

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR

VILLA D'ESTE

THIS DECLARATION, is made this 2nd of May, 2002 by Villa D'Este, LLC, a Florida limited liability company, hereinafter referred to as "Declarant" or "Developer."

WITNESSETH:

WHEREAS, Declarant is the Owner of certain real property located in Lee County, Florida, which is more particularly described in "Exhibit A" attached hereto, and Declarant desires to create a residential community on platted Lots which shall contain single family residences, known as Villa D'Este, and

WHEREAS, Declarant wishes to provide for the preservation and maintenance of the appearance, values and amenities of Villa D'Este and to this end, desires to subject the real property described in Exhibit "A" to the terms, conditions, rights and obligations of this Declaration of Covenants, Conditions and Restrictions for Villa D'Este, herein called the "Declaration" and Declarant has created a non-profit membership corporation, Villa D'Este Homeowner's Association, Inc., herein called the "Association" to be given the power and duty of maintaining and administering the Common Areas and enforcing this Declaration.

NOW, THEREFORE, Declarant hereby declares that all of the properties in Exhibit "A" shall be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with, the real property and be binding on all parties having any right, title or interest in the Properties (as hereinafter defined) or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of such Owner thereof.

Plan of Development

Villa D'Este, is located within a Planned Unit Development project known as Palmira Golf and Country Club ("Palmira"). All of the property located in Palmira Golf and Country Club is subject to certain restrictions and regulations as provided in the Declaration of Protective Covenants, Restrictions and Easements for Palmira Golf and Country Club recorded in O.R. Book 3394, Page 609 of the Public Records of Lee County, Florida, as may be amended from time to time, herein referred to as the "Master Declaration".

The Master Declaration was created by Master Declarant, the developer of Palmira, to provide for the preservation and maintenance of the appearance, value and amenities of Palmira. The Master Declaration provides for separately developed residential, recreational and commercial areas. These areas are governed by the Palmira Golf and Country Club Master Homeowner's Association, Inc. (the "Master Association"). Lot Owners in Villa D'Este are obligated to pay assessments to the Master Association for the operation of the Master Association and maintenance, replacement, and repair of the common areas and recreation

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facilities located in Palmira Golf and Country Club provided, however, such obligation does not include the Golf Club or Golf Club Facilities (as those terms are defined in the Master Declaration) which are governed by the Golf Club Owner. The property is also subject to the Parklands West Community Development District (the "CDD") and Owners in Villa D'Este are obligated to pay assessments to the CDD.

ARTICLE I

DEFINITIONS

1.1 "Assessments" shall mean Annual Assessments and/or Special Assessments for Common Expenses provided for herein or by any subsequent amendment which shall be used for the purposes of promoting the recreation, common benefit and enjoyment of the Owners and Occupants of Villa D'Este and of maintaining the Properties or Common Areas within Villa D'Este, all as may be specifically authorized from time to time by the Board of Directors of the Villa D'Este Homeowner's Association or the Master Association.

1.2 "Association" shall mean and refer to the Villa D'Este Homeowner's Association, Inc., its successors and assigns.

1.3 "Board of Directors" or "Board" shall mean and refer to the representative body, which is responsible for the administration of the Association.

1.4 "Common Areas" shall mean all real property to be owned by the Association for the common use and enjoyment of the Owners, their agents, assigns, employees and invitees. The Common Areas include all land, which is subject to the Declaration less and excepting the platted Lots which have been reserved by Developer for sale to Owners. The Common Areas shall be deeded by Developer to the Association as hereafter provided. The Common Areas expressly exclude roadways (as defined in the Master Declaration) and entry features of the Property.

1.5 "Common Expenses" shall mean the expenses Owners are liable to the Association for costs and expenses incurred by the Association and administering, operating, reconstructing, maintaining, financing, repairing, replacing or improving the Common Areas or any portion thereof, all costs and expenses incurred by the Association in carrying out its powers and duties pursuant to this Declaration, and all assessments due the Master Association.

1.6 "Developer" shall mean and refer to Villa D'Este, LLC, a Florida limited liability company, its successors and assigns. It shall not include any person or entity who purchases a Lot from Villa D'Este, LLC unless such purchaser is specifically assigned some or all rights of Developer by a separate recorded instrument.

1.7 "Dwelling" shall mean and refer to a single family residence and ancillary structures such as garages, decks, swimming pools, screen enclosures and outbuildings.

1.8 “Guest” means any person who is physically present in, or occupies a lot at the invitation of the Owner without the payment or consideration of rent.

1.9 “Institutional Mortgagee” shall mean and refer to the holder of the first mortgage against a Lot which holder is a bank, saving and loan association, real estate or mortgage investment trust, pension or profit sharing trust, the Federal Housing Administration, the Veterans Administration or any agency of the United States of America, and their successors and assigns, or any entity recognized in the community as an institutional leader. The mortgage may be placed through and closed in the name of a mortgage broker.

1.10 “Lease” means the grant by a Lot Owner of a temporary right of use of the Owner’s Lot for valuable consideration.

1.11 “Lot” shall mean a platted residential Lot as shown on the Plat of Villa D’Este, to be recorded in the Public Records of Lee County, Florida.

1.12 “Master Association” shall mean and refer to Palmira Golf and Country Club Master Homeowner’s Association, Inc., a Florida not-for-profit corporation

1.13 “Member” shall mean and refer to all Owners who are members of the Association.

1.14 “Occupant” when used in connection with a Lot, means any person who is physically present on a Lot on two (2) or more consecutive days, including staying overnight.

1.15 “Owner or Lot Owner” shall mean and refer to the record Owner, whether one or more persons or entities, of the fee simple title to any Lot situated upon the Properties, but shall not mean or refer to any mortgagee unless and until any such mortgagee has acquired title pursuant to foreclosure or any proceeding in lieu of foreclosure.

1.16 “Primary Occupant” shall mean the natural person approved for occupancy when title to the Lot is held in the name of a trustee or a corporation or other entity which is not a natural person.

1.17 “Properties” or “Property” shall mean and refer to that certain real property described in “Exhibit A”, known as Villa D’Este and such additions thereto as may hereafter be brought within the jurisdiction of the Association and submitted to this Declaration.

1.18 “Single Family” shall mean a family unit comprised of the Owner, spouse, children, parents, brothers, sisters, grandchildren and other persons permanently cohabiting with the Owner as or together with the Owner as a primary occupant.

1.19 “Surface Water Management System” shall have the same meaning as set forth in the Master Declaration.

Capitalized terms not otherwise defined herein shall have the same meaning as set forth in the Master Declaration.

ARTICLE II

PROPERTY RIGHTS

2.1 Every Owner shall have a right and easement of enjoyment in and to the Common Areas which right and easement of enjoyment shall be appurtenant to and shall pass with title to every Lot subject to the following provisions:

A. The right of the Association to charge all Owners reasonable fees for the upkeep, maintenance and repair of the Common Areas, equipment or structures situated upon the Common Areas.

B. The right of the Association to dedicate, transfer or grant an easement or property rights to all or any part of the Common Areas to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Members.

C. The right of the Board to promulgate, modify, amend and enforce reasonable rules and regulations relating to the use and enjoyment of the Common Areas.

D. Ownership of each Lot shall entitle the Owner or Owners thereof to an easement over any portion of their driveway located beyond their Lot line.

E. Utility easements are hereby reserved throughout the Properties as may be required to adequately serve the Properties.

F. Easements for ingress and egress and right-of-way are reserved for pedestrian traffic over, through, on and across all Common Areas and upon all sidewalks, paths and walkways, as the same from time to time exist upon the Common Area, and for vehicular traffic over, through and across such portions of the Common Areas as from time to time may be installed for such purposes.

G. There shall be an easement for encroachment in favor of the Developer, Owners and the Association where any portion of the Common Areas encroaches upon any portion of the Properties or any Lot therein.

H. There shall be an easement in favor of the Developer and Association as may be required for the construction or maintenance of any improvements in the Properties.

2.2 Any Owner may delegate, in accordance with and subject to the By-Laws and this Declaration, his right of enjoyment to the Common Areas and facilities to the members of his family, his tenants, invitees or contract purchasers who reside on the Property.

2.3 The Developer shall not be required to convey the legal and equitable title and ownership to the Common Areas or any part thereof until the time the Developer no longer owns any Lot in the Properties. Developer may convey title, and the Association shall accept title, at any time prior to the Developer's conveyance of the last Lot owned by the Developer, at Developer's sole option.

2.4 There shall be no judicial partition of the Common Areas, nor shall any Owner or any other person acquiring any interest in the Properties, or any part thereof, seek judicial partition thereof.

2.5 Within the easements for installation and maintenance of utilities and any drainage facilities, no structure, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities, or which may damage, interfere with, or change the direction of flow of drainage facilities in the easements.

2.6 The Master Association shall be granted those applicable access rights, easement rights and other such rights as are set forth in the Master Declaration.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

3.1 Every person or entity who is a record fee simple Owner of a Lot, including Developer at all times so long as it owns all or any part of the Property, shall be a Member of the Association provided, however, that any such person or entity who holds such interest only as security for the performance of an obligation shall not be a Member. If any such Owner is not a natural person, the subject entity shall designate a natural person who shall be the Primary Occupant and such natural person shall exercise the Lot's membership rights. Membership shall be appurtenant to, and may not be separated from ownership of any Lot which is subject to assessment. When any Lot is owner of record by two or more persons or other legal entity, all such persons or entities shall be Members.

3.2 The Members of the Association shall be entitled to one (1) vote for each Lot owned by them. The total votes shall not exceed the total number of Lots. The vote of a Lot shall not be divisible. If a Lot is owned by one natural person, his right to vote shall be established by the record title to that Lot. If a Lot is owned jointly by two or more natural persons, that Lot's vote may be cast by any Owner present at the meeting at which the vote is taken. If two or more Owners of a Lot are present and cannot agree among themselves how their one vote shall be cast, that vote shall not be counted for any purpose. If the Owner of a Lot is not a natural person, the vote of that Lot shall be cast by the Lot's Primary Occupant designated as set forth above.

3.3 In matters pertaining to the Master Association and as more fully provided in the Master Declaration, the Board shall comply with the terms of the Master Declaration and the Association By-Laws regarding the voting procedures at all member meetings of the Master

Association and for voting on behalf of the Association the number of votes as provided in the said Master Declaration.

ARTICLE IV

COVENANTS FOR MAINTENANCE ASSESSMENT

4.1 Subject to the provisions of Article IV, Section 4.12 herein, the Developer, for each Lot owned by it within the Properties, hereby covenants and agrees, and each Owner of any Lot (by acceptance of a deed therefore, whether or not it shall be so expressed in any such deed or other conveyance) including any purchaser at a judicial sale, shall hereafter be deemed to covenant and agree to pay to the Association an annual assessment (based on a calendar year) ("Annual Assessment"), and any special assessments ("Special Assessment") to be fixed, established and collected from time to time as hereinafter provided. All such Assessments, together with interest thereon from thirty (30) days after the due date at the highest rate as allowed by law, costs of collection and reasonable attorneys' fees, shall be a charge on the land and shall be a continuing lien upon the Lot(s) against which each such Assessment is made, and shall also be the personal obligation of the Owner. No Owner may waive or otherwise escape liability for the Assessments provided for herein by non-use of the Common Areas or by abandonment, or otherwise. The Association shall collect all Assessments and other sums due the Master Association and shall remit such Assessments to the Master Association pursuant to such procedures as may be adopted by the Master Association. If required by the Master Association, Assessments due the Master Association by the Association shall be a common expense of the Association.

4.2 The Annual Assessments and Special assessments levied by the Association shall be collected by the Board and shall be used exclusively for the purpose of promoting the health, safety and welfare of the residents in the Properties including but not limited to the following:

A. Improvements, maintenance and repair of the Common Areas, including but not limited to the cost of maintaining:

- a. Parking areas and sidewalks, to the extent that such improvements are a part of the Common Areas;
- b. Landscaped areas including lawns, shrubs, trees and other planting located on Common Areas;
- c. Equipment and facilities owned by or acquired by the Association located on the Common Areas or recreation areas, if any;
- d. Walls, fences, signs, or fountains located on the Common Areas;
- e. Maintenance and repair of all storm drains, drainage courses, drainage easements, sprinkler systems in the Common Areas, buffer areas and utility easements;

f. Painting of fences, walls or entry gates that are part of or appurtenant to improvements constructed on the Common Areas;

g. Electrical lighting, and other necessary utility services for the Common Areas and non-potable water to service the sprinkler system in the Common Areas;

B. Hiring professional advisors, management companies and payment of management fees and charges;

C. Fire insurance covering the full insurable replacement value of the Common Areas with extended coverage;

D. Liability insurance insuring the Association against any and all liability to the public, to any Owner, or to the invitees, or tenants of any Owner arising out of their occupation and/or use of the Common Areas. The policy limits shall be set by the Association, and shall be reviewed at least annually and increased or decreased in the discretion of the Association;

E. Worker's compensation insurance to the extent necessary to comply with the Florida Statutes, and any other insurance deemed necessary by the Board;

F. Acquisition of equipment for the Common Areas as may be determined by the Board or Association, including without limitation, all equipment and personnel necessary or proper for use of maintenance of the Common Areas;

G. Any other materials, supplies, equipment, labor, management, supervision, services, personnel, repairs, structural alternations, insurance, taxes or assessments which the Association is required to secure or pay pursuant to the terms of this Declaration or by law, or which shall be necessary or proper in the opinion of the Board for the operation of the Common Areas, for the benefit of the Owners, or for the enforcement of these restrictions;

H. Establishment of reserve accounts for capital expenditures and deferred maintenance for the Common Areas;

I. Payment of real property taxes, personal property taxes and other assessments levied against the Common Areas;

J. Uniform maintenance of the Lots, as determined by the Board of Directors.

4.3 All regular and special assessments for items pertaining to the Common Areas shall be at a uniform rate for each Lot in the Properties, except as set forth in Sections 4.12 and 5.3 below.

4.4 In addition to the Annual Assessments, the Association may levy in any assessment year a Special Assessment applicable to that year only, for reconstruction, unexpected repair or replacement of a capital improvement as approved by the Board, including

the necessary fixtures and personal property related thereto, or for any other expenditure approved by the Board.

4.5 The Annual Assessment for which provision is herein made shall be paid quarterly, in advance. The first annual assessment shall be adjusted according to the number of months remaining in the fiscal year.

4.6 The Association shall collect all assessments and other sums due the Master Association if required of it by the Master Association. The Association shall remit the assessments to the Master Association pursuant to such procedures as may be adopted by the Master Association.

4.7 The Board shall fix the date of commencement, and the amount of the assessments against each Lot for each assessment at least thirty (30) days in advance of such date or period and shall, at that time, prepare a roster of the Lot Owners and assessments applicable thereto which shall be open to inspection by any Member. Not later fourteen (14) days after fixing the date of commencement and amount of assessments, the Association shall notify Lot Owners at the address as shown on the current roster of members, which notice shall be conclusive as to delivery to Lot Owners. The Association shall, on demand, and for a reasonable charge, furnish to any Owner liable for the assessment a certificate in writing signed by an officer of the Association, setting forth whether the assessment has been paid.

4.8 If any assessment is not paid within thirty (30) days from its due date as determined by the Board pursuant to this Declaration, the Association may, at any time thereafter, record a lien against said Lot in the Public Records of Lee County, Florida, and bring an action to foreclose the lien in a like manner as a foreclosure of a mortgage on real property and/or a suit on the personal obligation against the Owner(s), and there shall be added to the amount of such assessment the cost of any such action (including a reasonable attorney's fee), and in the event a judgment is obtained, such judgment shall include interest on the assessment as above provided and a reasonable attorneys' fee to be fixed by the Court, together with costs of the action.

4.9 Liens for delinquent assessments shall be recorded in the Public Records of Lee County, Florida, and shall be prior to and superior to the creation of any homestead status on the property and any subsequently recorded liens or encumbrances.

4.10 The lien of the assessment for which provision is herein made as well as in any other Article of this Declaration shall be subordinate to the lien of any first mortgage to an Institutional Mortgagee unless the claim of lien is recorded prior to the mortgage. Such subordination shall apply only to the assessments which have become due and payable prior to a sale or transfer of such Lot(s) pursuant to a decree of foreclosure, and in any other proceeding in lieu of foreclosure and shall relieve any Lot(s) neither from liability for any assessments thereafter becoming due, nor from the lien of any subsequent assessment.

4.11 The following property subject to this Declaration shall be exempted from the assessments charges and liens created herein:

A. All properties to the extent of any easement or other interest therein dedicated and accepted by Lee County and devoted to public use.

B. All Common Areas as defined in Article 1, Section 1.4.

4.12 Notwithstanding any provision of this Declaration or the Association's Articles or By-Laws to the contrary, the Developer shall not be obligated for, nor subject to, any annual assessment for any Lot which it may own, provided the Developer shall be responsible for paying the difference between the Association's expenses of operation otherwise to be funded by annual assessments and the amount received from Owners, other than the Developer, in payment of the annual assessment levied against their respective Lots. Such difference, herein called the "deficiency", shall not include any reserve for replacements, operating reserves, depreciation reserves, capital expenditures or special assessments. The Developer shall not be responsible for any of said reserves.

The Developer may at any time give sixty (60) days written notice to the Association of its intention to terminate its responsibility for the deficiency, and waiving its right to exclusion from annual assessments. Upon the conclusion of the sixty (60) day period, each Lot owned by the Developer shall thereafter be assessed at twenty-five percent (25%) of the annual assessment established for Lots owned by members other than the Developer. Upon transfer of title of a Lot owned by the Developer, the Lot shall be assessed in the amount established for Lots owned by Owners other than the Developer, prorated as of, and commencing with the date of transfer of title.

ARTICLE V

MAINTENANCE OF LOTS

5.1 In addition to maintenance of the Common Areas, the Lot Owners shall be assessed by the Association for the maintenance of the lawn and landscaping on their Lots. The exterior regular maintenance assessments shall be considered apart of the annual or special assessments and shall be a lien on each Lot and the personal obligation of the Owner and shall become due and payable in all respects together with interest, reasonable attorneys' fees and costs of collection in the same manner and under the same conditions as provided for the other assessments of the Association. Also included in the assessments of the Association shall be assessments for minor repair and maintenance of driveways on each Lot from each residence to the roadway providing access to such residence.

5.2 Lot Owners shall be responsible for the exterior cleaning, painting and general maintenance of their residence, as well as maintenance of the interior of their residence, and any maintenance responsibility not the responsibility of the Association as such responsibility is described in Section 5.1 above. This shall include responsibility for maintenance of the swimming pool, if any, on their Lot and any pool enclosures, decks, patios, courtyard gardens and walkways. Lot Owners shall also be responsible for all maintenance of

their residence, including, but not limited to roof replacement, replacement of damaged or destroyed portions of their residence, broken glass or torn screens. Lot Owners shall also be responsible for non-routine or extraordinary maintenance, repair or replacement of their driveway from their residence to the roadway providing access to such residence. All exterior painting performed by an Owner must be in compliance with and approved by the Architectural Review Board.

5.3 In addition to maintenance of the Common Areas, the Association may provide upon any Lot or residence requiring same, when necessary in the opinion of the Board of Directors, to preserve the beauty, quality and value of the neighborhood, any maintenance, repair or replacement that is otherwise the responsibility of the Lot Owner as described in Section 5.2 herein, if the Lot Owner fails to replace, restore, repair or perform the required maintenance after ten (10) days written notice to the Owner of any such Lot of the need of such replacement, restoration, repair or maintenance.

The cost of such maintenance shall be assessed against the Lot upon which such maintenance is performed, or, at the option of the Board of Directors, against the Lot or Lots benefiting from the maintenance. The assessment shall be apportioned among the Lots involved in the manner determined to be appropriate by the Board. Any such maintenance assessments shall not be considered a part of the annual or special assessment. Any such maintenance assessment shall be a lien on the Lots affected and the personal obligation of the Owners and shall become due and payable in all respects, together with interest, reasonable attorneys fee, and cost of collection, in the same manner and under the same conditions as provided for the other assessments of the Association.

5.4 In the event that any of the improvements located on any Lot are destroyed or damaged as a result of any cause, including, but not limited to aging, fire, windstorm, flood or tornado, the Owner of such improvements shall cause repair or replacement of such improvements to be commenced within thirty (30) days from the date of insurance settlement, and to complete the repair or replacement within six (6) months thereafter.

All such repairs or replacement must be performed in accordance with standards promulgated pursuant to Article VI below.

5.5 In the event that the Owner of any Lot fails to commence or complete construction to repair or replace any damaged or destroyed improvements within the time periods provided for herein, then in that event, the Association shall be deemed to have been granted the right by the Owner to commence and/or complete the repairs sufficient to substantially restore the improvements to their original condition, according to the plans and specifications of the original improvements.

5.6 In the event that the Association exercises the rights afforded to it in this section, the Owner of the subject Lot shall be deemed to have assigned to the Association any right the Owner may have to insurance proceeds that may be available to the Owner arising from the damage or destruction of the improvements.

For this purpose, the Owners of the Lots agree to provide for the Association to be named as an additional insured under any hazard and flood insurance policies relating to their Lots and the improvements constructed thereon. Further, the Association may require that all such policies be in an amount sufficient to finance the repair or replacement of the improvements provided for above, taking into account local construction costs and property values as they may, from time to time, exist. In the event that an Owner refuses to increase such insurance coverage deemed reasonably necessary to replace the residence by the Association, or if the Owner allows the required insurance coverage to lapse, or for some other reason, causes the same to become null and void, the Association may purchase whatever coverage it deems reasonably necessary for the Association's benefit. The costs so incurred by the Association shall become due and payable in all respects, together with interest, reasonable attorneys' fees and cost of collection, as provided for in connection with and under the same terms and conditions as the other assessment of the Association.

5.7 Any and all costs incurred by the Association in effectuating the repair or replacement of damaged or destroyed improvements shall become due and payable in all respects, together with interest, reasonable attorneys' fees and costs of collection, as provided for in connection with and under the same terms and conditions as other assessments of the Association.

ARTICLE VI

ARCHITECTURAL CONTROL AND RECONSTRUCTION

6.1 No improvement, addition or deletion of structure of any kind, including without limitation, any building, fence, wall, screen enclosure, awning, drain or other improvement shall be commenced, erected, placed or maintained upon any Lot, nor shall any addition, change, alteration, repair or replacement therein or thereof be made, unless and until the plans, specifications and location of the same shall have been submitted to, and approved in writing by the Master Association pursuant to the procedures established by the Master Declaration so long as the Master Association elects to exercise this right. If the Master Association no longer exercises this right, the Association shall exercise these functions as more fully provided in the guidelines set forth below. All plans and specifications shall be evaluated as to harmony of external design and location in relation to surrounding structures and topography.

6.2 At such time as the Master Association declines or fails to exercise architectural review rights, the architectural review and control functions of the Association shall be administered and performed by the Architectural Review Board (the ARB), which shall consist of at least three (3) members, who need not be Members of the Association. The Developer shall have the right to appoint all of the members of the ARB, or such lesser number as it may choose, as long as it owns at least one Lot in the Properties. Members of the ARB as to whom Developer may relinquish the right to appoint and all members of the ARB after Developer no longer owns at least one Lot in the Properties shall be appointed by and shall serve at the pleasure of the Board of Directors of the Association. A majority of the ARB shall constitute a quorum to

transact business at any meeting of the ARB, and the action of a majority present at a meeting in which a quorum is present shall constitute the action of the ARB.

6.3 Any vacancy occurring on the ARB because of death, resignation, or other termination of service of any member thereof, shall be filled by the Board of Directors, except that Developer, to the exclusion of the Board, shall fill any vacancy created by the death, resignation, removal or other termination of services of any member of the ARB appointed by Developer, so long as the Developer retains title to at least one Lot in the Properties.

6.4 If the Master Association declines or fails to exercise architectural review rights, the ARB shall have the following powers and duties:

A. To recommend, from time to time, to the Board of Directors of the Association the creation of or modification and/or amendment of any architectural planning criteria promulgated by the Board. Any architectural planning criteria or modifications or amendment thereto shall be consistent with the provisions of this Declaration and the Master Declaration, and shall not be effective until adopted by a majority of the members of the Board of Directors of the Association at a meeting duly called and noticed and at which a quorum is present. Notice of the adoption, modification or amendment to the architectural planning criteria, including a copy of such adoption, change or modification, shall be delivered to each Member of the Association; provided that, the delivery to each Member of the Association of notice and a copy of any adoption of or modification or amendment to the architectural planning criteria shall not constitute a condition precedent to the effectiveness or validity to such change or modification;

B. To require submission to the ARB of two complete sets of all plans and specifications for any improvement or structure of any kind, including without limitation, any building, fence, wall, swimming pool, enclosure, sewer, drain, decorative building, landscape device, object or other improvement, the construction or placement of which is proposed upon any Lot in the Properties. The ARB may require such additional information as may reasonably be necessary for the ARB to completely evaluate the proposed structure or improvement in accordance with the Declaration and the architectural planning criteria;

C. To approve or disapprove any improvement or structure of any kind, including without limitation, any building, fence, wall, swimming pool, screen enclosure, drain or other improvement or change or modification thereto, the construction, erection, performance or placement of which is proposed upon any Lot in the Properties, and which is visible from the outside of any Lot. All decisions of the ARB shall be submitted in writing to the Board of Directors of the Association and evidence thereof may be made by a certificate, in recordable form, executed under seal by any officer of the Association. Any party aggrieved by a decision of the ARB shall have the right to make a written request to the Board of Directors of the Association within thirty (30) days of such decision for a review thereof. The determination of the Board upon reviewing any such decision shall in all events be dispositive; and

D. To adopt a schedule of reasonable fees for processing requests for the ARB approval of proposed improvements. Such fees, if any, shall be payable to the Association in cash, at the time that plans and specifications are submitted to the ARB.

ARTICLE VII

USE RESTRICTIONS

In addition to any restrictions imposed upon the Property by the Master Association as provided in the Master Declaration, the use of the Lots shall be in accordance with the following provisions:

7.1 The Property may be used for single-family residential living and for no other purpose. No trade, business, profession or other type of commercial activity may be conducted on any part thereof.

7.2 No tents, trailers, shacks, tanks or temporary or accessory buildings or structures shall be erected or permitted to remain on any Lot or the Common Areas without the written consent of the Developer or of the Association after Developer has conveyed the last Lot which Developer owns in the Property.

7.3 No aerial, antenna, antenna poles, antenna masts, citizen band or amateur band antennas, or satellite dish shall be placed or erected upon any Lot, or affixed in any manner to the exterior of any building in the Property, without the prior written consent of the ARB.

7.4 No boats, trucks, commercial vehicles, trailers, recreational vehicles or other motor vehicles, except four-wheel passenger automobiles, sport utility vehicles or vans, as determined by the Board, shall be placed, parked or stored upon any Lot (except in the garage) or in the Common Areas for a period of more than eight (8) hours unless such vehicle is necessary in the actual construction or repair of a structure or for ground maintenance, nor shall any maintenance or repair be performed upon any boat or motor vehicle not owned or controlled by the Association or the Developer in the properties, except within a building where totally isolated from public view. All garage doors must remain closed except upon entering or exiting the garage.

7.5 All areas not covered by structures, walkways, or paved parking facilities shall be maintained as a lawn or landscape areas with underground sprinkler systems to the pavement edge of any abutting streets and to the waterline of any abutting lakes or water management areas. No stones, gravel or paving of any types shall be used as a lawn.

7.6 Nothing shall be done or maintained on any Lot, or the Common Areas which may be or become unsightly or a nuisance to Villa D'Este. In the event of a dispute or question as to what may be or become unsightly or a nuisance, such dispute or question shall be submitted in writing to the Board whose decision shall be dispositive of such dispute or question.

7.7 No sign of any kind shall be displayed to public view on any Lot or Common Area, except a sign identifying Villa D'Este, traffic control signs, or except as placed by the Developer or approved by the ARB. After Developer no longer owns any portion of the Properties, Lot Owners may maintain only those "For Sale" signs, which meet the approval of the Master Association guidelines.

7.8 No weeds, underbrush or other unsightly growth shall be permitted to grow or remain upon any Lot and no refuse or unsightly object shall be placed or allowed to remain on any Lot. Any property, structure, improvements and appurtenances shall be kept in a safe, clean, orderly and attractive condition and all structures shall be maintained in a finished, painted and attractive condition. All lawns, landscaping and sprinkler systems shall be installed and maintained in a neat and orderly condition.

7.9 The sale, rental or other disposition of Lots in the Property is essential to the establishment and welfare of the Properties as an on-going residential community. In order that the development of the Properties be completed and the Property established as a fully occupied residential community as soon as possible, nothing in this Declaration shall be understood or construed to prevent the Developer, Developer's transferees or employees, agents and assigns, contractor or subcontractors of Developer, or of Developer's transferees, from doing whatever they may determine to be reasonable, necessary or advisable for the completion of the work and the sale and establishment of the Properties as a residential community including, but not limited to, constructing, maintaining and operating a construction office and a sales facility or model homes, together with appropriate signage. As used in this section, the words "its transferees" specifically exclude purchasers of Lots.

7.10 No automobile garage shall be permanently enclosed or converted to other use without the written permission of the ARB.

7.11 No rubbish, trash, garbage or other waste materials shall be kept or permitted at the driveway area of any Lot. Waste shall be kept in sanitary containers which shall be kept in a neat condition and screened from view of neighboring Lots. Sanitary containers may not be placed outside the driveway area of any Lot except for a reasonable period for refuse pickup to be accomplished.

7.12 All gas tanks for swimming pool heaters must be stored below ground.

7.13 No animals, livestock or poultry or any kind shall be raised, bred or kept on any Lot. The Owner(s) of each Lot may keep pets of a normal domesticated household type such as a cat or dog on the Lot. The pets must be leashed at all times while on any of the Common Areas outside the Lot. Each pet owner shall be responsible for the removal and disposal of their pet's body waste. The Board of Directors is empowered to order and enforce the removal of any pet which becomes a reasonable source of annoyance to other residents in the Property.

7.14 No Lot shall be increased in size by filling in any water retention or drainage area on which it abuts. Lot Owners shall not fill, dike, rip rap, block, divert or change the established water retention and drainage areas that have been or may be created by easement.

7.15 In order to insure the health, safety and general welfare of all members of the Association, the Developer for itself and for the Association reserves the right to enter upon any Lot, for the purpose of mowing, clearing or cutting underbrush, removing trash which has accumulated or maintaining the improvements. However, this provision shall not create an obligation on the part of the Developer and the Association to provide such service.

7.16 All utility lines and lead-in wires, including but not limited to, electrical lines, cable television lines, telephone lines, water and sewerage located within the confines of any Lot or Lots shall be located underground.

7.17 Each Unit shall contain a minimum of one gas water heater and at least one additional gas appliance and shall be fitted with the necessary gas piping to permit the installation of an additional gas appliance, if natural gas is available.

ARTICLE VIII

EASEMENTS FOR MAINTENANCE, CONSTRUCTION AND REPAIR

8.1 The Declarant hereby reserves unto the Developer and its agents, employees, invitees and assigns, and for the benefit of the Association, and the Association's agents, employees, invitees and assigns, and the Master Association, a non-exclusive easement for ingress and egress over any Lot located in the Properties in order to gain access to the Common Areas or any other Lot for the purpose of constructing or maintaining residences, and for the Association to discharge its duties to construct, maintain and repair the Common Areas and for the purpose of maintaining the Properties and the Lots by the Association in a manner consistent with the Association's maintenance obligations of the Common Areas and Lots or rights provided herein, together with an easement for the maintenance of sprinkler systems owned by the Association.

8.2 Each Lot and the Common Areas shall be and hereby are made subject to easements for construction, development, repair and maintenance of utilities systems and facilities (including, but not limited to, fire and police protection, garbage and trash removal, water and sewage system, electric and gas service, drainage and telephone), and driveways and the utilities and applicable governmental agencies having jurisdiction thereover and their employees and agents shall have the right of access to any Lot or the Common Areas in furtherance of such easements. No structure, planting, fill or other material shall be placed or permitted to remain which may damage or interfere with the use of such easements.

8.3 The Declarant reserves the right, for the Developer and its designee (so long as Developer or said designee owns any Lot) and for the Board and for the Master Association, without joinder or consent of any person or entity whatsoever, to create and/or grant such additional easements of construction, maintenance, repair and use of, as an illustration, but not limited to, irrigation wells, and pumps, cable television, television antennas, electric, gas, water drainage or other utility easement, or to relocate any easement in any portion of the property as the Developer, its designee, or the Board or the Master Association shall deem necessary or

desirable for the proper development, operation and maintenance of the Properties, or any portion thereof, or for the general health or welfare of the Members, provided that such additional utilities or the relocation of existing utilities will not prevent or unreasonably interfere with the use of the Lot for permitted purposes.

8.4 There are hereby reserved non-exclusive, non-specific, perpetual easements for the benefit of the Golf Club, the Golf Club Owner and the users of the Golf Course Facilities over Lots, Master Common Areas, Neighborhood Common Areas and any other portions of the Total Property which are or may be adjacent to any Golf Course Area to permit every reasonable act necessary and appropriate for playing golf. These easements include, without limitation, the flight of golf balls over and landing of golf balls on the adjacent properties, the necessary and reasonable use of golf carts and maintenance equipment, the usual common noises associated with the playing of golf and maintenance of golf course facilities and the entrance, at reasonable times and in a reasonable manner, upon the adjacent properties to retrieve errant golf balls, provided, however, if any such adjacent property is fenced or walled, the golfer will seek and receive the permission of the owner of such property before entry. Declarant, builders, the Master Association and the Association shall not be liable or responsible for disputes between an Owner and any person using the Golf Course Facilities. Each Owner, by acceptance of delivery of a deed to a Dwelling Unit, assumes all risks associated with the Golf Club Facilities (irrespective of whether the Owner uses the Golf Club Facilities), such as the risk of property damage or personal injury, errant golf balls, loss of view, noise pollution, or other visual or audible offenses, or any other alleged wrong, and shall indemnify and hold harmless the Declarant, the Master Association, the builders, and the Association from any liability, claims or expenses, including attorneys' fees, arising or resulting from any errant golf balls or damages caused thereby to persons or property. No amendment to this Paragraph may be made without the written approval of the Golf Club Owner.

ARTICLE IX

ENFORCEMENT OF COVENANTS

9.1 Every Lot Owner and his tenants, guests, invitees and agents shall comply with any and all rules and regulations as same exist and as may be adopted in the future by the Board of Directors of the Association.

9.2 Failure to comply herewith or with such rules and regulations shall be grounds for immediate action which may include, without limitation, an action to recover sums for damages, an action for injunctive relief, or any combination thereof, including the recovery of reasonable attorney's fees and court costs.

ARTICLE X

TRANSFER OF OWNERSHIP AND LEASING OF LOTS

10.1 In order to maintain a community of congenial, financially responsible residents with the objectives of protecting the value of the Lots and facilitating the development of a stable, quiet community and peace of mind for all residents, the transfer of Ownership and leasing of a Lot by an Owner shall be subject to the following provisions, which provisions each Owner covenants to observe.

10.2 Forms of Ownership.

A. A Lot may be owned by an individual person.

B. Co-Ownership of Lots is permitted, but all Owners must be members of a Single Family or living together as a single family housekeeping unit. If co-ownership is to be by more than two persons, the Owner shall designate one natural person as Primary Occupant, and the use of the Lot by other persons shall be as if the Primary Occupant is the actual Owner.

C. A Lot may be owned in trust or by a corporation, partnership, or other entity which is not a natural person. However, the intent of this provision is to allow flexibility in estate or tax planning, and not to create circumstances in which the Lot may be used as short term transient accommodations for several individuals or families. Said corporation, trustee or any entity which is not a natural person shall designate one natural person to be the Primary Occupant, and the use of the Lot by other persons shall be a lessee's and as if the Primary Occupant is the only actual Owner.

D. A Lot may become subject to a life estate, either by operation of law or by approved voluntary conveyance. In that event, during said life estate the life tenant shall be the only member in the Association from such Lot and occupancy of the Lot shall be as if the life tenant was the only Owner. The life tenant and remaindermen shall be jointly and severally liable for all assessment and charges against the Lot. The life tenant may, by signed agreement, transfer the right to vote in all Association matters to any one remainderman, subject to approval by the Association of such arrangement. If there is more than one life tenant, they shall be treated as if they were co-Owners for purposes of voting and occupancy rights.

10.3 Transfers.

A. The Association does not restrict the transfer of Lots. However, the Association must be notified of any transfer of title to a Unit as provided in the By-Laws.

B. There shall be no restrictions on the mortgaging of Lots. All mortgages, other than the first mortgage of record, shall be subject to and inferior to the Association lien for assessments as hereafter provided, regardless of when recorded.

10.4 Leases.

A. All leases must be in writing and a copy of any lease shall be delivered to

the Board upon commencement of the Lease.

B. There may be no leases for a period of less than thirty (30) days nor more than three (3) times in any twelve (12) month period. No subleasing or assignment of lease rights is allowed unless approved by the Board. No individual rooms may be rented and no transient tenants may be accommodated.

C. No one but the lessee, his family within the first degree of relationship by blood, adoption or marriage, and their guests may occupy the Premises.

ARTICLE XI

GENERAL PROVISIONS

11.1 The covenants and restrictions of this Declaration shall run with and bind the Properties, and shall insure to the benefit of and be enforceable by the Developer, the Association, the Master Association or the Owner of any property subject to this Declaration, their respective legal representatives, heirs, successors and assigns, for a term of fifty (50) years from the date this Declaration is recorded, after which time said covenants and restrictions shall automatically be extended for successive periods of ten (10) years unless an instrument signed by the then Owners of two-thirds (2/3) of the Lots has been recorded, agreeing to change or terminate said covenants and restrictions in whole or in part. Violation or breach of any conditions, covenants or restrictions herein contained shall give the Developer and/or Association and/or the Master Association and/or Owner(s), in addition to all other remedies, the right to proceed at law or in equity to compel a compliance with the terms of said conditions, covenants or restrictions and to prevent the violation or breach of any of them, and the expense of such litigation shall be borne by the then Owner or Owners of the subject property, provided such proceeding results in a finding that such Owner was in violation of said covenants or restrictions. Expenses of litigation shall include reasonable attorneys' fees incurred by Developer and/or the Association in seeking such enforcement.

11.2 Any awards for the taking of all or any part of the Common Areas by condemnation or eminent domain shall be used to make the remaining portion of the Common Areas usable in the manner approved by Board of Directors. The balance of such awards, if any, shall be distributed to the Lot Owners equally.

11.3 Any notices required to be sent under the provisions of this Declaration shall be deemed to have been properly sent when mailed, postage paid, to the address of the party to which the notice is directed.

11.4 Invalidity of any one or more of these covenants and restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

11.5 Developer reserves the right unilaterally to amend this Declaration and to do so at anytime or times upon such conditions, in such form and for such purposes as it shall in its sole

discretion deem appropriate by preparing and recording amendments hereto, provided however, that this right of unilateral amendment shall expire after the Developer has turned over control of the Association to Lot Owners other than the Developer. Developer's rights shall include, without limitation the right to amend this instrument at any time prior to turnover in order to correct any errors or omissions, or the dimensions of any Lots, or Common Areas not previously conveyed, so long as any such amendment(s) does not purport to limit or alter the rights afforded any Owners then holding title to Lots in the Properties, purport to change the dimensions of any Lot, or Common Areas previously conveyed or purport to restrict the integrity of the lien of any institutional lender who holds a mortgage on any previously conveyed Lot. Any amendment(s) shall relate back to and become effective as of the date of recording of this Declaration.

After turnover of control of the Association to Members other than the Developer, this Declaration may be amended at any time upon the execution and recordation of an instrument executed by Owners holding not less than two-thirds (2/3) of the voting interest of the membership.

11.6 Notwithstanding any of the provisions contained in this Declaration, neither Developer nor its successors or assigns shall be obligated to develop all of the property submitted to this Declaration, and as described in Exhibit "A". Developer and/or the Master Declarant may release any of the property submitted in this Declaration from the terms and conditions hereof, or subject additional property to the terms of this Declaration, except any properties conveyed to the Association or Owners. Such deletions or additions shall be made by the Developer and/or Master Declarant by filing in the Public Records of Lee County, an amendment to this Declaration providing for the release or addition of the property from this Declaration. Such amendment need only to be executed by the Developer and/or Master Declarant shall not require the joinder or the consent of the Association or its Members.

11.7 So long as the Developer owns any portion of the Properties, Developer shall have the exclusive right to maintain a sales center, model homes or signs on the Properties.

11.8 Whenever the singular is used it shall include the plural and the singular, and the use of any gender shall include all genders.

11.9 This Declaration shall become effective upon its recording in the Public Records of Lee County, Florida.

11.10 The Articles of Incorporation and Bylaws of the Association are attached hereto as Exhibits "B" and "C", and are incorporated herein by reference.

ARTICLE XII

GOLF CLUB

12.2 The Golf Club and its designees may add to, remove or otherwise modify the landscaping, trees and other features of the Golf Club Facilities, including changing the location, configuration, size and elevation of bunkers, fairways and greens and constructing fences, and neither the Golf Club, Developer, Master Association nor the Association shall have any liability to any Owner as a result of such modifications to the Golf Club Facilities;

OWNERSHIP OF A LOT OR DWELLING, OR ANY PORTION OF THE RESIDENTIAL PROPERTY OR MEMBERSHIP IN THE MASTER ASSOCIATION OR ANY NEIGHBORHOOD ASSOCIATION DOES NOT GIVE ANY VESTED RIGHT OR EASEMENT, PRESCRIPTIVE OR OTHERWISE, TO USE ANY GOLF CLUB FACILITIES OR TO ACQUIRE A MEMBERSHIP IN THE GOLF CLUB AND DOES NOT GRANT ANY OWNERSHIP INTEREST OR MEMBERSHIP IN THE GOLF CLUB OR THE GOLF CLUB FACILITIES.

OWNERSHIP OF A LOT OR DWELLING, OR ANY PORTION OF PALMIRA OR MEMBERSHIP IN THE MASTER ASSOCIATION OR NEIGHBORHOOD ASSOCIATION DOES NOT GIVE ANY VESTED RIGHT OR EASEMENT, PRESCRIPTIVE OR OTHERWISE, TO USE THE TOWN CENTER CLUB FACILITIES (AS DEFINED IN THE MASTER DECLARATION) OR TO ACQUIRE A MEMBERSHIP IN THE TOWN CENTER CLUB AND DOES NOT GRANT ANY OWNERSHIP INTEREST OR MEMBERSHIP IN THE TOWN CENTER CLUB OR THE TOWN CENTER CLUB FACILITIES.

12.1 Privileges to use the Golf Club Facilities shall be subject to the terms and conditions of the membership documents for the Golf Club, as the same may be amended from time to time (the "Membership Plan Documents"). Acquisition of a membership in the Golf Club requires the payment of a membership purchase price called a membership contribution or membership deposit, and membership dues, fees and charges. These amounts shall be determined as set forth in the Membership Plan Documents for the Golf Club. Notwithstanding the fact that the Golf Club Facilities may be deemed open space or a recreation area for purposes of applicable zoning ordinances and regulations or as shown on any Plat, each Owner by acquisition of title to any portion of the Residential Property releases and discharges forever the Developer, the Master Association, the Association, the Golf Club and their respective partners, officers, directors, employees, agents and affiliates, from: (a) any claim that the Golf Club and the Golf Club Facilities are or must be owned and/or operated by the Master Association or the Owners; and/or (b) any claim that the Owners are entitled to use the Golf Club Facilities by virtue of their ownership of a Lot or Dwelling, or any other portion of the Property without acquiring a membership in the Golf Club, paying the applicable membership contribution or membership deposit, and dues, fees and charges established by the Golf Club from time to time, and complying with the terms and conditions of the Membership Plan Documents for the Golf Club.

12.3 The Golf Club may own one (1) or more lakes on Palmira and, notwithstanding the ownership of such lakes, the Golf Club may use any and all lakes in Palmira for the purpose of irrigating and maintaining the Golf Club Facilities with the result that the water level in such lakes may from time to time vary. Each Owner agrees not to commence any cause of action or other proceeding involving the Developer, Association or Golf Club based on the exercise of such right or otherwise interfere therewith. In the event there are insufficient water levels to provide the necessary irrigation needs of the Golf Club Facilities and all other areas of Palmira, subject to applicable governmental permits and requirements, the Golf Club Facilities shall have first priority of irrigation, followed by the Master Association Common Areas, Common Areas and individual Lots, if applicable.

IN WITNESS WHEREOF, the Developer has caused these presents to be executed as of this 2nd day of May, 2002.

Witnesses:

Villa D'Este, LLC,
a Florida limited liability company

Monique Griener
Print Name: Monique Griener

By: Paula J. Davis
Paula J. Davis, Trustee U/A/D
Sept. 29, 2000,
Managing Member

David Farmer
Print Name: David Farmer

STATE OF FLORIDA
COUNTY OF Lee

The foregoing instrument was acknowledged before me this 2nd day of May, 2002, by Paula J. Davis, Trustee U/A/D September 29, 2000, Managing Member of Villa D'Este, LLC, a Florida limited liability company, on behalf of the company. She is personally known to me or has produced _____ as identification.

Monique Griener
NOTARY PUBLIC
Name: Monique Griener
Serial #: CC 988677
My Commission Expires: 3-27-05



EXHIBIT "A"

Lots 1, 14, 15, 35, 38, 39, 53, 54 and 55, Block 2 PALMIRA GOLF AND COUNTRY CLUB, according to plat thereof recorded in Plat Book 68 Page 59, Public Records of Lee County< Florida.

ARTICLES OF INCORPORATIONVILLA D'ESTE HOMEOWNER'S ASSOCIATION, INC.
(A Corporation Not for Profit)

In order to form a corporation under the provisions of chapter 617 of laws of the State of Florida for a formation of a corporation not for profit, I, the undersigned, hereby create a corporation for the purpose and with the powers herein mentioned. (Capitalized terms not otherwise defined herein and shall have the meaning set forth in the Declaration).

ARTICLE INAME AND ADDRESS

The name of the corporation, herein called the "Association" is Villa D'Este Homeowner's Association, Inc., and its address is 24860 Burnt Pine Drive, Bonita Springs, Florida 34134.

ARTICLE IIPURPOSE AND POWERS

The purpose for which the Association is organized is to provide an entity to administer, manage and operate Villa D'Este, a residential neighborhood located in Palmira Golf and Country Club, Lee County, Florida.

The Association is organized and shall exist upon a non-stock basis as a non-profit corporation under the laws of the State of Florida, and no portion of any earnings of the Association shall be distributed or inure to the private benefit of any Member, director or officer of the Association. For the accomplishment of its purposes, the Association shall have all of the common law and statutory powers and duties of a corporation not for profit under the laws of the State of Florida, except as limited or modified by these Articles, the Declaration of Covenants, Conditions and Restrictions for Villa D'Este (the "Declaration"), or the By-Laws of this Association, or any other restrictions of Villa D'Este, and it shall have all the powers and duties reasonably necessary to operate Villa D'Este pursuant to the Declaration as it may hereafter be amended, including but not limited to the following:

A. To levy and collect Assessments against Members of the Association to defray the costs, expenses and losses of the Association, and to use the proceeds of Assessments in the exercise of its powers and duties.

B. To own, lease, maintain, repair, replace, add to or operate the Common Areas, including without limitation, entry medians, parking areas, front entrances and perimeter, street lighting and surface water management systems as permitted by the South Florida Water Management District or any other governmental agency.

C. To purchase insurance upon the Common Areas for the protection of the Association and its members.

D. To reconstruct improvements after casualty and to make further capital improvements or additions to the Properties.

E. To make, amend and enforce reasonable rules and regulations governing the use of the Common Areas and the operation of the Association.

F. To sue and be sued, and to enforce the provisions of the Declaration, these Articles and the By-Laws of the Association.

G. To contract for the management and maintenance of the Common Areas and to delegate any powers and duties of the Association in connection therewith except such as specifically required by the Declaration to be exercised by the Board of Directors or the Members of the Association.

H. To employ accountants, attorneys, architects, and other professional personnel to perform the services required for proper operations of the Association.

I. To borrow or raise money for any proposes of the Association, without limit as to amount; to draw, make, accept, endorse, execute and issue promissory notes, drafts, bills of exchange, warrants, bonds, debentures, and other negotiable or non-negotiable instruments and evidences of indebtedness; and to secure the payment of any thereof, and of the interest thereon, by mortgage, pledge, conveyance or assignment in trust, of the whole or any part of the rights or property of the Association.

All funds and the title to all property acquired by the Association shall be held for the benefit of the Members in accordance with the provisions of the Declaration, these Articles of Incorporation and the By-Laws.

ARTICLE III

MEMBERSHIP

1. The Members of the Association shall consist of all record owners of a fee simple interest in one or more Lots in Villa D'Este, excluding those who hold such interest merely as the security for the performance of an obligation, and as further provided in the By-Laws.

B. Change of membership shall be established by recording in the Public Records of Lee County, Florida, a deed or other instrument transferring title, and by the delivery to the Association of a copy of such instrument.

C. The share of a Member in the funds and assets of the Association cannot be assigned or transferred in any manner except as an appurtenance to his fee simple interest in a Lot.

D. The Members shall be entitled to the number of votes in Association matters as set forth in the Declaration and By-Laws. The manner of exercising voting rights shall be as set forth in the Declaration and By-Laws.

ARTICLE IV

TERM

The term of the Association shall be perpetual. In the event of dissolution, any portions of the Properties consisting of the surface water management system shall be conveyed to an appropriate agency or government. If not accepted, the system must be deeded to a Florida not-for-profit corporation, which will accept responsibility.

ARTICLE V

BY-LAWS

The By-Laws of the Association shall be adopted by the Board of Directors and may be altered, amended, or rescinded in the manner provided therein.

ARTICLE VI

AMENDMENTS

Amendments to these Articles shall be proposed and adopted in the following manner:

A. Amendments to these Articles may be proposed either by a majority of the whole Board of Directors or by a petition signed by voting members representing at least fifty (50%) percent of the voting interests of the Association. Once so proposed, the amendments shall be submitted to a vote of the Members not later than the next annual meeting for which the proper notice can be given.

B. These Articles of Incorporation may be amended by a vote of two-thirds (2/3) of the owners of Lots present and voting at a special or annual meeting at which a quorum has been established. Any such amendment may also be approved in writing by a majority of the voting interests without a meeting. Notice of any proposed amendment must be given to the Members, and the notice must contain the text of the proposed amendment.

C. An amendment shall become effective upon filing with the Secretary of State and recording a certified copy in the Public Records of Lee County, Florida.

ARTICLE VII

DIRECTORS AND OFFICERS

1. A. Until turnover of control of the Association to Members other than the Developer, all Directors shall be appointed by the Developer.

B. The names and addresses of the initial Board of Directors are:

David Farmer
24860 Burnt Pine Drive
Bonita Springs, Florida 34134

Paula Davis
24860 Burnt Pine Drive
Bonita Springs, Florida 34134

June Mueller
24860 Burnt Pine Drive
Bonita Springs, Florida 34134

2. A. After turnover of control of the Association to Members other than the Developer, or at any time, at the sole option of Developer, all directors shall be elected by the unit owners.

B. The affairs of the Association will be administered by a Board of Directors consisting of the number of Directors determined by the Bylaws, but not less than three (3) Directors and in the absence of such determination shall consist of three (3) Directors.

C. Directors of the Association shall be elected by the Members in the manner determined by the By-Laws. Directors may be removed and vacancies on the Board of Directors shall be filled in the manner provided by the Bylaws.

D. The business of the Association shall be conducted by the officers designated in the By-Laws. The Officers shall be elected by the Board of Directors at its first meeting following the annual meeting of the members of the Association and shall serve at the pleasure of the Board.

ARTICLE VIII
INDEMNIFICATION

To the fullest extent permitted by Florida law, the Association shall indemnify and hold harmless

every Director and Officer of the Association against all expenses and liabilities, including attorneys' fees, actually and reasonably incurred by or imposed on him in connection with any legal proceeding (or settlement or appeal of such proceedings) to which he may be a part because of his being or having been a Director or Officer of the Association. The foregoing right of indemnification shall not be available if a judgment or other final adjudication establishes that his actions or omissions to act were material to the cause adjudicated and involved:

A. Willful misconduct or a conscious disregard for the best interest of the Association to procure a judgment in its favor.

B. A violation of criminal law, unless the Director or Officer has no reasonable cause to believe his action was unlawful or had reasonable cause to believe his action was lawful.

C. A transaction from which the Director or Officer derived an improper personal benefit.

In the event of a settlement or any dispute with respect to any indemnification, the right to indemnification shall not apply unless the Board of Directors approves such settlement or disposes of any such dispute as being in the best interest of the Association. The foregoing rights of indemnification shall be in addition to and not exclusive of all rights to which a Director or Officer may be entitled.

ARTICLE IX

OFFICE

The principal office of the Association shall be located at 24860 Burnt Pine Drive, Bonita Springs, Florida 34134 but the Association may maintain offices and transact business in other such places within or without the State of Florida as may from time to time be designated by the Board of Directors. The Board of Directors may from time to time relocate the aforesaid principal office.

ARTICLE X

SUBSCRIBER

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

Paula Davis
24860 Burnt Pine Drive
Bonita Springs, Florida 34134

ARTICLES XI

REGISTERED AGENT

The initial registered agent of the Association is Matthew L. Grabinski, and the street address of the initial registered office of the Association is 5551 Ridgewood Drive, Suite 101, Naples, Florida 34108. This corporation shall have the right to change such registered agent and office from time to time as provided by law.

IN WITNESS WHEREOF, the subscriber has hereunto set his hand and seal this 1st, day of May, 2002.

SUBSCRIBER:

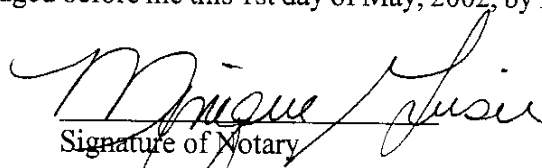

Paula Davis

STATE OF FLORIDA
COUNTY OF Lee

The foregoing instrument was acknowledged before me this 1st day of May, 2002, by Paula Davis who is personally known to me.

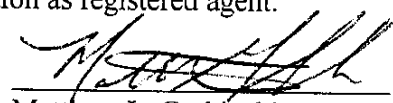


Monique Grieser
MY COMMISSION # CC988677 EXPIRES
March 27, 2005
BONDED THRU TROY FAIN INSURANCE, INC.


Signature of Notary
Monique Grieser
(Type or print Name of Notary)

**Acceptance of Designation
Registered Agent/Registered Office**

I, the undersigned person, having been named as registered agent and to accept service of process for the above-stated corporation at the place designated in this statement, hereby accept the appointment as registered agent and agree to act in this capacity. I further agree to comply with the provisions of all statutes relating to the proper and complete performance of my duties, and I am familiar with and accept the obligations of my position as registered agent.


Matthew L. Grabinski

Dated: 5/3/02

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BYLAWS
OF
VILLA D'ESTE HOMEOWNER'S ASSOCIATION, INC.

ARTICLE I

IDENTITY

1. The name of this corporation is Villa D'Este Homeowner's Association, Inc. ("Association").

2. The initial principal office of the Association is 24860 Burnt Pine Drive, Bonita Springs, Florida 34134.

ARTICLE II

DEFINITIONS

All terms used herein which are defined in that certain Declaration of Covenants, Conditions and Restrictions for Villa D'Este (hereinafter "Declaration"), as it may be amended from time to time, and shall have the same meaning herein as therein.

ARTICLE III

DIRECTORS AND OFFICERS

1. A. The affairs of the Association shall be managed by a Board of Directors, which shall consist of not less than three (3) individuals who shall be appointed by the Developer until such time as the Developer relinquishes control of the Association to the Members. Directors need not be Members.

B. The Board shall meet at such times and places as may be called by the President or a majority of the Board. Notice of meetings shall be posted in a conspicuous place in the community at least 48 hours prior to the meeting, except in an emergency. In the alternative, notice of the meeting may be mailed to all Members at least 7 days prior to the meeting, except in an emergency.

C. Unless prohibited by law, any action, which may be taken at a meeting of the Board may be taken without a meeting if authorized in a writing signed by all of the Directors who would be entitled to vote upon said action at a meeting and filed with the Secretary/Treasurer of the Association.

D. A majority of the Directors shall constitute a quorum to transact business of the Board, and the act of the majority of the Directors present at any meeting shall be deemed to be

the act of the Board.

E. No Director shall receive or be entitled to any compensation for his services as Director, but shall be entitled to reimbursement for all expenses incurred by him as such, if incurred upon the authorization of the Board.

2. Subsequent to the relinquishment of control of the Association by the Developer to the Members:

A. Prior to each annual meeting of the Members, and unless prohibited by law, the Board may appoint a Nominating Committee consisting of three (3) individuals, using such procedures as the Board may establish. The Nominating Committee shall nominate one (1) person for each vacancy to be filled at that annual meeting. Other nominations may be made from the floor.

B. All elections to the Board shall be by written ballot (unless dispensed with by unanimous consent). The ballots shall contain the name of the nominees named by the Nominating Committee and blanks for write-in candidates and nominations from the floor. The Secretary/Treasurer shall provide ballots to each Lot Owner at the Annual Meeting.

C. Each Lot Owner shall be entitled to cast one (1) vote per Lot for each vacancy to be filled. No mail-in ballots shall be allowed.

D. The organizational meeting of the newly elected Board shall be held within ten (10) days of their election at such place and time as shall be fixed by the Board at the meeting at which they were elected.

3. The executive officers of the Association shall be a President and Secretary/Treasurer and such other officers as the Board may appoint. Officers, other than those appointed by the Developer controlled Board, must be Lot Owners in the Neighborhood. Officers appointed at the first meeting of the Board shall hold office until their successors shall have been appointed and shall qualify.

4. A. Any Director or officer of the Association may resign at any time, by instrument in writing. Resignations shall take effect at the time specified therein, and if no time is specified, resignations shall take effect at the time of receipt of such resignation by the President or Secretary/Treasurer of the Association. The acceptance of a resignation shall not be necessary to make it effective.

B. When a vacancy occurs on the Board, the vacancy shall be filled by action of the Board until a successor director is elected at the next annual meeting.

C. When a vacancy occurs in an office for any reason, the office shall be filled by the Board at its next meeting by appointing a person to serve.

D. Except for Developer appointed Directors and as otherwise provided herein, any Director may be removed with or without cause by a majority of the total number of votes cast by the Association Members voting on the question or removal, and any officer of the Association may be removed by the Board at any time, with or without cause.

ARTICLE IV

ASSOCIATION MEMBERSHIP

1. Members of the Association shall be all Owners of Lots in Villa D'Este, as defined in the Declaration.

2. Members and their immediate family who reside in Villa D'Este, and a Member's guest who is an invited visitor of a Member shall have a license to use the Common Areas subject to such Rules and Regulations as may be established by the Board.

3. Each Member shall be entitled to one (1) vote per Lot owned.

4. In matters pertaining to the Palmira Golf and Country Club Master Homeowners Association, Inc. ("Master Association") and as more fully provided in the By-Laws of the Master Association, the Board of Villa D'Este Homeowner's Association, Inc., shall elect a delegate to represent the Association at all member meeting; of the Master Association and to vote on behalf of the Association the number of votes as provided in the By-Laws of the Master Association.

5. The Board may suspend the privileges of Members during any period during which any Assessment remains delinquent, or during the period of any continuing violation by a Member of the provisions of the Declaration, or a period to be determined by the Board, for repeated violations of the Bylaws or Rules and Regulations of the Association. For suspensions or fines levied upon any Member for reasons other than the failure of such Member to pay Assessments or other charges when due, such fine or suspension may not be imposed without at least fourteen (14) days prior notice to the Member sought to be fined or suspended and an opportunity for a hearing in accordance with Florida Statutes. For purposes of this paragraph, a violation by a tenant or guest of a Member shall be considered a violation by such Member.

6. When a Member ceases to be an Owner, such person's membership shall cease.

ARTICLE V

MEMBER MEETINGS

1. The annual meeting of the Members for the election of Directors and the transaction of whatever other business may properly come before the Members shall be held as outlined below. Notice of such meeting shall be mailed, postage prepaid, not less than ten (10) days and not more than sixty (60) days prior to the date of the annual meeting and shall state the purpose, time and location of the meeting. Such notice shall be addressed to each Lot Owner at the address of the Owner as set forth in the Association's books and records.

2. Special meetings of the Members may be called for any purpose at any time by a

majority of the members of the Board, or by the written petition of fifty percent (50%) or more of the total voting interests, setting forth the purpose of the special meeting. Notice of such special meeting shall be mailed in the same manner as for the annual meeting.

3. If no other designation is made, the place of the meeting shall be at the registered office of the Association.

4. Thirty (30%) percent of the total vote which could be cast at any annual or special meeting, represented in person or by proxy, shall constitute a quorum at any meeting of the Members. After a quorum has been established at a meeting of the Members, the subsequent withdrawal of Members, which reduces the number of votes at the meeting below the number required for a quorum, shall not affect the validity of any action taken at the meeting or any adjournment thereof. A majority of the votes cast shall decide each matter submitted to the Members at a meeting, except in cases where a larger vote is required.

ARTICLE VI

POWERS

The Association shall have all powers granted to it by common law, Florida Statutes, the Declaration, the Articles of Incorporation of the Association and these Bylaws, all of which shall be exercised by its Board unless the exercise thereof is otherwise restricted in the Declaration, these Bylaws or by law. The Powers of the Association shall include but not be limited to the following:

1. All of the powers specifically provided for in the Declaration and in the Articles of Incorporation.
2. The power to adopt a corporate seal for the Association.
3. The power to levy and collect assessments against Lot Owners, as provided for in the Declaration and these Bylaws.
4. The power to expend monies collected for the purpose of paying the common expenses of the Association.
5. The power to purchase equipment, supplies and material required in the maintenance, repair, replacement, operation and management of the Association property and Common Areas.
6. The power to employ the personnel required for the maintenance and operation of the Association, the Association property and the Common Areas.
7. The power to pay utility bills for utilities serving the Association property and Common Areas.
8. The power to contract for the management of the Association.
9. The power to make reasonable rules and regulations and to amend them from time to time.

10. The power to enforce by any legal means the provisions of the Articles of Incorporation, the Bylaws, the Declaration, and the rules and regulations promulgated by the Association.

11. The power to enforce by any legal means the provisions of the Declaration, including, without limitation, the architectural and use restrictions contained therein.

12. The power to control and regulate the use of the Association property and Common Areas by the Lot Owners.

13. The power to select depositories for the Association's funds, and to determine the manner of receiving, depositing, and disbursing those funds and the form of check and the person or persons by whom the same shall be signed.

14. The power to enter into a long term contract with any person, firm, corporation or real estate management agent of any nature or kind, to provide for the maintenance, operation, repair and upkeep of the Association property and Common Areas.

ARTICLE VII

DUTIES OF OFFICERS

1. The President shall be chief executive officer of the Association and shall perform all acts and duties normally required of the President of a non-profit corporation.

2. As Secretary, the Secretary/ Treasurer shall attend all meetings of the Board and keep the records and minutes of the proceedings. He shall keep such membership records as required, prepare and serve notice of meetings of Members and attend to all correspondence on behalf of the Association or cause these things to be done. As Treasurer, the Secretary/Treasurer shall attend all meetings of the Board, have custody of the funds of the Association, collect monies due, including assessments, keep or supervise the keeping of accounts of all financial transactions of the Association in books belonging to the Association and deliver such books to his successor. He shall prepare the annual budget for the Association and present it to the Board for its consideration. The Secretary/Treasurer shall perform such other duties as the Board may from time to time determine. The positions of secretary and treasurer may be held by one individual or by separate individuals.

ARTICLE VIII

FISCAL MANAGEMENT

1. The fiscal year of the Association shall be the calendar year.

2. The Association shall maintain accounting records according to generally accepted accounting principles, which shall be open to inspection by Members at the Association's offices during reasonable times, as set by the Board. A register for the names of all Institutional Mortgagees who have notified the Association of their liens, and to which lien holders the Association will give notice of default in payment of Assessments, if required, shall also be maintained.

3. The Board shall adopt a budget for the next fiscal year that shall include the estimated revenues and expenses for that year and the estimated surplus or deficit for the current year.
4. The receipts and disbursements of the Association may be credited and charged to accounts as the Board may determine in accordance with generally accepted accounting principles.

ARTICLE IX

ASSESSMENTS

1. An Initial Capital Assessment of Two Hundred and Fifty Dollars (\$250.00) per Lot shall be levied against all Owners, including initial Lot Owners (other than the Developer), and all successor Owners, and shall be collected at closing and paid to the Association.

2. A. The Association shall have the power and authority to levy and collect Annual Assessments for purposes of operating the Association, including, but not limited to the following purposes: operation, maintenance and management of the Association, the Association property and Common Areas and the operation, maintenance and management of the Lots which are the responsibility of the Association; operation and maintenance of the surface water and storm water management system; property taxes and assessments against and insurance coverage for the Association property and Common Areas; legal and accounting fees; maintenance of the streets and sidewalks, if necessary; security costs; management fees; normal repairs and replacements; charges for utilities used upon the Association property and Common Areas; cleaning services; expenses and liabilities incurred by the Association in the enforcement of its rights and duties against the Members, Owners or others; maintenance of vacant property; the creation of reasonable reserves; and all other expenses deemed by the Board to be necessary and proper for management, maintenance, repair, operation and enforcement, including any necessary expenses associated with the Master Association.

B. Prior to the beginning of each fiscal year, the Board shall establish the amount of Annual Assessment necessary to fund the budget as approved by the Board. The Annual Assessments shall be collectible in advance, quarterly, and shall be due on the first day of each quarter. The Association shall bill and collect the Assessments from all Members. All bills shall indicate the amount due and the date of delinquency.

3. The Association shall have the power and authority to levy and collect Special Assessments for payment of unexpected expenses, including but not limited to the following: the acquisition of property by the Association; the cost of construction of capital improvements to the Association Property and Common Areas; the cost of construction, reconstruction, unexpected repair or replacement of a capital improvement, including the necessary fixtures and personal property related thereto; the expense of indemnification of each Director and Officer of the Association; any other valid expenses deemed necessary by the Board; and assessment charged by the Master Association.

4. All delinquent Assessments shall bear interest at the maximum rate permitted by Florida law.

ARTICLE X

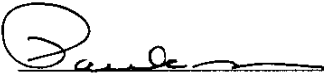
MISCELLANEOUS

1. These Bylaws may be amended, altered or repealed by a majority vote of the Members.
2. These Bylaws shall not be construed to conflict with any provision of the Articles of Incorporation or the Declaration.
3. Any action required or permitted to be taken at a meeting of the Association may be taken without a meeting if written consents, setting forth the action to be taken, are signed by the Members entitled to vote having not less than the minimum number of votes that would be necessary to take such action at a meeting. Upon receiving the required number of written consents, the Board shall take the authorized action by adopting a resolution to that effect and sending written notice of the action taken to all Members who have not consented in writing.
4. The Association shall have a seal in a circular form having within its circumference the word Villa D'Este Homeowner's Association, Inc., a Florida limited liability company, not for profit.
5. Prior to, or not more than three (3) months after ninety percent (90%) of the Lots have been sold to an Owner other than the Developer, the Developer shall relinquish control of the Association and the Lot Owners shall accept control. Simultaneously, the Developer shall deliver to the Association all property of the Lot Owners and of the Association held or controlled by the Developer. The Developer may turn over control of the Association to Lot Owners other than the Developer prior to the above-mentioned dates, in its sole discretion, by causing all of the Developer appointed Directors to resign. Neither the Developer nor its appointed Directors shall be liable in any manner in connection with such resignations, even if the Lot Owners other than the Developer refuse or fail to assume control.

IN WITNESS WHEREOF, we, being all of the Directors of Villa D'Este Homeowner's Association, Inc., a Florida limited liability company not-for-profit, have hereunto set our hands this _____ day of May, 2002..



David Farmer



Paula Davis



June Mueller

CERTIFICATION

I, THE UNDERSIGNED, DO HEREBY CERTIFY:

That I am the duly elected and acting Secretary of Villa D'Este Homeowner's Association, Inc., a Florida limited liability company, not for profit, and

That the foregoing Bylaws constitute the original Bylaws of said Association, as duly adopted at a meeting of the Board of Directors thereof held on the 2nd day of May, 2002.



Secretary