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DECLARATION OF COVENANTS AND RESTRICTIONS
FOR THE
PALENCIA MIXED USE AREA
(VILLAGE CENTER)

THIS DOCUMENT PREPARED BY:

Thomas M. Jenks, Esq.
Pappas Metcalf Jenks & Miller, P.A.
245 Riverside Avenue, Suite 400
Jacksonville, Florida 32202

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FOR THE
PALENCIA MIXED USE AREA**

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**DECLARATION
OF
COVENANTS AND RESTRICTIONS
FOR THE
PALENCIA MIXED USE AREA**

THIS DECLARATION is made this 20th day of October, 2004, by MARSHALL CREEK, LTD., a Florida limited partnership (the "Developer"), which declares that the real property described on Exhibit A attached hereto and made a part hereof (the "Property"), which is owned by the Developer, shall be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions, easements, charges, liens and all other matters set forth in this Declaration which shall be deemed to be covenants running with the title to the Property and shall be binding upon the Developer and all parties having or acquiring any right, title or interest in the Property or any part thereof.

**ARTICLE I
MUTUALITY OF BENEFIT AND OBLIGATION**

Section 1.1 Mutuality. The covenants, restrictions, and agreements set forth in this Declaration are made for the mutual and reciprocal benefit of every parcel within the Property, and are intended to create mutual equitable servitudes upon each such parcel in favor of the other parcels, to create reciprocal rights among the respective Owners, and to create privity of contract and an estate between the grantees of each and every parcel within the Property, their heirs, successors and assigns.

Section 1.2 Benefits and Burdens. Every person who is an Owner does by reason of taking title to land located within the Property agree to all the terms and provisions of this Declaration and shall be entitled to its benefits and subject to its burdens.

**ARTICLE II
DEFINITIONS**

The following words, when used in this Declaration shall have the following meanings:

Section 2.1 Association. The Palencia Property Owners Association, Inc., a Florida corporation not-for-profit and its successors and assigns.

Section 2.2 Board. The Board of Directors of the Association.

Section 2.3 Building Site. Each separate parcel of land within the Property, as hereafter conveyed or designated by the Developer, consisting of an integral unit of land suitable for development by construction of improvements designed for office, retail, wholesale, hotel, motel, restaurant, warehouse, entertainment, recreational, service, industrial, multi-family, or other similar use.

Section 2.4 CDD. Marshall Creek Community Development District as authorized by the Board of County Commissioners of St. Johns County, Florida by Resolution No. 2000-21.

Section 2.5 Commercial Improvement. Any proposed or completed improvements located on, over, under or within any portion of the Property that is not a Lot, and which is intended for use and designed to accommodate public, commercial, governmental or business enterprises to serve residents of the Property or the public, including but not limited to, business and professional offices, facilities for the retail or wholesale sale of goods and services, warehouses, banks and other financial institutions, hotels, motels, theaters, entertainment facilities, automobile parking facilities, restaurants, convenience stores, and gasoline stations.

Section 2.6 Developer. Marshall Creek, Ltd. and its successors and such of its assigns as to which the rights of the Developer hereunder are specifically assigned. Developer may assign all or only a portion of such rights in connection with portions of the Property. In the event of such a partial assignment, the assignee may exercise such rights of the Developer as are specifically assigned to it. Any such assignment may be made on a non-exclusive basis. Reference in this Declaration to Marshall Creek, Ltd. as the Developer of the Property is not intended and shall not be construed, to impose upon Marshall Creek, Ltd. any obligations, legal or otherwise, for the acts or omissions of third parties who purchase Building Sites or parcels within the Property from Marshall Creek, Ltd. and develop and resell the same.

Section 2.7 DRI. That certain Development of Regional Impact Order approved by the Board of County Commissioners of St. Johns County, Florida by Resolution No. 98-191, as amended by Resolution Nos. 98-220 as amended from time to time.

Section 2.8 Limited Common Area. The Limited Common Area of a Lot or Building Site shall consist of the portion of the Property between the front boundary line and the nearest edge of the paved road surface (as it may exist from time to time) and between the rear boundary line and the nearest shore line of any lake contiguous to or within forty (40) feet of the Lot or Building Site, within the area bounded by the extension of the side boundary lines, together with any portion of the Property contiguous to a Lot or Building Site which, as a result of the natural configuration of the Property, is primarily of benefit to such Lot or Building Site. Any question concerning the boundary of a Limited Common Area shall be determined by the Board of Directors of the Association.

Section 2.9 Lot. Any platted Lot or any other parcel of real property located within the Property, on which one or more residential dwellings have been or could be constructed.

Section 2.10 Master Covenants. The Declaration of Covenants and Restrictions for Palencia recorded in Official Records Book 1666 at page 803 of the current public records of St. Johns County, Florida, as the same may be amended and supplemented from time to time.

Section 2.11 Multi-family Improvements. Any proposed or completed improvements located within the Property intended and designed for use as two or more attached residential dwelling units including without limitation, any condominium units, townhomes (including live/work townhomes), apartment units, cooperative apartments, or duplex units, regardless of

whether such Multi-family Improvements shall be owned individually or collectively by one or more Owners.

Section 2.12 Owner. The record owner or owners of any Building Site.

Section 2.13 Palencia. The planned community more particularly described by the DRI and PUD.

Section 2.14 Property. The real property described on the attached Exhibit A and such additions and deletions thereto as may be made in accordance with the provisions of Sections 3.2 and 3.3 of this Declaration.

Section 2.15 PUD. Planned Unit Development Ordinance Numbers 98-64 and 98-220 as enacted by the Board of County Commissioners of St. Johns County, Florida, as amended from time to time.

Section 2.16 Residential Dwelling Unit. Any improved portion of the Property located within a Building Site and intended for primary use as a residential dwelling, including without limitation, any detached residential dwellings, condominium units, townhome (including live/work townhomes), apartment units, duplexes or other attached residential dwellings. The term Residential Dwelling Unit shall not, however, mean or refer to (i) any hotel or motel room which is not declared to the condominium form of ownership, or otherwise subject to separate ownership; or (ii) any timeshare condominium unit.

**ARTICLE III
PROPERTY SUBJECT TO THIS DECLARATION:
ADDITIONS AND DELETIONS**

Section 3.1 No Implied Extension of Covenants. Each Owner and each tenant of any improvements constructed on any Building Site, by becoming an Owner or tenant, shall be deemed to have agreed that (a) the Property described on Exhibit A and such additional property as may be annexed pursuant to Section 3.2 hereof shall be the only Property subject to this Declaration, (b) that nothing contained in this Declaration or in any recorded or unrecorded plat, map, picture, drawing, brochure or other representation of a scheme of development, shall be construed as subjecting, or requiring the Developer to subject any other property now or hereafter owned by the Developer to this Declaration, and (c) that the only manner in which additional land may be subjected to this Declaration is by the procedure set forth in Section 3.2 hereof.

Section 3.2 Additional Lands. Developer may, but shall not be obligated to, subject additional land to this Declaration (or to the assessment provisions of this Declaration) from time to time provided only that (a) any additional land subjected to this Declaration (or its assessment provisions) shall be located within Palencia or substantially contiguous to the Property (for purposes of this Section 3.2, property which may be reasonably integrated into the overall development of the Property shall be deemed substantially contiguous), and (b) the Owners of property within additional lands made subject to this Declaration shall be and become subject to

this Declaration, and shall be responsible for their pro rata share of common expenses for which assessments may be levied pursuant to the terms of Article V of this Declaration. Addition of lands to this Declaration shall be made and evidenced by filing in the public records of St. Johns County, Florida, a Supplementary Declaration executed by the Developer with respect to the lands to be added. Developer reserves the right to supplement this Declaration to add land to the scheme of this Declaration (or its assessment provisions) pursuant to the foregoing provisions without the consent or joinder of any Owner or mortgagee of land within the Property.

Section 3.3 Withdrawal of Lands. With the consent and joinder of Owners holding a majority of the votes in the Association and the consent and joinder of the owner of the property to be withdrawn, the Developer may, but shall have no obligation to, withdraw at any time, or from time to time, portions of the Property from the terms and effect of this Declaration. Upon the Developer's request, the consent and joinder of each and every Owner to such withdrawal shall not be unreasonably withheld. The withdrawal of lands as aforesaid shall be made and evidenced by filing in the public records of St. Johns County, Florida, a Supplementary Declaration executed by the Developer with respect to the lands to be withdrawn.

**ARTICLE IV
USE RESTRICTIONS AND RIGHTS AND EASEMENTS
RESERVED BY DEVELOPER**

Section 4.1 Common DRI and PUD. Due to the integrated nature of the Property and the lands described in the DRI and the PUD, no Owner, or any other person or entity shall construct any improvements upon the Property, nor take any action, which in the reasonable opinion of the Developer, would require a modification of the terms and provisions of the DRI and PUD, as the same may be amended from time to time, without the prior written consent of the Developer.

Section 4.2 Compliance with Laws. All Owners and other occupants of the Property shall at all times comply with the terms of the DRI and PUD that apply to their respective property, and all environmental, land use, marketing and consumer protection ordinances, statutes and regulations, as well as all governmental rules, regulations, statutes and ordinances applicable to each Owner in connection with operation of improvements located within the Property.

Section 4.3 Platting and Additional Restrictions. The Developer shall be entitled at any time, and from time to time, to plat or replat all or any part of the Property, and to file any covenants and restrictions, or amendments to this Declaration, with respect to any portion or portions of the Property owned by the Developer, without the consent or joinder of any other party.

Section 4.4 Setbacks. The building setbacks applicable to the Building Sites and Lots and the method of measurement thereof shall be as stated in the architectural criteria adopted by the Developer or the Association, as applicable, pursuant to the terms of the Master Declaration.

Section 4.5 Motor Vehicles and Boats. No boats, recreation vehicles or other motor vehicles, except four wheel passenger automobiles, shall be placed, parked or stored within the Property, nor shall any maintenance or repair be performed upon any boat or motor vehicle within the Property, except within a building, or otherwise screened, so as to be totally isolated from public view. For each Residential Dwelling Unit, no more than four (4) motor vehicles of any description shall be regularly parked within the Property. Commercial vehicles shall not be parked within the Property within public view from Market Street on a regular basis, however, this restriction shall not be interpreted to preclude incidental parking for the purposes of loading or unloading such commercial vehicles. Construction trailers may be parked within the Property only with the prior written consent of the Developer and in an area designated by the Developer.

Section 4.6 Owners' Responsibilities. All Building Sites, Lots, Limited Common Areas, and improvements located thereon shall be maintained by their respective Owners (or in the case of Limited Common Areas, by the Owners of the adjacent Lots or Building Sites) in a manner consistent with applicable architectural criteria promulgated pursuant to the terms of the Master Covenants, the general appearance of other portions of Palencia and standards of maintenance consistent with a first class mixed use development. The Owner of each Lot or Building Site shall at all times keep the exterior of all buildings and the grounds and landscaping in good order and condition and free of litter. Operations, maintenance and repair activities shall be conducted upon each Building Site in such a manner so as not to damage, injure, destroy or interfere with the operation and maintenance of the Common Area. Each Owner of each Lot or Building Site shall reimburse the Association for the cost of any repairs or replacements to the Common Area caused by such Owner or such Owner's tenants, agents, employees, contractors or invitees. If any Owner shall fail to adequately maintain such Owner's Building Site, Lot or Limited Common Area, any improvements located thereon, or shall fail to repair, correct or mitigate any damage to the Common Area within seven (7) days after receipt of written notice from the Association requiring that such action be taken, the Association shall be entitled to take such action at the Owner's expense. Each Owner shall be personally liable to the Association for all direct or indirect costs incurred by the Association in the performance of such repairs or maintenance, the payment of which shall be secured by a lien upon such Owner's Building Site, or Lot. Such lien shall be enforceable by the Association in the same manner as liens for assessments are enforced pursuant to the terms of the Master Declaration.

Section 4.7 Nuisances and Other Impermissible Uses. No Building Site, Lot or any other portion of the Property shall be used in a manner that would constitute a nuisance. A nuisance shall be defined to include the emanation of any objectionable noise or sound; vibration; electro-mechanical or electro-magnetic disturbance, field or radiation; smoke; infestation by rodents, insects, or microorganisms; the emission of noxious, hazardous, toxic or corrosive fumes, liquids, substances or materials; the emission of dust, dirt or fly ash; or the use, production, storage or handling of flammable or explosive materials or of controlled or regulated hazardous or toxic materials except in accordance with validly issued and existing governmental permits and regulations. Such usage may be objectionable if it so annoys or disturbs any Owner or tenant, or the owners or occupants of real property located adjacent to the Property, and obstructs or interferes with the reasonable or compatible use of any Building Site or other adjacent real property, or so as to render usage of any any improvements thereon dangerous or

damaging to persons or property or to cause usage of a Building Site or any improvement thereon to violate federal, state, county or municipal law.

Section 4.8 Antennae. The installation of all aerials, antennae or satellite dishes shall be subject to the approval of the Developer in accordance with architectural criteria imposed by the Developer or the Association from time to time.

Section 4.9 Subdivision. No Owner shall subdivide any Building Site or Lot without the prior written approval of the Developer which shall be granted or withheld in the Developer's sole and reasonable discretion.

Section 4.10 Lakes. Only the Developer, the Association and the CDD shall have the right to pump or otherwise remove any water from any lake adjacent to or near to the Subdivision for the purpose of irrigation or other use, or to place any refuse in such lake or lakes. The Developer, the Association and the CDD shall have the sole and absolute right (but no obligation) to control the water level of such lake or lakes and to control the growth and eradication of plants, fowl, reptiles, animals, fish and fungi in or on any such lake. No gas or diesel driven boat shall be permitted to be operated on any lake. Building Sites and Lots which now or may hereafter be adjacent to or include a portion of a lake (the "lake parcels") shall be maintained so that such grass, planting or other lateral support to prevent erosion of the embankment adjacent to the lake and the height, grade and contour of the embankment shall not be changed without the prior written consent of the Association. Further, all shoreline vegetation, including cattails and the like, shall be maintained and controlled by the Owner of any lake parcel pursuant to the requirements of Section 4.6 hereof. If the Owner of any lake parcel fails to maintain the embankment or shoreline vegetation as part of its landscape maintenance obligations in accordance with the foregoing, the Association shall have the right, but no obligation, to enter upon any such lake parcel to perform such maintenance work which may be reasonably required, all at the expense of the Owner of such lake parcel. Title to any lake parcel shall not include ownership of any riparian rights associated therewith. No docks, bulkheads or other structures shall be constructed on such embankments unless and until same shall have been approved by the Developer. The Association shall have the right to adopt reasonable rules and regulations from time to time in connection with use of the surface waters of any lake adjacent to or nearby the Property. The Association shall have the right to deny such use to any person who in the opinion of the Association may create or participate in the disturbance or nuisance on any part of the surface waters of any such lake. The use of the surface waters of any such lake shall be subject to rights granted to other persons pursuant to the rules and regulations of the Association.

Section 4.11 Insurance and Casualty Damages. Each Owner shall be required to obtain and maintain in force and effect a policy of fire and other casualty insurance with coverage adequate to cover the full replacement cost of the dwelling and other improvements located on the Owner's Building Site or Lot. In the event of damage or destruction by fire or other casualty to the improvements on any Building Site or Lot, the Owner shall commence reconstruction of the improvements within six (6) months from date of casualty and shall repair or rebuild such damaged or destroyed improvements in a good workmanlike manner, within a reasonable time not to exceed one year and in accordance with the provisions of this Declaration.

The improvements shall be reconstructed in accordance with the original plans and specifications including color scheme, improvement, placement, and materials. All debris must be removed immediately and the Building Site or Lot shall be restored to an orderly condition within a reasonable time not to exceed sixty (60) days from the date of such damage or destruction.

Section 4.12 Trees. No tree or shrub, the trunk of which exceeds six (6) inches in diameter one (1) foot above the ground, shall be cut down, destroyed or removed from a Lot without the prior express written consent of the Developer.

Section 4.13 Artificial Vegetation. No artificial grass, plants or other artificial vegetation shall be placed or maintained upon the exterior portion of any Building Site or Lot, unless approved by the Developer.

Section 4.14 Signs. No sign of any kind shall be displayed to the public view on any Building Site or Lot except as may be approved as to size and design and in accordance with criteria established by the Developer.

Section 4.15 Animals. Dogs shall be kept under control by each Owner at all times and leashed when outside the boundaries of the Owner's property. Animals shall be kept for the pleasure of Owners only and not for any commercial or breeding use or purposes. If, in the discretion of the Board, any animal shall become dangerous or an annoyance or nuisance to other Owners, or destructive of wildlife or property, such animal may not thereafter be kept within the Property. Further, in the event any group of animals shall collectively become dangerous or an annoyance or nuisance to other Owners, or destructive to wildlife or property, the Board shall have the right to require the applicable Owner to reduce the number of animals kept within the Property, or to take such other remedial action as the Board shall specify.

Section 4.16 Reservation of Right to Release Restrictions. If a building or other improvement has been or is proposed to be erected within the Property in such a manner as to constitute a violation of, variance from, or encroachment into, the covenants and restrictions set forth in, or easements granted or reserved by, this Declaration, the Developer shall have the right to waive or release the violation, variance or encroachment without the consent or joinder of any person so long as the Developer, in the exercise of its sole discretion, determines in good faith that such waiver or release will not materially and adversely affect the health and safety of Owners, the value of adjacent portions of the Property, and the overall appearance of the Property.

Section 4.17 Easements for Ingress, Egress, Utilities and Drainage. The Developer reserves for itself, its successors, assigns and designees, a right-of-way and perpetual, nonexclusive easement for ingress and egress and to erect, maintain and use utilities, electric, telephone and street lighting poles, wires, cables, conduits, storm sewers, sanitary sewers, water mains, gas, sewer, water lines, drainage ways and structures, or other public conveniences or utilities, on, in and over any area designated as an easement, open space, landscaped area, private street or right-of-way area on any plat of all or any portion of the Property.

Section 4.18 Drainage Flow. Drainage flow shall not be obstructed or diverted from drainage easements. The Developer or the Association may, but shall not be required to, cut drainways for surface water wherever and whenever such action may appear to be necessary to maintain reasonable aesthetic standards relative to the Property and surrounding properties. These easements include the right to cut any trees, bushes or shrubbery, make any grading of the land, or to take any other reasonable action necessary to install utilities and to maintain reasonable aesthetic standards, but shall not include the right to disturb any permanent improvements erected upon a Building Site which are not located within the specific easement area designated on the plat or otherwise reserved in this Declaration. Notwithstanding any provision of this Section 4.18 to the contrary, neither the Developer nor the Association shall take any action which shall alter the Surface Water or Stormwater Management System beyond maintenance in its original condition without the prior written approval of the SJRWMD.

Section 4.19 Future Easements. Developer reserves the right to impose further restrictions and to grant or dedicate additional easements and rights of way on any portions of the Property owned by Developer. In addition, Developer hereby expressly reserves the right to grant easements and rights-of-way over, under and through the Common Area so long as Developer shall own any portion of Palencia. The easements granted by Developer shall not materially or adversely affect any improvements or unreasonably interfere with the enjoyment of the Common Area.

Section 4.20 Additional Easements. The Developer reserves for itself, and its successors and assigns, a perpetual, exclusive easement for the installation, maintenance and operation of cables for the transmission of cable television, radio, or other electronic communications of any form, for propane or natural gas pipes, mains and related equipment, or for any improvements used in connection with providing cellular telephone service on, in, and over (i) any area designated as an easement, private street, or right of way on any plat of all or any portion of the Property, and (ii) any portion of the Common Area. All cables located within the Property shall be installed and maintained underground. For purposes of this Section 4.20, the term "cables" shall include without limitation, all wire, coaxial, fiber optic, or other cable types intended for the transmission of electronic communications.

Section 4.21 Rules and Regulations. The Association, acting through its Board, shall have the right to adopt and amend reasonable rules and regulations pertaining to the use and occupancy of all portions of the Property, which shall be consistent with the provisions of this Declaration. Without limiting the foregoing, the Association shall have the right to adopt specific rules and regulations pertaining to the installation and maintenance of all landscaping and natural areas which shall promote and protect aesthetic and environmental values within and in the vicinity of the Property.

Section 4.22 Specific Use Restrictions. No portion of the Property shall be used for tattoo parlors, adult entertainment establishments, check cashing or title loan businesses, animal hospitals, kennels, pet shops, veterinarian offices, dry cleaners with dry cleaning plant or equipment (pickup and drop off of dry cleaning is permitted), laundromats or coin laundries, entertainment arcades with mechanical or electrical games, adult bookstores, gas stations, mortuaries, or any similar use which in the reasonable discretion of the Developer shall be

deemed to be inconsistent with the development of Palencia as a first class residential and mixed use community. Further, for a period of twenty (20) years following the date that this Declaration shall be recorded in the public records of St. Johns County, Florida, no portion of the Property may be used for a residential real estate sales or brokerage office. The foregoing shall not prohibit the occupancy of an office within the Property by persons licensed to provide residential real estate brokerage and sales services, however, the establishment of offices from which residential real estate sales, rental or brokerage services shall be offered to the public shall be prohibited.

ARTICLE V
GENERAL PROVISIONS

Section 5.1 Remedies for Violations. All of the provisions of this Declaration shall be enforceable in the manner provided by Article X of the Master Declaration, which Article is hereby incorporated by reference herein.

Section 5.2 Developer's Reserved Rights Re: Easements. Notwithstanding any provision of this Declaration to the contrary, the Developer shall have the right to specifically define or amend the boundaries or extent of any easement, license, or use right reserved or granted pursuant to the terms hereof. At any time, the Developer shall have the right to execute and record an instrument which shall specifically define or amend the boundary and extent of any such easement, license or use right, or the Developer may specifically define or amend such boundaries by the designation thereof on one or more recorded plats of portions of the Property. The Developer's determination of the boundary and extent of any easement, license or use right reserved or granted pursuant to this Declaration in accordance with this Section 5.2, shall be dispositive for all purposes; provided nothing contained in this Section 5.2 shall authorize the Developer to take any action that would have a material and adverse effect on any improved portion of the Property.

Section 5.3 Severability. Invalidation of any of the provisions of this Declaration by judgment or court order shall not affect or modify any of the other provisions, which shall remain in full force and effect.

Section 5.4 Additional Restrictions. No Owner, without the prior written consent of the Developer, may impose any additional covenants or restrictions on any part of the Property, but the Developer may include in any contract or deed hereafter made and covering all or any part of the Property, any additional covenants or restrictions applicable to the Property so covered which are not inconsistent with and which do not lower standards established by this Declaration.

Section 5.5 Titles. The addition of titles to the various sections of this Declaration are for convenience and identification only and the use of such titles shall not be construed to limit, enlarge, change, or otherwise modify any of the provisions hereof, each and all of which shall be construed as if not entitled.

Section 5.6 Termination or Amendment. The covenants, restrictions, easements and other matters set forth herein shall run with the title to the Property and be binding upon each Owner, the Developer, the Association and their respective successors and assigns for a period of fifty (50) years, and shall be automatically renewed for successive ten (10) year periods unless terminated as herein provided. The Owners holding two-thirds (2/3) or more of the total votes of the Association may alter, amend or terminate these covenants provided, however, that so long as the Developer owns any land within Palencia, no such termination or amendment shall be effective without the written consent and joinder of the Developer. Further, until such time as the Developer shall not own any lands within Palencia, the Developer shall have the unilateral right to amend this Declaration without the consent or joinder of any other party in any manner which does not materially and adversely affect the value of any Building Site or other building parcel located within the Property. Any amendment to this Declaration which amends the responsibilities or obligations of the parties with respect to the ACOE Permit, must have prior written approval of ACOE. Any amendment to this Declaration shall be executed by the Association and Developer, if applicable, and shall be recorded in the current public records of St. Johns County, Florida.

Section 5.7 Usage. Whenever used, the singular shall include the plural and the singular, and the use of any gender shall include all genders.

Section 5.8 Effective Date. This Declaration shall become effective upon its recordation in the public records of St. Johns County, Florida.

IN WITNESS WHEREOF, the Developer has caused this instrument to be executed under seal this 12th day of October, 2004.

Signed, sealed and delivered
in the presence of:


MARSHALL CREEK, LTD., a Florida limited partnership

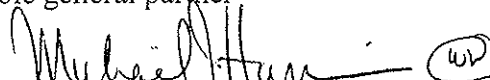
By: Hines/Marshall Creek, Ltd., a Florida limited partnership, its sole general partner

By: Hines Management, L.L.C., a Delaware limited liability company, its sole general partner

By: Hines Interests Limited Partnership, a Delaware limited partnership, its sole member

By: Hines Holdings, Inc., a Texas corporation, its sole general partner


Name Printed: Walter O'Sha


Name Printed: Michael T. Harrison

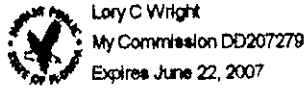
Kellie Weitzbar
Name Printed: Kellie Weitzbar

Title: Senior Vice President

STATE OF Florida }
COUNTY OF St Johns }

The foregoing instrument was acknowledged before me this 12 day of October, 2004, by Michael T Harrison, the Senior Vice President of Hines Holdings, Inc., a Texas corporation (the "Company"), as general partner of Hines Interests Limited Partnership, a Delaware limited partnership ("HILP"), which in turn is the sole member of Hines Management, L.L.C., a Delaware limited liability company (the "LLC"), which in turn is the sole general partners of Hines/Marshall Creek, Ltd., a Florida limited partnership (the "GP"), which in turn is the sole general partner of Marshall Creek, Ltd. on behalf of the Company, HILP, the LLC, the GP and the Partnership.

Lory C Wright
(Print Name: Lory C Wright)
NOTARY PUBLIC



State of Florida at Large
Commission # _____
My Commission Expires: 7/22/07
Personally Known _____
or Produced I.D. _____
[check one of the above]

Type of Identification Produced

Exhibit A

(Legal Description)

TRACT E AND A PORTION OF TRACT F, MARSHALL CREEK DRI VILLAGE CENTER UNIT TWO, ACCORDING TO MAP THEREOF RECORDED IN MAP BOOK 49, PAGES 28 THROUGH 30 OF THE PUBLIC RECORDS OF ST. JOHNS COUNTY, FLORIDA, SAID PORTION OF TRACT F BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: FOR THE POINT OF BEGINNING COMMENCE AT THE MOST NORTHERLY CORNER OF SAID TRACT F; THENCE SOUTH 88°32'12" EAST, ALONG THE NORTHERLY BOUNDARY OF SAID TRACT F, 7.39 FEET; THENCE SOUTH 45°00'00" EAST, 92.14 FEET TO THE SOUTHERLY BOUNDARY OF SAID TRACT F; THENCE THE FOLLOWING COURSES ALONG THE BOUNDARY OF SAID TRACT F; NORTH 90°00'00" WEST, 4.24 FEET; THENCE SOUTH 45°00'00" WEST, 217.50 FEET; THENCE SOUTH 90°00'00" WEST, 14.14 FEET; THENCE NORTH 45°00'00" WEST, 8.50 FEET; THENCE NORTH 00°00'00" WEST, 20.51 FEET; THENCE NORTH 45°00'00" WEST, 51.50 FEET; THENCE NORTH 00°00'00" WEST, 14.14 FEET; THENCE NORTH 45°00'00" EAST, 200.91 FEET TO THE POINT OF BEGINNING.

THIS DOCUMENT PREPARED
BY AND RETURN TO:

THOMAS M. JENKS, ESQ.
PAPPAS METCALF JENKS & MILLER, P.A.
245 RIVERSIDE AVENUE, SUITE 400
JACKSONVILLE, FL 32202-4926

Public Records of
St. Johns County, FL
Clerk # 2005029509,
O.R. 2419 PG 959-963
04/19/2005 at 03:36 PM,
REC. \$21.00 SUR. \$23.00

SUPPLEMENTAL DECLARATION
OF COVENANTS AND RESTRICTIONS FOR THE PALENCIA
MIXED USE AREA
(VILLAGE CENTER UNITS ONE AND TWO-ADDITIONAL PARCELS)

THIS SUPPLEMENTAL DECLARATION is made effective April 12th, 2005 by **MARSHALL CREEK, LTD.**, a Florida limited partnership (the "Developer").

W I T N E S S E T H :

WHEREAS, the Developer is the owner of certain real property more particularly described on the attached Exhibit A (the "Property"); and

WHEREAS, the Declaration of Covenants and Restrictions for the Palencia Mixed Use Area has been recorded in Official Records Book 2305, at page 1487 of the public records of St. Johns County, Florida, (together, the "Declaration"); and

WHEREAS, the Developer desires to subject the Property to all of the terms, conditions and provision contained in the Declaration as provided for under the terms of Section 3.2 of the Declaration.

NOW THEREFORE, the Developer hereby declares that:

1. All capitalized terms contained in this Supplemental Declaration shall have the same meanings as such terms are defined by the Declaration.
2. All of the Property and any portion thereof shall be held, transferred, sold and conveyed and occupied subject to all covenants, restrictions, easements, charges and liens and all other matters as set forth in the Declaration as amended from time to time. In the event of conflict between the Declaration and this Supplemental Declaration, this Supplemental Declaration shall control.
3. This Supplemental Declaration shall become effective upon its recordation in the public records of St. Johns County, Florida.

IN WITNESS WHEREOF, the Developer has caused this instrument to be duly executed as of the day and year first above written.

Signed, sealed and delivered in the presence of:


MARSHALL CREEK, LTD., a Florida limited partnership

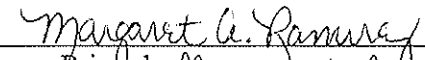
By: Hines/Marshall Creek, Ltd., a Florida limited partnership, its sole general partner

By: Hines Management, L.L.C., a Delaware limited liability company, its sole general partner

By: Hines Interests Limited Partnership, a Delaware limited partnership, its sole member



By: Hines Holdings, Inc., a Texas corporation, its sole general partner


Name Printed: Carla Marie Luigs


Name Printed: Margaret A. Ramirez

By: 
MICHAEL T. HARRISON
Title: SENIOR VICE PRESIDENT

Date: April 12, 2005

STATE OF FLORIDA }

COUNTY OF ST. JOHNS }

The foregoing instrument was acknowledged before me this 13th day of April, 2005, by Michael T. Harrison, the Senior Vice President of Hines Holdings, Inc., a Texas corporation (the "Company"), as general partner of Hines Interests Limited Partnership, a Delaware limited partnership ("HILP"), which in turn is the sole member of Hines Management, L.L.C., a Delaware limited liability company (the "LLC"), which in turn is the sole general partner of Hines/Marshall Creek, Ltd., a Florida limited partnership (the "GP"), which in turn is the sole general partner of Marshall Creek, Ltd., a Florida limited partnership, on behalf of the Company, HILP, the LLC, the GP and the Partnership.

Carla Marie Luigs
(Print Name Carla Marie Luigs)
NOTARY PUBLIC, State of Florida

Commission # DD011641
My Commission Expires: May 29, 2005
Personally Known or
Produced I.D. _____
[check one of the above]
Type of Identification Produced _____

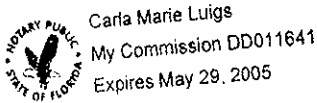


EXHIBIT A

A PORTION OF MIDWAY STREET, AS SHOWN ON PLAT OF MARSHALL CREEK DRI VILLAGE CENTER UNIT ONE, ACCORDING TO PLAT THEREOF RECORDED IN MAP BOOK 43, PAGES 74 AND 75 OF THE PUBLIC RECORDS OF ST. JOHNS COUNTY, FLORIDA AND ON PLAT OF MARSHALL CREEK DRI VILLAGE CENTER UNIT TWO, ACCORDING TO PLAT THEREOF RECORDED IN MAP BOOK 49, PAGES 28 THROUGH 30 OF SAID PUBLIC RECORDS AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: FOR THE POINT OF BEGINNING COMMENCE AT THE MOST SOUTHERLY CORNER OF TRACT E, SAID MARSHALL CREEK DRI VILLAGE CENTER UNIT TWO, THE SAME BEING A POINT ON THE NORTHWESTERLY RIGHT-OF-WAY OF AFOREMENTIONED MIDWAY STREET (A VARIABLE WIDTH RIGHT-OF-WAY AS NOW ESTABLISHED); THENCE THE FOLLOWING (2) COURSES ALONG SAID NORTHWESTERLY RIGHT-OF-WAY LINE, THE SAME BEING THE SOUTHEASTERLY BOUNDARY OF SAID TRACT E: COURSE (1) - NORTH 45°00'00" EAST, 341.36 FEET; COURSE (2) - NORTH 00°00'00" WEST, 22.63 FEET; THENCE SOUTH 45°00'00" EAST, 21.00 FEET; THENCE SOUTH 45°00'00" WEST, 357.36 FEET; THENCE NORTH 45°00'00" WEST, 5.00 FEET TO THE POINT OF BEGINNING.

TOGETHER WITH:

PARCEL "A"

A PORTION OF TRACT H, AS SHOWN ON PLAT OF MARSHALL CREEK DRI VILLAGE CENTER UNIT TWO, ACCORDING TO PLAT THEREOF RECORDED IN MAP BOOK 49, PAGES 28 THROUGH 30 OF THE PUBLIC RECORDS OF ST. JOHNS COUNTY, FLORIDA AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS;

FOR A POINT OF REFERENCE, COMMENCE AT THE MOST SOUTHERLY CORNER OF TRACT E, SAID MARSHALL CREEK DRI VILLAGE CENTER UNIT TWO, THE SAME BEING A POINT ON THE NORTHEASTERLY RIGHT-OF-WAY OF LINE OF CENTRAL STREET (A VARIABLE WIDTH RIGHT-OF-WAY AS NOW ESTABLISHED); THENCE NORTH 45°00'00" WEST, ALONG SAID NORTHEASTERLY RIGHT-OF-WAY LINE, THE SOUTHWESTERLY BOUNDARY OF SAID TRACT E, THE SOUTHWESTERLY RIGHT-OF-WAY LINE OF MARKET STREET (A VARIABLE WIDTH RIGHT-OF-WAY AS NOW ESTABLISHED) AND THE SOUTHWESTERLY LINE OF TRACT F OF SAID MARSHALL CREEK DRI VILLAGE CENTER UNIT TWO, A DISTANCE OF 188.20 FEET; THENCE NORTH 00°00'00" EAST, CONTINUING ALONG SAID SOUTHEASTERLY LINE OF TRACT F, A DISTANCE OF 20.51 FEET; THENCE NORTH 45°00'00" WEST, CONTINUING ALONG SAID SOUTHWESTERLY LINE OF TRACT F, A DISTANCE OF 51.50 FEET TO THE POINT OF BEGINNING;

THENCE NORTH 45°00'00" WEST, DEPARTING SAID SOUTHWESTERLY LINE OF TRACT F, A DISTANCE OF 10.00 FEET; THENCE NORTH 45°00'00" EAST, A DISTANCE OF 10.00 FEET TO THE SOUTHWESTERLY LINE OF SAID TRACT F; THENCE SOUTH 00°00'00" WEST, ALONG SAID SOUTHWESTERLY LINE OF TRACT F, 14.14 FEET TO THE POINT OF BEGINNING.

TOGETHER WITH:

PARCEL "B"

A PORTION OF MARKET STREET, AS SHOWN ON PLAT OF MARSHALL CREEK DRI VILLAGE CENTER UNIT TWO, ACCORDING TO PLAT THEREOF RECORDED IN MAP BOOK 49, PAGES 28 THROUGH 30 OF SAID PUBLIC RECORDS AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS;

FOR A POINT OF REFERENCE, COMMENCE AT THE MOST SOUTHERLY CORNER OF TRACT E, SAID MARSHALL CREEK DRI VILLAGE CENTER UNIT TWO, THE SAME BEING A POINT ON THE NORTHEASTERLY RIGHT-OF-WAY LINE OF CENTRAL STREET (A VARIABLE WIDTH RIGHT-OF-WAY AS NOW ESTABLISHED); THENCE NORTH 45°00'00" WEST, ALONG SAID NORTHEASTERLY RIGHT-OF-WAY LINE, THE SOUTHWESTERLY BOUNDARY OF SAID TRACT E AND THE SOUTHWESTERLY RIGHT-OF-WAY LINE OF MARKET STREET (A VARIABLE WIDTH RIGHT-OF-WAY AS NOW ESTABLISHED), A DISTANCE OF 169.69 FEET TO THE POINT OF BEGINNING;

THENCE NORTH 45°00'00" WEST, CONTINUING ALONG SAID SOUTHWESTERLY RIGHT-OF-WAY LINE OF MARKET STREET AND THE SOUTHERLY RIGHT-OF-WAY LINE OF CENTRAL STREET, A DISTANCE OF 10.00 FEET; THENCE NORTH 90°00'00" EAST, DEPARTING SAID SOUTHWESTERLY RIGHT-OF-WAY LINE OF MARKET STREET, A DISTANCE OF 14.14 FEET; THENCE SOUTH 45°00'00" WEST, A DISTANCE OF 10.00 FEET TO THE POINT OF BEGINNING;

TOGETHER WITH:

PARCEL "C"

A PORTION OF MARKET STREET, AS SHOWN ON PLAT OF MARSHALL CREEK DRI VILLAGE CENTER UNIT TWO, ACCORDING TO PLAT THEREOF RECORDED IN MAP BOOK 49, PAGES 28 THROUGH 30 OF SAID PUBLIC RECORDS AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS;

FOR A POINT OF REFERENCE, COMMENCE AT THE MOST SOUTHERLY CORNER OF TRACT E, SAID MARSHALL CREEK DRI VILLAGE CENTER UNIT TWO, THE SAME BEING A POINT ON THE NORTHEASTERLY RIGHT-OF-WAY OF CENTRAL STREET (A VARIABLE WIDTH RIGHT-OF-WAY AS NOW ESTABLISHED); THENCE NORTH 45°00'00" WEST, ALONG SAID NORTHEASTERLY RIGHT-OF-WAY LINE, AND THE SOUTHWESTERLY BOUNDARY OF SAID TRACT E, A DISTANCE OF 76.69 FEET TO THE POINT OF BEGINNING;

THENCE NORTH 45°00'00" WEST, CONTINUING ALONG SAID NORTHEASTERLY RIGHT-OF-WAY LINE OF CENTRAL STREET AND THE SOUTHWESTERLY RIGHT-OF-WAY LINE OF MARKET STREET (A VARIABLE WIDTH RIGHT-OF-WAY AS NOW ESTABLISHED), A DISTANCE OF 10.00 FEET; THENCE NORTH 45°00'00" EAST, DEPARTING SAID NORTHEASTERLY RIGHT-OF-WAY LINE OF CENTRAL STREET AND SAID SOUTHWESTERLY RIGHT-OF-WAY LINE OF MARKET STREET, A DISTANCE OF 10.00 FEET TO THE SOUTHWESTERLY LINE OF SAID TRACT E; THENCE SOUTH 00°00'00" WEST, ALONG SAID SOUTHWESTERLY LINE OF TRACT E, A DISTANCE OF 14.14 FEET TO THE POINT OF BEGINNING.

THIS DOCUMENT PREPARED
BY AND RETURN TO:

THOMAS M. JENKS, ESQ.
PAPPAS METCALF JENKS & MILLER, P.A.
245 RIVERSIDE AVENUE, SUITE 400
JACKSONVILLE, FL 32202-4926

Public Records of
St. Johns County, FL
Clerk # 2005033669,
O.R. 2428 PG 1944-1947
05/04/2005 at 11:07 AM,
REC. \$17.00 SUR. \$18.50

SUPPLEMENTAL DECLARATION
OF COVENANTS AND RESTRICTIONS FOR THE PALENCIA
MIXED USE AREA
(VILLAGE CENTER UNIT TWO)

THIS SUPPLEMENTAL DECLARATION is made effective April 29, 2005 by **MARSHALL CREEK, LTD.**, a Florida limited partnership (the "Developer").

W I T N E S S E T H :

WHEREAS, the Developer is the owner of certain real property more particularly described on the attached Exhibit A (the "Property"); and

WHEREAS, the Declaration of Covenants and Restrictions for the Palencia Mixed Use Area has been recorded in Official Records Book 2305, at page 1487, as supplemented by Supplemental Declaration recorded in Official Records Book 2419, at page 959, of the public records of St. Johns County, Florida, (together, the "Declaration"); and

WHEREAS, the Developer desires to subject the Property to all of the terms, conditions and provision contained in the Declaration as provided for under the terms of Section 3.2 of the Declaration.

NOW THEREFORE, the Developer hereby declares that:

1. All capitalized terms contained in this Supplemental Declaration shall have the same meanings as such terms are defined by the Declaration.
2. All of the Property and any portion thereof shall be held, transferred, sold and conveyed and occupied subject to all covenants, restrictions, easements, charges and liens and all other matters as set forth in the Declaration as amended from time to time. In the event of conflict between the Declaration and this Supplemental Declaration, this Supplemental Declaration shall control.
3. This Supplemental Declaration shall become effective upon its recordation in the public records of St. Johns County, Florida.

IN WITNESS WHEREOF, the Developer has caused this instrument to be duly executed as of the day and year first above written.

Signed, sealed and delivered
in the presence of:

MARSHALL CREEK, LTD., a Florida limited
partnership

By: Hines/Marshall Creek, Ltd., a Florida limited
partnership, its sole general partner

By: Hines Management, L.L.C., a Delaware limited
liability company, its sole general partner

By: Hines Interests Limited Partnership, a Delaware
limited partnership, its sole member

By: Hines Holdings, Inc., a Texas corporation, its sole
general partner

Laci LeBuke

Name Printed: Laci LeBuke

Linda Cooper
Name Printed: Linda Cooper

By: *Michael T. Harrison*
Michael T. Harrison
Title: Senior Vice President (WW)

Date: April 29, 2005

STATE OF ~~FLORIDA~~ Georgia }

COUNTY OF Cobb }

The foregoing instrument was acknowledged before me this 29 day of April, 2005, by Michael T. Harrison, the Sr. Vice President of Hines Holdings, Inc., a Texas corporation (the ACompany@), as general partner of Hines Interests Limited Partnership, a Delaware limited partnership (AHILP@), which in turn is the sole member of Hines Management, L.L.C., a Delaware limited liability company (the ALLC@), which in turn is the sole general partner of Hines/Marshall Creek, Ltd., a Florida limited partnership (the AGP@), which in turn is the sole general partner of Marshall Creek, Ltd., a Florida limited partnership, on behalf of the Company, HILP, the LLC, the GP and the Partnership.

Margaret A Ramirez
(Print Name Margaret A Ramirez)
NOTARY PUBLIC, State of ~~Florida~~ Georgia
Commission # _____
My Commission Expires: _____
Personally Known or
Produced I.D. _____
[check one of the above]
Type of Identification Produced _____

Notary Public, Cobb County, Georgia
My Commission Expires February 13, 2009

EXHIBIT A

TRACT G, MARSHALL CREEK DRI VILLAGE CENTER UNIT TWO, ACCORDING TO THE PLAT THEREOF AS RECORDED IN MAP BOOK 49, PAGES 28 THROUGH 30 OF THE PUBLIC RECORDS OF ST. JOHNS COUNTY, FLORIDA.