative rules and regulations governing the administration, management, operation and use of the common areas, and to amend such rules and regulations from time to time;

(d) to fix the amount of the annual assessment against each lot at least 30 days in advance of each annual assessment period.

(e) to send written notice of each assessment to every owner subject thereto at least 30 days in advance of each annual assessment period;

(f) if they deem appropriate, to foreclose the lien against any property for which assessments are not paid within 30 days after due date-or to bring an action of law against the owner personally obligated to pay the same;

(g) issue or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

(h) to procure and maintain adequate liability insurance and to procure adequate hazard insurance on all property owned by the association, as the directors deem advisable;

(i) cause all officers or employees having fiscal responsibilities to be bonded as it may deem appropriate;

(j) cause the common area to be maintained;

(k) comply with the instructions of a majority of the members as expressed writing in a resolution duly adopted at any annual or special meeting of the members.

ARTICLE VIII. OFFICERS AND THEIR DUTIES.

Section 1. The officers of this association shall be a President and Vice-President, who shall at all times be members of the Board of Directors and such other officers as the board from time to time may by resolution create.

Section 2. Term. The officers of this association shall be elected annually by the board and each shall hold office for one year unless or until their successors are elected, or shall be removed or otherwise disqualified to serve.

Section 3. Special Appointments. The board may elect such other officers as the affairs of the association may require, each of whom shall hold office for such period, have such authority and perform such duties as the board may, from time to time, determine.

Section 4. Resignation and Removal. Any officer may be removed from office with or without cause by the board. Any officer may resign at any time giving written Notice to the board, the President or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 5. Vacancies. A vacancy in any office may be filled by the board. The officer appointed to such vacancy shall serve For the remainder of the term of the officer he replaces.

Section 6. Multiple Offices. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one or any of the other offices except in the case of special offices created pursuant to Section 4 for this Article.

Section 7. Duties. The duties of the officers are as follows:

(a) President. The president shall preside at all meetings of the board of directors; shall see that orders and resolutions of the board are carried out; shall sign all leases, mortgages, deeds, and other written instruments and may co-sign checks and shall sign all promissory notes.

(b) Vice President. The vice president shall act in the place and stead of the president and in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the board.

(c) Secretary. The secretary shall be responsible for recording votes and keeping the minutes of all meeting and proceedings of the board and of the members; keeping the corporate seal of the association and affix it on all papers requiring said seal; serving notice of meetings of the board and of the members; keeping appropriate current records showing the members of the association together with their addresses, and shall perform such other duties as are required by the board.

(d) Treasurer. The treasurer shall ensure that all monies of the association are received and deposited in appropriate bank accounts and disbursement of such funds is as directed by resolution of the Board of Directors; shall co-sign all promissory notes of the association; ensure proper books of account are kept; and shall ensure that an annual budget and a statement of income and expenditures is prepared to be presented to the membership at its regular annual meeting, and copy is delivered to each of the members.

ARTICLE IX. COMMITTEES.

Section 1. The board of directors shall appoint an Architectural Review Committee as provided in the Declaration. In addition, the board of directors may appoint other committees as deemed appropriate in carrying out its purposes, such as:

(a) A maintenance committee which shall advise the board of directors on all matters pertaining to the maintenance, repair or improvement of the common property, and shall perform such other functions as the board in its discretion determines.

(b) A communication committee which shall inform the members of all activities and functions of the association and shall after consulting with the board of directors, make such public releases and announcements as are in the best interest of the association; and

(c) A finance committee which shall supervise any annual audit of the association's books and approve the annual budget and statement of income and expenditures to be presented to the membership at its regular annual meeting as provided in Article VII, Section 8(4). The treasurer of the association shall be an ex officio member of the committee.

Section 2. It shall be the duty of each committee to receive complaints from members on any matter involving association functions, duties and activities within its field of responsibility. It shall dispose of such complaints as it deems appropriate or refer to such other committee, director or officer of the association as is further concerned with the matter presented.

ARTICLE X. BOOKS AND RECORDS; SALES.

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 of Incorporation and the By-Laws of the Association as they may be amended from time to time, as well as the management agreements, shall be available for inspection by any member at the principal office of the association, or if the association maintains no office, then at such place as such records may be kept. Copies may be purchased at reasonable cost.

ARTICLE XI. ASSESSMENTS.

As more fully provided in the Declaration, each member is obligated to pay to the association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear a $25.00 late fee, and the association may bring an action at law against the owner personally obligated to pay the same or foreclose the lien against the owner's lot and dwelling, and interest, costs and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the common area or abandonment of his lot.

ARTICLE XII. CORPORATE SEAL.

The association shall have a seal in circular form having within its circumference the words: The ENDICOTT VILLAGE HOMEOWNERS' ASSOCIATION, INC., a corporation not for profit, State of Florida.

ARTICLE XIII. AMENDMENTS.

Section 1. These By-Laws may be amended, at a regular or special meeting of the members, by a vote of a majority of all members present in person or by proxy. Notice of such meeting shall contain a draft of proposed amendments to be voted upon at the meeting.

Section 2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control, and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

ARTICLE XIV. WETLAND PROTECTION.

The association shall comply with all applicable Federal and State statutes and applicable rules, and regulations promulgated by any government agency having competent jurisdiction, controlling or regulating any assess within the property officially designated as wetlands effective the date of recording, the Declaration, and the expense of compliance, including without limitation actions taken by the association to determine applicability of any statute, rule, or regulation or to obtain compliance by others, shall be a common expense of the Association payable by assessments. Nothing in this section shall be construed to render effective against the Association, Declarant, or any Lot owner, any statute, rule, or regulation not so effective independent of this section, or to be a waiver of any vested or grandfathered status, and any contrary intent is expressly disclaimed.

ARTICLE XV. MISCELLANEOUS.

The fiscal year of the association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of

incorporation. Invalidation of any of these By-Laws by judgment, court order, and legislative enactment will in no way serve to invalidate any other articles, or section (severability).

IN WITNESS WHEREOF, we, being all of the **Directors** of ENDICOTT VILLAGE HOMEOWNERS' ASSOCIATION, Inc., have hereunto set our hands this 24 day of January, 2006.

Michael Floyd, **Director**

Yvonna E. Floyd, **Director**

Matthew R. Floyd, **Director**

STATE OF FLORIDA
COUNTY OF OKALOOSA

Before me personally appeared Michael Floyd, Yvonna E. Floyd, and Matthew R. Floyd, to me well known, and know to me to be the individuals described in and who executed the foregoing instrument as **Directors** of the above named Endicott Village Homeowners' Association, and severally acknowledged to and before me that they executed such instrument as Michael Floyd, Yvonna Floyd, Matthew Floyd respectively, of said Association and the seal affixed to the foregoing instrument is the Association seal of said association and that it was affixed to said instrument by due and regular authority, and that said instrument is the free act and deed of said association.

WITNESS my hand and official seal this 24 day of January, A.D., 2006.

Lori M. Meeker

LORI M. MEEKER
MY COMMISSION # DD 560854
EXPIRES: September 22, 2010
Bonded Thru Notary Public Underwriters