

This instrument prepared by
and recorded copies sent to:
Candice H. Hawks
Landstar Development Corporation
120 Fairway Woods Blvd.
Orlando, FL 32824

LARRY WHALEY
OSCEOLA COUNTY, FLORIDA
CLERK OF CIRCUIT COURT

34P

CL 2002052492
SEB Date 03/28/2002 OR 2024/989
Time 12:22:09

RESERVED

DECLARATION OF COVENANTS AND RESTRICTIONS
FOR EAGLES NEST AT THE OAKS

THIS DECLARATION is made this Feb. of 6th, 2002 by Overoaks Development, LTD., a Texas limited partnership, (hereinafter called "Declarant") and Landstar Development Corporation, a Florida corporation (hereinafter called "Builder").

W I T N E S S E T H :

WHEREAS, Declarant is the owner of the property more particularly described on Exhibit "A" attached hereto and incorporated herein by this reference (the "Property"); and

WHEREAS, Declarant desires to create on the Property a community of single family homes, common area, interior private roadways, for the benefit of the owners of the Property; and

WHEREAS, Declarant desires to provide for the preservation and enhancement of the Property, amenities and improvements thereon, and to this end desires to subject the Property to the covenants, restrictions, easements, charges and liens hereafter set forth, all of which are for the benefit of the Property and each Owner, as hereafter defined, thereof; and

WHEREAS, to achieve these purposes, Declarant deems it desirable to create an agency to which shall be delegated and assigned the powers of owning, maintaining and administering common properties and facilities as well as administering and enforcing these covenants and restrictions and collecting and disbursing the assessments and charges hereafter created, along with promoting the health, safety and welfare of all Owners; and

WHEREAS, Declarant has incorporated, under the laws of the State of Florida, the EAGLES NEST AT THE OAKS HOMEOWNERS' ASSOCIATION, INC. as a corporation not for profit for the purpose of exercising all of the functions stated herein.

NOW, THEREFORE, the Declarant declares that the Property is and shall be held, sold, conveyed, leased, mortgaged and

occupied subject to the covenants, conditions, restrictions, easements, charges and liens hereafter set forth which are for the purpose of enhancing and protecting the value and desirability of, and which shall run with, the Property and be binding on all parties having any right, title or interest in the Property or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each Owner thereof.

ARTICLE I - DEFINITIONS

Section 1: "Architectural Review Committee" or "ARC" shall refer to the Committee established by the Board of Directors of the Association for the purpose of reviewing and approving, or vetoing all architectural, engineering, planning and landscaping aspects of any improvement or development of individual units or buildings.

Section 2: "Area of Common Responsibility" shall mean the Common Area, together with those areas, if any, which by the terms of this Declaration or by contract or agreement with the Master Association or any governmental agency become the responsibility of the Association.

Section 3: "Assessment" and "Annual" and "Special Assessments" shall mean and refer to the annual and special assessments to be paid by Members of the Master Association and the Association as provided for in the Master Declaration and this Declaration.

Section 4: "Association" shall mean and refer to EAGLES NEST AT THE OAKS HOMEOWNERS' ASSOCIATION, INC., a not for profit corporation, its successors and assigns and shall be a homeowner association, not a condominium formed pursuant to Chapter 718 of the Florida Statutes. A copy of the Articles of Incorporation filed with the Secretary of State is attached hereto as Exhibit "B".

Section 5: "Board" shall mean and refer to the Board of Directors of the Association, its successors and assigns.

Section 6: "Book of Resolutions" shall mean and refer to the document containing the rules and regulations and policies adopted by the Board of Directors of the Association as the same may from time to time be supplemented or amended.

Section 7: "Builder" shall mean any purchaser of one or more Lots from Declarant for the construction and resale of Units.

Section 8: "Bylaws" shall mean the Bylaws of EAGLES NEST AT THE OAKS HOMEOWNERS' ASSOCIATION, INC. A copy of the Bylaws is attached hereto as Exhibit "C".

Section 9: "Common Area" shall mean certain portions of the Common Areas which are for the exclusive use and benefit of the Property and refer to those areas of land, together with any improvements thereon, other than the Units, to be conveyed to the Association and which are intended to be devoted to the common use and enjoyment of the Owners, and which shall include, by way of example, but not by way of limitation, all roadways, perimeter wall and landscaping, storm drainage system, a recreation tract serving the Property. This subdivision will have private roadways and will be a gated community.

Section 10: "Common Expenses" shall mean the actual and estimated expenditures, including reasonable reserves, for maintenance, operation and other services required or authorized to be performed by the Association, with respect to Areas of Common Responsibility, Common Property, Open Spaces, or Public Areas, all as may be found to be reasonably necessary by the Board pursuant to this Declaration, the Bylaws, and the Articles of Incorporation of the Association.

Section 11: "Community Development District" or "CDD" shall mean that special district encompassing The Oaks, created pursuant to Chapter 190, Florida Statutes, and Osceola County Ordinance 90-31, responsible for the construction and maintenance of certain infrastructure systems and services benefiting the property in the CDD.

Section 12: "Declarant" shall mean and refer to Overoaks Development, LTD., its successors or assigns, but only to the extent specifically so identified by an instrument in writing executed and recorded by Declarant.

Section 13: "Declaration" shall mean the covenants, conditions and restrictions and all other provisions hereinafter set forth in this document, as the same may from time to time be amended.

Section 14: "Declaration of Master Covenants, Conditions and Restrictions" shall mean and refer to the Amended and Restated Declaration of Master Covenants, Conditions and Restrictions of The Oaks recorded in Official Records Book 1344, Pages 0953 through 1015, of the Public Records of Osceola County, Florida, and as it may from time to time be amended.

Section 15: "General Plan of Development" shall mean the plan for development of the Property as approved by appropriate governmental agencies, and as the same may be amended with amendments approved by the governmental agencies involved.

Section 16: "Household Pet" shall mean dog, cat, fish or other domesticated animal.

Section 17: "HUD/VA" shall mean the Federal Housing Authority and the Veterans Administration.

Section 18: "Improvements" shall mean internal roadways and drainage facilities, the perimeter wall, landscaping and irrigation and other private facilities that may be provided in the development of the Property.

Section 19: "Limited Common Element" shall mean and refer to the driveway which serves the Unit adjacent to such driveway, which provides Owner, their guests, invitees, lessees or tenants the exclusive benefit of access to the Unit, across Tract "B" (Common Area) from Tract "A" (Roadway).

Section 20: "Lot" shall mean any parcel of land shown upon any recorded subdivision map or plat of the Property upon which in the future will be located a detached single-family home.

Section 21: "Maintenance" shall mean, but not be limited to, cleanup, landscaping and grounds care, repair and structural upkeep of the Common Area, except that Area known as Limited Common Element (driveway) to the Unit.

Section 22: "Master Association" shall mean and refer to The Oaks Master Property Owners Association, Inc., a Florida non-profit corporation, its successors and assigns (f/k/a the Overoaks Master Property Owners Association, Inc.), and shall be a homeowner association, not a condominium formed pursuant to Chapter 718 of the Florida Statutes.

Section 23: "Member" shall mean and refer to all Owners who are Members of the Association as provided herein.

Section 24: "Osceola County" shall mean and refer to Osceola County, Florida.

Section 25: "Owner" shall mean and refer to the owner of the fee simple title to any Unit, its successors or assigns, whether one or more persons or entities, as shown by the records of the Association or the Public Records of Osceola County. Owner shall not mean or refer to the holder of a mortgage or security deed, its successors or assigns, unless and until such holder has acquired title pursuant to a foreclosure or a proceeding or deed in lieu of foreclosure; nor shall the term "Owner" mean or refer to any lessee or tenant of an Owner.

Section 26: "Plat" shall mean and refer to the plat of EAGLES NEST AT THE OAKS to be recorded in the Public Records of Osceola County, Florida simultaneously herewith.

Section 27: "Property" shall mean and refer to all real property, which becomes subject to the Declaration.

Section 28: "Rental" shall mean rental of Units under the terms and conditions contained in Osceola County resolutions and ordinances regulating the rental of real property in Osceola County, Florida and the rules and regulations of any other governmental agency regulating the rental of real property.

Section 29: "Transient Rental" shall mean short term rental of Units under the terms and conditions contained in Osceola County resolutions and ordinances regulating the rental of real property in Osceola County, Florida and the rules and regulations of any other governmental agency regulating the rental of real property.

Transient Rental is PROHIBITED within The Oaks subdivision and thereby, PROHIBITED within Eagles Nest at The Oaks.

Section 30: "Unit" shall mean and refer to each residential unit comprised of improvements and land as the same shall be more particularly described in each deed from the Builder to the Owner.

ARTICLE II - PROPERTY SUBJECT TO THIS
DECLARATION

Section 1: Property.

The Property subject to this Declaration constitutes a portion of THE OAKS Subdivision located in Osceola County, Florida and is commonly known as EAGLES NEST. The Declarant intends to develop EAGLES NEST in accordance with the Development Order, as amended, for THE OAKS Subdivision ("Development Order"). Additional real property shown or encompassed by the Development Order may, but is not required to, be added to or removed from the Property subject to this Declaration by an amendment hereto and shall include the description of such real property, and shall either subject the additional real property to or release the real property from the provisions of this Declaration. Additions or releases shall occur within thirty (30) years from the date that this Declaration is recorded. Such additions or releases of real property shall be in accord with the Development Order and this Declaration, as the same shall have been modified and approved from time to time by applicable governmental authorities. The amendment shall be executed by the Declarant without requiring the joinder and consent of any Owner and shall be effective when recorded in the Public Records of Osceola County, Florida.

ARTICLE III - MEMBERSHIP AND VOTING RIGHTS

Section 1: Members.

Every Owner of a Unit, including the Builder, shall be a mandatory member of the "Master Association" and the "Association" and by acceptance of a deed or other instrument evidencing ownership interest, each Owner accepts membership in the Association and agrees to abide by and be bound by the provisions of this Declaration and other rules and regulations of the Master Association and the Association. Membership shall be appurtenant to, and may not be separated from, the ownership of any Unit. Transfer of Unit ownership either voluntarily or by operation of law shall terminate membership in the Association and said membership shall be vested in the transferee.

In addition to the foregoing, the family guests, invitees and tenants of said owner shall, while in or on the Property, abide and be bound by the provisions of the Master Declaration, this Declaration, the Articles of Incorporation, the Bylaws and other rules and regulations of the Master Association or Association.

Section 2: Membership Classification and Voting Rights.

The Association shall have three (3) classes of voting membership:

Class A - Class A member(s) shall be all Owners of Units that have been conveyed to such Owners by a builder or developer of the Unit. Class A Members shall be allocated one vote for each improved Unit in which they hold the interest.

Class B - Class B member(s) shall be the Builder who shall be entitled to one (1) vote for each Lot or Unit in which they hold the interest. Upon the transfer of title of any Lot or Unit which is held for resale by a Builder, the Class B membership interest appurtenant to such Lot or Unit shall automatically be converted to a Class A membership interest, unless the Lot or Unit is resold to the Declarant, in which case the membership shall automatically be converted to a Class C membership interest or unless the Lot, with no Unit built thereon, is sold to another Builder, with the consent of the Declarant, in which case the membership shall not convert.

Class C - Class C member(s) shall be the Declarant, or its specifically designated (in writing) successor. The Class C Member shall be allocated a number of votes equal to three (3) votes for each Lot owned by the Class C Member; Class C Membership shall cease and become converted to Class A Membership upon the happening of either of the following events:

1) when the total votes outstanding in Class A and Class B membership equal the total votes outstanding in Class C membership; or

2) on December 31, 2009.

Section 3: Multiple Owners.

When any Unit or Lot entitling the Owner to membership in the Association is owned of record in the name of two or more persons or entities, or if two or more persons or entities have the same fiduciary relationship respecting the same property, such Owner shall select one official representative to qualify for voting in the Association and shall notify in writing the Secretary of the Association of the name of such individual. The vote of each individual shall be considered to represent the will of all the Owners of that Unit or Lot. In the circumstance of such common ownership, if the Owners fail to designate their voting representative then the Association may accept the person asserting the right to vote as the voting Owner until notified to the contrary by the other member(s). Upon such notification the Owner may not vote until the Owner(s) appoint their representative pursuant to this paragraph.

Unless otherwise specifically defined herein, any reference in this Declaration to the vote or consent of members shall mean the required number or percentage of Units and not the required number or percentage of members or Owners.

Section 4: Record Date.

For purposes of determining voting rights hereunder the membership roster of record Owners shall be set as of three (3) days prior to the commencement of the meeting at which the vote shall take place.

ARTICLE IV - TURNOVER

Section 1. Time of Turnover. The Turnover of the Association by the Declarant shall occur at the Turnover meeting described herein which shall take place within sixty (60) days of the occurrence of the following events, whichever occurs earliest:

- A. December 31, 2009.
- B. Upon voluntary conversion to Class A membership by the Declarant.

C. When the total votes outstanding in the Class A and Class B membership equal the total votes outstanding in the Class C membership.

The Declarant, or its successors or assigns, shall remain a member so long as it owns a Lot or Unit subject to this Declaration.

Section 2. Procedure of Calling Turnover Meeting. The purpose of the Turnover meeting shall be to elect directors to the Association. No more than sixty (60) days and no less than thirty (30) days prior to the Turnover meeting, the Association shall notify all Members in writing of the date, location, and purpose of the Turnover meeting.

Section 3. Procedure for Meeting. The Turnover meeting shall be conducted in accordance with the most recent revision of Robert's Rules of Order.

Section 4. Delivery of Documents to Association at Turnover. At the time of Turnover, Declarant shall deliver the following documents to the Association:

- A. All deeds to Common Property.
- B. The Association's original Declaration of Covenants and Restrictions.
- C. A certified copy of the Articles of Incorporation of the Association.
- D. A copy of the Bylaws.
- E. The minute books including all minutes.
- F. The books and records of the Association.
- G. All policies, rules, and regulations that have been adopted.
- H. Evidence of resignations of directors who are required to resign because the Declarant is required to relinquish control of the Association.
- I. The financial records of the Association from the date of incorporation through the date of turnover.
- J. An accounting of Association funds (including Reserve Funds) and the control thereof.

- K. A description of all tangible property of the Association.
- L. A copy of all contracts that are in force with the Association as one of the parties.
- M. A list of the names, addresses, and telephone numbers of all contractors, subcontractors, or others in the employ of the Association.
- N. All insurance policies.
- O. Any permits issued to the Association by governmental bodies.
- P. All warranties in effect.
- Q. A complete roster of the homeowners and their mailing addresses, telephone numbers, and section and lot numbers.
- R. A plat map or survey showing all common property owned by the Association.
- S. Employment and service contracts in effect.
- T. All other contracts to which the Association is a party.

Section 5. Financial Statements. Within twelve (12) months after Turnover, financial statements from the date of incorporation through the date of Turnover must be given to the Board of Directors. The financial statements must be:

- A. Compiled if the annual budget of the Homeowners' Association is under \$400,000.00; or
- B. Reviewed if the annual budget is \$400,000.00 or greater.

Section 6. After Turnover. After Turnover, the Association must compile, at least once every three (3) years, all governing documents, including copies of standards from sale contracts, Articles of Incorporation, Bylaws, rules, restrictive covenants, and any other document then in effect which governs the rights or duties of homeowners. If there have been no changes made to the governing documents during the three (3) year period, the Association shall provide a statement on Homeowners' Association stationery that no changes have been made and attach the statement to the governing documents.

ARTICLE V - COMMON AREASection 1: Obligations of the Association.

The Association, subject to the rights of the Owners set forth in this Declaration, shall be responsible for the exclusive management, maintenance and control of the Common Area and all improvements thereon (including furnishings and equipment related thereto, gate, perimeter wall, street maintenance, drainage system and all common landscaped areas, including existing trees.) The Association shall keep the same in good, clean, attractive order and repair, and shall be responsible for the removal and replacement of trees. Should any existing trees die or require removal for any reason the Association shall obtain a tree permit from the City of Kissimmee and shall plant a new canopy tree with a minimum of caliper of 4 ½ inches.

Section 2: Conveyance Or Mortgage of Common Area.

The Common Area cannot be mortgaged or conveyed without the consent of at least two-thirds (2/3) of the Owners (excluding the Declarant).

Any conveyance or transfer of property rights to Osceola County or other governmental entity without the consent of one hundred (100) percent of the property owners is prohibited.

Section 3: Damage or Destruction of Common Area by Owner.

In the event any portion of the Common Area is damaged or destroyed by an Owner or any guests, tenants, licensees, agents or members of Owner's family, such Owner does hereby authorize the Association to repair said damaged area. The Association shall repair such damaged area in a good and workmanlike manner in conformity with the original plans and specifications of the area involved, or as the area may have been modified or altered subsequently by the Association. At the discretion of the Association, the amount necessary for such repair shall become an individual assessment upon the Lot of the said Owner.

Section 4: Title to Common Area.

The Declarant may retain legal title to the Common Area or any portion thereof until such time as it has completed Improvements to the Property. Notwithstanding any provision contained herein to the contrary, the Declarant hereby covenants that it shall convey the Common Area to the Association, free and clear of all unapproved liens and financial encumbrances, no later than six (6) months from the termination of the Class B membership. While title to all or a

portion of the Common Area is retained by the Declarant, the Owners shall have all of the rights and obligations imposed by the Declaration with respect to the Common Area.

Section 5: Easements.

Subject to the provisions herein, every Owner shall have a right and easement of enjoyment in and to the Common Area which right and easement shall be appurtenant, and shall pass with the title, to every Unit or Lot.

The Owners' easements of enjoyment created hereby shall be subject to the following:

A. With respect to the use and enjoyment of the portion of the Common Area which comprises the private roadways running through and around the Property providing access to each Unit, use of the said easement shall be unrestricted and each Owner's rights shall be co-extensive with the rights of all other Owners.

B. With respect to all other property comprising the Common Area, the Owners' easements of enjoyment shall be subject to the rights of the Association as follows:

1) To establish reasonable rules and regulations for usage of Common Area facilities, however, no entity or entities shall unreasonably restrict any Owner's right to peaceably assemble or right to invite public officers or candidates for public office to appear and speak in Common Areas and recreational facilities. Any Owner prevented from exercising rights guaranteed above may bring an action in the appropriate court of the county in which the alleged infringement occurred, and, upon favorable adjudication, the court shall enjoin the enforcement of any provision contained in any Homeowners' Association document or rule that operates to deprive the Owner of such rights.

2) To suspend the right of an Owner to use Common Area facilities for any period during which any assessment levied against his Unit remains unpaid for more than thirty (30) days after notice, and for a period not to exceed sixty (60) days for any infraction of the Book of Resolutions, it being understood that any suspension for either non-payment of any assessment or infraction of any rules or regulations of the Association shall not constitute a waiver or discharge of the Owner's obligation to pay the assessment.

3) To mortgage any or all of said facilities for the purposes of maintenance or improvement pursuant to approval of two-thirds (2/3) of the votes of the Owners who are voting in person or by

proxy at a regular meeting of the Association or at a meeting duly called for such special purpose.

4) Declarant hereby grants to the present and future Owners and their guests, invitees, licensees and domestic help, and to delivery, pickup and fire protection services, police protection and other authorities of the law, United States Postal Service mail carriers and representatives of utilities authorized by the Owners to serve the Property, holders of mortgage liens or such other persons as the Owners from time to time may designate, the nonexclusive perpetual right of ingress and egress over and across the private roadways and utility easements. Regardless of the preceding provisions, the Declarant and the Association reserve the unrestricted and absolute right to deny the right of ingress to any person who, in the opinion of the Declarant or the Association, may create or participate in a disturbance or a nuisance on any part of the Property.

5) An emergency access easement to the private storm drainage system over the internal roadways and over all drainage easements shown on the plat of the Property is hereby dedicated to Osceola County for emergency maintenance purposes in the event inadequate maintenance of the storm drainage system creates a hazard to the public health, safety and general welfare. The emergency easement granted hereby does not impose any obligation, burden, responsibility or liability upon Osceola County to enter upon the Property and take any action to repair or maintain the private drainage system.

Section 6: Delegation of Use.

Any Owner may delegate his rights of enjoyment to the Common Area and facilities located thereon to the members of his family, his guests and lessees, subject to such general regulations as may be established from time to time by the Association, but may not transfer said rights apart from the Unit.

ARTICLE VI - ASSESSMENTS

Section 1: Creation of the Lien and Personal Obligation of Assessments.

A. The Declarant covenants, and each Owner of any Lot or Unit shall, by acceptance of a deed therefor, regardless of whether it shall be so expressed in any such deed or other conveyance, be deemed to covenant and agree to all the terms and provisions of the Master Declaration, this Declaration and to pay the Master Association and the Association the Annual General Assessments or charges, Special Assessments, Individual Lot Assessments, Reserve Fund Assessment for Private Roadways, Sidewalks and Drainage System; all fixed, established and collected from time to time as hereinafter provided.

The Assessments, together with such interest thereon and costs of collection provided herein shall be a charge and continuing lien on the real property and improvements of the Owner against whom each such Assessment is made. Each such Assessment, together with interest thereon and costs of collection, shall also be the personal obligation of the person who was the Owner of such real property at the time when the Assessment first became due and payable. In the case of co-ownership of a Unit or Lot, all of such co-owners shall be jointly and severally liable for the entire amount of the Assessment.

The liability for Assessments may not be avoided by waiver of the use or enjoyment of any Common Property or by the abandonment of the property against which the Assessment was made. No diminution or abatement of Assessment or set-off shall be claimed or allowed by reason of any alleged failure of the Association or Board to take some action or perform some function required to be taken or performed by the Association or Board under this Declaration or the Bylaws, or for inconvenience or discomfort arising from the making of repairs or improvements which are the responsibility of the Association, or from any action taken to comply with any law, ordinance, or with any order or directive of any municipal or other governmental authority.

All such assessments, together with interest or delinquency fees thereon, reasonable attorneys' fees, whether suit be brought or not, and costs at both trial and appellate levels, incurred by the Association in connection with the collection thereof, shall be a charge and continuing lien upon the Unit against which each such assessment is made. The lien shall be evidenced by an instrument executed by the Association and recorded among the Public Records of Osceola County, Florida, and shall be enforced in the manner provided by law for the enforcement of mechanics' and materialmen's liens. Each such assessment, together with interest thereon, costs, and reasonable attorneys' fees as described above, shall also be the personal obligation of the person or entity who was the Owner of the Unit at the time the assessment first became due and payable. In the case of co-ownership of a Unit, all of such co-owners shall be jointly and severally liable for the entire amount of the assessment.

B. Subject to the alternate provisions available to the Declarant in Section 5 of this Article and notwithstanding any of the provisions of this Declaration, the Articles of Incorporation or the Bylaws to the contrary, the Declarant shall be obligated to pay the assessments described, including reserves, only with respect to Units upon which it has completed construction as evidenced by the issuance of a Certificate of Occupancy by Osceola County, Florida, and Declarant retains title thereto for a period of six (6) months after the issuance of said Certificate of Occupancy. If Declarant so elects, it may provide services and/or materials and receive credit

for the value of same toward any assessments due from it rather than making such contributions as might be due from it in cash.

Section 2: Annual General Assessment

A. Purpose of Assessment. The annual general assessment levied by the Association shall be used for insurance, the maintenance, operation, improvement, repair and replacement of the Common Area and facilities, and for the promotion of the recreation, safety, health and welfare of all residents of the Units.

B. Basis for Assessment. The Association shall prepare an annual budget. The budget must reflect the estimated revenues and expenses for that year and the estimated surplus or deficit as of the end of the current year. The budget must set out separately all fees or charges for recreational amenities, whether owned by the Association, the Declarant, or another person. The Association shall provide each member with a copy of the annual budget or a written notice that a copy of the budget is available upon request at no charge to the member. The copy must be provided to the member within the time limits set forth in the Bylaws.

Each Unit which is certified for occupancy and which has been conveyed to an Owner shall be assessed at a uniform rate. The first annual general assessment shall be based upon a budget for the operating expenses for the year plus an adequate reserve for anticipated expenses, if the Board elects to provide for such reserve. In the event this assessment proves insufficient to satisfy such expenses, the Board shall levy a supplementary assessment in the amount of the deficit. Notwithstanding any other provision herein, the supplementary assessment shall not require the assent of the members of the Association.

Thereafter, by vote of a majority of the Directors, the Board shall adopt an annual budget for the subsequent fiscal year which shall provide for allocation for expenses in such a manner that the obligations imposed by this Declaration will be met.

C. Maximum Annual General Assessment. Until after December 31, 2003, the maximum annual general assessment shall not exceed \$_____ per Unit. After December 31, 2003, the maximum general assessment shall not increase by more than fifteen percent (15%) of the prior year's assessment, not including reserves, without a vote of two-thirds (2/3) of the members of the Association.

D. Method of Assessment. The Board, by a majority of the Directors, shall fix the annual general assessments upon the basis provided herein. The Board shall set the date such assessments shall become due. The Board may provide for collection of assessments

annually or in monthly, quarterly or semi-annual installments; provided, however, that upon default in the payment of any one (1) or more installments by any Owner, the entire balance of said annual assessment may be accelerated, as to the said Owner and Unit, at the option of the Board, with the same being declared immediately due and payable in full.

E. Individual Assessments. In the event of an increase in maintenance responsibility due to an alteration in the landscaping or exterior appearance of a Unit in accordance with the terms hereof, the Association may levy an individual assessment which shall be limited to that particular Unit. The Association may also impose an individual assessment upon any Owner whose use or treatment of Common Areas is not in conformity with the standards as adopted by the Association and which lack of conformity increases the maintenance cost to the Association. Said individual assessment shall be treated in all other respects as an annual general assessment.

Section 3: Special Assessments for Capital Improvements.

In addition to the annual general assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year and not more than the next succeeding year, for the purpose of defraying, in whole or in part, the costs of any acquisition, maintenance, construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of members who are voting in person or by proxy at a special meeting duly called for said purpose.

Section 4: Reserve Fund Assessment for Private Roadways, Drainage System, Sidewalks and Tree/Landscape Replacement; Maintenance and Disclosure Requirements.

A. The Association shall establish a fund for reserves for periodic major maintenance of the streets, drainage system, including ponds, sidewalks and tree/landscape replacement, with a minimum level of reserves to be maintained in perpetuity and replenished from time to time, as necessary, by assessment.

B. The Reserve Fund shall be held in an account separate and apart from other Association funds.

C. Declarant may elect to waive the reserves up to two years, except for the Tree/Landscape Replacement which the Builder will contribute Ten Thousand (\$10,000.00) Dollars for two years.

D. No Owner shall receive a credit on the real property or other tax bills applicable to his or her Unit because of the private roadways and drainage system provided for herein.

Section 5: Date of Commencement of Annual Assessments.

The annual assessments provided for herein shall commence with respect to assessable Units on the date of the conveyance of the first Unit from the Declarant to an Owner. The initial periodic assessment on any assessable Unit shall be collected at the time of closing on the conveyance to said Owner, and shall be adjusted according to the number of days remaining in the calendar year of said conveyance. Nothing contained herein shall in any way infringe upon the Declarant's rights to be excused from all assessments in exchange for its guaranty to pay operating deficits of the Association in accordance with the provision of Section 6 of this Article.

Section 6: Declarant's Guaranty.

Notwithstanding anything herein to the contrary, the Declarant, or its successors or assigns, will be excused from payment of the annual and special assessments for Units owned by it provided that the Declarant guarantees to each Owner that the maximum annual assessment as above determined will not increase until after December 31, 2003. During such period as this guaranty shall be in force, the Declarant obligates itself to pay to the Association any amount for expenses incurred during that period not produced by the Association from assessments against other Unit Owners at an amount not less than specified above, subject, nevertheless, to the other provisions hereof. Said guaranty does not pertain to or include such portions of assessments, annual or special, or installments thereunder, required to meet the cost of improvements or betterment to the Common Area, the funding of reserves, if any, or the payment of ad valorem taxes assessed against the Property as a whole. Notwithstanding this guaranty, Declarant shall have the right, in its sole discretion, to pay the regular amount of annual assessments for each Lot owned by it, and if there is a deficit, said deficit shall be shared and paid equally by all Lots and Units. Further, notwithstanding anything herein to the contrary, the above guaranty shall expire and be of no further force and effect upon the Declarant's electing to relinquish control of the Association through its designee-directors, as provided in the Bylaws. Declarant may extend this guaranty for four (4), six (6) month intervals by notice to the Association at least thirty (30) days prior to the end of the preceding period of guaranty.

Notwithstanding anything in this paragraph to the contrary, if the sale or transfer of any portion of the Property occurs pursuant to foreclosure, or deed in lieu thereof, of the Mortgage, neither

Mortgagee nor any successor in interest to Mortgagee shall be deemed guarantors under this paragraph.

Section 7: Builder Assessments. Builder, as a Class B Member shall, for each unimproved Lot or Lots with a Unit that is unoccupied and unsold which remains owned by such Builder, pay twenty-five percent (25%) of the Annual Assessment rated fixed for Class A Membership. In the event Declarant is required to fund any operating deficit, Builder shall, in addition to paying twenty five percent (25%) of the Annual Assessment, reimburse Declarant for a prorata share of said funded deficit based on the percentage of Lots then owned by Builder within the Property at the time the deficits are paid by Declarant.

Section 8: Effect of Nonpayment of Assessments; Remedies of the Association.

If any assessment is not paid on the date due, then such Assessment shall become delinquent and the entire Assessment shall, together with interest thereon and cost of collection thereof as hereinafter provided, become due and payable and be a continuing lien on the property which shall bind such property in the hands of the then Owner, the Owner's heirs, devisees, personal representatives and assigns. The obligation of the Owner to pay such Assessment, however shall remain a personal obligation. The Association may record a notice of lien for delinquent Assessments in the public records and foreclose the lien in the same manner as a mortgage. The lien shall not be valid against subsequent bona fide purchasers or mortgagees for value unless so recorded. Upon recording, the lien shall secure the amount of delinquency stated therein and all unpaid Assessments thereafter until satisfied of record.

If the Assessment is not paid within thirty (30) days of its due date, the Association shall send written notice of the delinquency to the delinquent Owner within thirty (30) days after the delinquency date. After the foregoing notice, the Assessment shall bear interest from the date of delinquency at the rate of eighteen percent (18%) per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and there shall be added to the amount of such Assessment the costs of preparing and filing the complaint in such action, and in the event a judgment is obtained, such judgment shall include interest on the Assessment as above provided and a reasonable attorney's fee to be fixed by the court together with the costs of the action.

The Association, acting on behalf of the Owners' shall have the power to bid for the Unit at foreclosure sale and to acquire and hold, lease, mortgage, and convey the same. During the period in which a Unit is owned by the Association following foreclosure; (a) No right

to vote shall be exercised on its behalf; (b) No Assessment shall be assessed or levied on it; and (c) Each other Unit shall be charged, in addition to its usual Assessment, its pro rata share of the Assessment that would have been charged such Unit had it not been acquired by the Association as a result of foreclosure. Suit to recover a money judgment for unpaid Common Expenses and attorneys' fees and costs shall be maintainable without foreclosing or waiving the lien securing the same.

Section 9: Subordination of the Lien to Mortgages.

A. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage representing a first lien on any Unit.

B. Sale or transfer of any Unit shall not affect the assessment lien; provided, however, the sale or transfer of any Unit pursuant to foreclosure shall extinguish the lien of such assessments as to payments, which became due prior to such sale or transfer. No sale or transfer of any type shall relieve such Unit from liability for any assessments thereafter becoming due or from the lien thereof.

C. It is the express intent of this Section, notwithstanding any other provisions hereof, to subordinate the assessment lien referred to above only to first mortgages executed in favor of institutional mortgagees which shall include banks, savings and loan associations, insurance companies and mortgage bankers. In no event shall any second mortgage or other junior mortgage take priority over the assessment lien.

Section 10: Exempt Property.

All Common Area shall be exempted from the assessments, charges and liens created herein.

ARTICLE VII - INSURANCE

Section 1: Insurance.

The Association shall use its best efforts to obtain and maintain adequate insurance to protect the Association, the Common Area and the property required to be maintained by the Association.

A. The premiums to be paid for all insurance acquired by the Association shall be common expenses of the Association and shall be included in the general assessment provided for herein. The policies may contain a reasonable deductible and, in the case of casualty insurance, the amount thereof shall not be subtracted from the face amount of the policy in determining whether the insurance

equals the full replacement cost. The deductible shall be a common expense of the Association.

B. All insurance coverage obtained by the Board of Directors shall be written in the name of the Association as trustee for the respective benefited parties.

C. All policies shall be written with a company authorized to do business in Florida which holds a Best's rating of A or better and is assigned a financial size category of XI or larger as established by A.M. Best Company, Inc., if reasonably available, or, if not available, the most nearly equivalent rating which is available.

D. All policies on the Common Area shall be for the benefit of the Association and its Owners.

E. Exclusive authority to adjust losses under policies obtained by the Association on the properties shall be vested in the Association's Board of Directors; provided, however, no Mortgagee having an interest in such losses may be prohibited from participating in the settlement negotiations, if any, related thereto.

F. In no event shall the insurance coverage obtained and maintained by the Association's Board of Directors hereunder be brought into contribution with insurance purchased by individual Owners, occupants, or their Mortgagees.

G. All casualty insurance policies shall have an inflation guard endorsement, if reasonably available, and an agreed amount endorsement with an annual review by one or more qualified persons, at least one of whom must be in the real estate industry and familiar with construction in the Osceola County, Florida area.

H. The Association's Board of Directors shall be required to use reasonable efforts to secure insurance policies that will provide the following:

1) A waiver of subrogation by the insurer as to any claims against the Association's Board of Directors, its manager, the Owners, and their respective tenants, servants, agents and guests.

2) A waiver by the insurer of its rights to repair and reconstruct, instead of paying cash.

3) A statement that no policy may be canceled, invalidated, suspended or subject to non-renewal on account of the conduct of any director, officer, or employee of the Association or its duly authorized manager without prior demand in writing delivered

to the Association to cure the defect and the allowance of a reasonable time thereafter within which the defect may be cured by the Association, its managers, any Owner or Mortgagee.

4) A statement that any "other insurance" clause in any policy excludes individual Owners' policies from consideration.

5) A statement that the Association will be given at least thirty (30) days' prior written notice of any cancellation, substantial modification, or non-renewal.

I. In addition to the other insurance required by this Section, the Board shall obtain, as a common expense, worker's compensation insurance, if and to the extent required by law, directors' and officers' liability coverage, if reasonably available, a fidelity bond or bonds on directors, officers, employees, and other persons handling or responsible for the Association's funds, if reasonably available, and flood insurance, if required. The amount of fidelity coverage shall be determined in the directors' best business judgment but, if reasonably available, may not be less than one-sixth (1/6) of the annual common assessments on all Lots, plus funds on hand for deferred maintenance, repairs, and replacements. Bonds shall contain a waiver of all defenses based upon the exclusion of persons serving without compensation and shall require at least thirty-(30) days' prior written notice to the Association of any cancellation, substantial modification, or non-renewal.

J. Damage and Destruction.

1) Immediately after damage or destruction by fire or other casualty to all or any part of the Units covered by insurance written in the name of the Association, the Board of Directors or its duly authorized agent shall proceed with the filing and adjustment of claims arising under such insurance and obtain reliable and detailed estimates of the cost of the repair or reconstruction of the damaged or destroyed Common Area or Unit(s). Repair or reconstruction, as used in this paragraph, means repairing or restoring the Common Areas or Unit(s) to substantially the same condition in which they existed prior to the fire or other casualty, allowing for any changes or improvements necessitated by changes in applicable building codes.

2) Any damage or destruction to the Common Area shall be repaired or reconstructed unless at least seventy five percent (75%) of the total Class "A" vote of the Association, if Common Area, shall decide within sixty (60) days after the casualty not to repair or reconstruct or unless such repair or reconstruction is prohibited by law. If for any reason either the amount of the insurance proceeds to be paid as a result of such damage or destruction, or reliable and detailed estimates of the cost or repair

or reconstruction, or both, are not made available to the Association within said period, then the period shall be extended until such funds or information shall be made available; provided, however, such extension shall not exceed sixty (60) additional days. No Mortgagee shall have the right or participate in the determination of whether the damage or destruction to Common Area shall be repaired or reconstructed.

3) In the event that it should be determined in the manner described above that the damage or destruction to the Common Area shall not be repaired or reconstructed and no alternative improvements are authorized, then and in the event the affected portion of the Common Areas shall be restored to their natural state and maintained by the Association in a neat and attractive condition consistent with community standards.

4) Disbursement of Proceeds. If the damage or destruction for which the proceeds of insurance policies held by the Association are paid is to be repaired or reconstructed, the proceeds, or such portion thereof as may be required for such purpose, shall be disbursed in payment of such repairs or reconstruction as hereinafter provided. Any proceeds remaining after defraying such costs of repair or reconstruction shall be retained by and for the benefit of the Association and placed in a capital improvements account. In the event no repair or reconstruction is made, any proceeds remaining after making such settlement as is necessary and appropriate with the affected Owner or Owners and their Mortgagee(s) as their interest may appear, shall be retained by and for the benefit of the Association and placed in a capital improvements account.

5) Repair and Reconstruction. If the damage or destruction to the Common Area for which insurance proceeds are paid is to be repaired or reconstructed, and such proceeds are not sufficient to defray the cost thereof, the Board of Directors shall, without the necessity of a vote of the Owners, levy a special assessment. Additional assessments may be made in like manner at any time during or following the completion of any repair or reconstruction.

K. None of the provisions contained in this Article VII shall apply to any portion of the Property or Units encumbered by the Mortgage.

ARTICLE VIII - USE OF PROPERTY

Section 1: Protective Covenants.

A. Residential Use. All property designated as a Unit shall be used, improved and devoted exclusively to residential

use. No business, profession or trade of any type, other than rental, shall be conducted on any portion of the Property, but this prohibition shall not be applicable to Declarant with respect to its development of the Property, construction and sale of Units, the use of Units as model units or the use of any portion of the Property as parking areas. Uses that do not conform to Osceola County Zoning Ordinances will not be permitted.

B. Common Area. The Common Area, less the Limited Common Element, shall be maintained and operated by the Association as private property for the benefit of the parties described herein and on the terms and conditions set forth herein. Said Limited Common Element shall be maintained by the Owner of the Unit contiguous to the Limited Common Element. Declarant has agreed with the local governmental authorities that no part of the Common Area shall be or can be dedicated or conveyed to the governmental authorities with the intent that, thereafter, the same should be maintained by and at the expense of said governmental authorities, the maintenance of same being the obligation of the Association as more particularly set forth herein.

Section 2: Indemnification.

A. The Declarant shall indemnify Osceola County against and hold Osceola County harmless from all losses, damages, costs, claims, suits, liabilities, expenses and attorneys' fees (including those for legal services rendered at the appellate court level), resulting from or relating to (i) maintenance, repair and/or reconstruction of the streets and/or drainage systems, or (ii) tort liability related to or stemming from the streets and/or drainage system. The duty to so indemnify, defend and hold the County harmless shall be that of the Association and the Declarant, jointly and severally, but (i) the duty of the Declarant shall exist only for the period the Declarant controls the Association and (ii) the recourse of the County as respects the liability of the Declarant shall extend only to the right, title, interest and/or estate of the Declarant in or to any of the platted lots or Common Areas. Once the responsibility for maintaining the Common Area has shifted to the Association, then the Association shall indemnify and hold Osceola County harmless from all losses, damages, costs, claims, suits, liabilities, expenses and attorneys' fees (including those for legal services rendered at the appellate court level), resulting from or relating to the use, construction, or maintenance of the Common Area.

B. Neither the Declarant nor the Association may amend this Declaration to remove any of the foregoing language pertaining to the maintenance and indemnification obligations provided for herein without the written joinder and consent of Osceola County attached to such amendment.

Section 3: Rentals.

A. All lessees of a Unit shall comply with all requirements of the Declaration, Articles of Incorporation and Bylaws of the Association. Notwithstanding the rental of his/her Unit, the liability of the Owner under the Declaration shall continue. NO Transient Rental, as defined by Osceola County Ordinance, is permitted.

Section 4: Maintenance of Units and Lots.

A. Each Unit, and all improvements therein shall be maintained by each respective Owner in good order and repair and free of debris. In addition, the Owner shall maintain the Limited Common Element (driveway) across Tract "B" to the Unit in good order and repair. In the event an Owner of any Unit shall fail to maintain the said Unit as provided herein, the Association, after notice to the Owner, shall have the right to enter upon the Unit to correct, repair, maintain and restore the Unit. All costs related to such correction, repair or restoration shall be the personal obligation of the Unit Owner and shall become a lien against the subject Unit with the same force and effect of a lien created by the said Owner's failure to pay assessments when due.

B. The Association shall be responsible for the maintenance, repair and restoration of all lawns. Maintenance, repair and restoration shall include, without limitation, irrigation, the seeding, watering and mowing of the lawns, pruning and cutting of all trees and shrubbery, all in a manner and with such frequency as is consistent with good property management.

C. The Association shall have a right and easement in and to the land comprising each Unit in order to maintain same in accordance with this Section, and said right and easement shall be a covenant running with the land as to each Unit.

Section 5: Architectural Control.

A. No building, fence, wall, antennas or other structures, or landscaping alterations or additions, shall be commenced, erected or maintained upon any Unit, nor shall any exterior addition to, change or alteration, including the changing of the existing color of paint or of roofing materials thereon, be made or undertaken unless approved in writing by the Board of Directors of the Association, or its designated review committee composed of three (3) or more representatives appointed by the Board (the "Committee"), and all appropriate governmental authorities having jurisdiction thereover. The Committee shall have absolute and complete discretion

in approving or disapproving any request submitted to it and may base its decision on any ground it, in its sole discretion, deems sufficient.

B. All requests for approval of such plans and specifications shall be mailed or delivered to:

EAGLES NEST AT THE OAKS HOMEOWNERS' ASSOCIATION, INC.
120 Fairway Woods Boulevard
Orlando, Florida 32824

or such other address as shall from time to time be designated by the Association.

C. Notwithstanding anything herein to the contrary, Declarant and Builder shall have the right to appoint the members of the Committee until the first to occur of the events specified in Article IV - Section 1 hereof.

ARTICLE IX - GENERAL PROVISIONS

Section 1: Duration.

A. The covenant, conditions and restrictions of this Declaration shall run with and bind the Property for a term of thirty (30) years from the date this Declaration is recorded, after which time they shall be automatically renewed for successive periods of ten (10) years each. The number of ten (10) year renewal periods hereunder shall be unlimited, provided, however, that there shall be no renewal of this Declaration if during the last year of the initial thirty (30) year period, or during the last year of any subsequent ten (10) year renewal period, seventy-five percent (75%) of the voting members vote to terminate the Declaration at the end of its then current term.

B. This Declaration may be terminated prior to the expiration of the initial thirty-(30) year term or prior to the expiration of any ten (10) year extension period, only by the affirmative vote of seventy five percent (75%) of the members entitled to vote by person or by proxy.

Section 2: Modifications.

A. Declarant reserves the right to alter, amend, modify, change, revoke, or rescind or cancel any or all of the restrictive covenants contained in the Declaration, or hereinafter included in any subsequent Declaration.

Section 3: Amendment.

A. Subject to the provisions of Paragraphs B, C, D, E and F of this Section, the provisions of Article VII - Section 2B, and HUD/VA approval as provided for in Article VIII - Section 15 hereof, this Declaration may be amended by an instrument first approved by a majority of the Board of Directors and subsequently approved and signed by persons or entities representing seventy-five percent (75%) of the total votes outstanding at said time. To be effective, all amendments must be filed in the Public Records of Osceola County, Florida. Unless otherwise specifically recited in said amendment, the effective date thereof shall be the date same is filed in the Public Records of Osceola County, Florida.

B. Notwithstanding anything herein to the contrary, until the first to occur of the events specified in Article III, Section 2, this Declaration may only be amended with the written consent of Declarant, unless said requirement is waived in writing by Declarant prior thereto.

C. Notwithstanding anything herein to the contrary, until such time as the deeds to fifty-one percent (51%) of the Units are recorded among the Public Records of Osceola County, Florida, Declarant shall have the absolute and unconditional right to amend or modify this Declaration by recordation of an instrument containing such amendment or modification without the joinder of any Owner or the holder of any mortgage on any Unit, provided that no such amendment or modification by Declarant shall materially affect any Unit or the rights of any Owner or mortgagee.

D. For so long as the Property is encumbered by the Mortgage, this Declaration shall not be amended without the written joinder and consent of Mortgagee attached to such amendment.

Section 4: Enforcement.

The Association, any Owner or the Declarant, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration, as the same may be amended. The Association or any Owner may recover sums due for damages, injunctive relief, or any combination thereof, including attorneys' fees, whether suit be brought or not, and court costs at trial and appellate level. The Association shall have the right to suspend voting rights and use of Common Areas for any Owner violating these covenants and restrictions for a period not to exceed sixty (60) days after cessation of violations. Failure of the Association, any Owner or the Declarant to enforce any covenants, restrictions or provisions herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 5: Severability.

Invalidation of any one (1) or more of the covenants, conditions or restrictions contained in this Declaration, any amendments hereto, by judgment or court order shall in no way effect any other provision hereof, all of which shall remain in full force and effect as if said invalidated provision had never existed.

Section 6: Notice.

Any notice required to be sent to any person pursuant to any provision of these covenants, conditions or restrictions, will be effective if such notice has been deposited in the United States mail, postage prepaid, addressed to the person for whom it is intended at his last known place of residence, or such other address as may be furnished to the Secretary of the Association. The effective date of the notice shall be the date of mailing.

Section 7: Special Exceptions and Variations.

Unless the written consent of the Association is first obtained no Owner shall file a request for a zoning variation, special exceptions or zoning changes affecting or relating to the Property.

Section 8: Singular, Plural and Gender.

Whenever the context so permits, the use of the singular shall include the plural and the plural shall include the singular, and the use of any gender shall be deemed to include all genders.

Section 9: Captions.

The captions, if any, for each Article or Section of this Declaration are for convenience and reference only and in no way define, describe, extend or limit the scope or intent of this Declaration or the intent of any provision hereof.

Section 10: Effective Date.

This Declaration shall become effective upon recordation in the Public Records of Osceola County, Florida.

Section 11: Construction.

The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the operation of the Property.

Section 12: Fines.

In addition to all other remedies, and to the maximum extent lawful, in the sole discretion of the Board of Directors of the Association, a fine or fines may be imposed upon an Owner for failure of an Owner to comply with this Declaration or with any rule or regulation, provided the following procedures are adhered to:

A. Notice: The Association shall notify the Owner of the infraction or infractions. Included in the notice shall be the date and time of a special meeting of the Committee appointed by the Board of Directors at which time the Owner shall present reasons why fines should not be imposed. At least fourteen-(14) days notice of such meeting shall be given.

B. Hearing: The noncompliance shall be presented to a Committee of at least three (3) members appointed by the Board of Directors who are not officers, directors, or employees of the Association, or the spouse, parent, child, brother, or sister of an officer, director, or employee. If the Committee, by majority vote, does not approve a proposed fine or suspension, it may not be imposed. A written decision of the Committee shall be submitted to the Owner not later than twenty-one (21) days after the Committee's meeting.

C. Amounts of Fines: The Board of Directors (if its or such panel's findings are made against the Owner) may impose special assessments against the Lot as follows:

1) First noncompliance or violation: a fine not in excess of One Hundred Dollars (\$100.00). A fine may be levied on the basis of each day of a continuing violation, with a single notice and opportunity for hearing.

D. Payment of Fines: Fines shall be paid not later than five (5) days after notice of the imposition or Assessment of the penalties.

E. Collection of Fines: Fines shall be treated as a Special Assessment subject to the provisions for the collection of Assessments as set forth herein.

F. Application of Fines: All monies received from fines shall be allocated as directed by the Board of Directors.

G. Remedies: These fines shall not be construed to be exclusive, and shall exist in addition to all other rights and remedies to which the Association may be otherwise legally entitled; however, any fine paid by the offending Owner shall be deducted from

or offset against any damages which the Association may otherwise be entitled to recover by law from such Owner.

Section 13. Liens.

All liens against a Unit, other than for permitted mortgages, taxes or special assessments, shall be satisfied or otherwise removed within thirty (30) days of the date the lien attaches. All taxes and special assessments upon a Unit shall be paid before becoming delinquent.

A. Notice of Lien: A Unit Owner shall give notice to the Association of every lien upon his Unit, other than for permitted mortgages, taxes and special assessments, within five (5) days after the attaching of the lien.

B. Notice of Suit: Unit Owners shall give notice to the Association of every suit or other proceeding which will or may affect title to his Unit or any part of the Property; such notice to be given within five (5) days after the Unit Owner receives notice thereof.

C. Failure to Comply: Failure to comply with this Article concerning liens will not affect the validity of any judicial sale.

ARTICLE X - SPECIFIC PROVISIONS

Section 1: Temporary Structures.

No structure of a temporary character, recreational vehicle, trailer, basement, tent, shack, barn or other outbuilding shall be placed, erected or used at any time, temporarily or permanently, on the Property, except for the use of construction trailers, sales offices and storage facilities by Declarant during any construction on the Property.

Section 2: Windows and Glass Doors.

No Owner shall be permitted to place tin foil or other covering (except for draperies, blinds, or other window treatment as same are conventionally defined by decorators) upon any windows or sliding glass doors in his Unit, nor shall said Owner be permitted to tint any windows or sliding glass doors in his Unit without first receiving the written approval of the Board of Directors.

Section 3: Oil and Mining Operations.

No oil drilling, development operations, refining, quarrying or mining operations of any kind shall be permitted on the Property, nor shall oil

wells, tanks, tunnels, mineral excavations or shafts be permitted on the Property. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted on the Property.

Section 4: Animals.

No horses, cattle, swine, pot bellied pigs, goats, poultry, fowl, or any other animals not commonly considered household pets shall be raised, bred or kept in or on any Unit or Lot. No more than three (3) Household Pets shall be kept in or on any Unit or Lot at any one time, except that more than three (3) fish will be permitted. Under no circumstances shall any commercial or business enterprises involving the use, care or treatment of animals be conducted on the Property or in a Unit. All permitted Household Pets shall be kept on a leash when not on or in the Unit and no Household Pets shall be allowed to roam unattended.

Section 5: Waste and Rubbish Disposal.

No lumber, metals, bulk materials, refuse or trash shall be kept, stored or allowed to accumulate on the Property except building materials during the course of construction of any approved structure. If trash or other refuse is to be disposed of by being picked up and carried away on a regular and recurring basis, containers may be placed at the curb of a residence only on the day that a pick-up is to be made at such place as will be accessible to persons making such pick-up. At all other times, such containers shall be stored so that they cannot be seen from surrounding property.

Section 6: Nuisances.

No noxious or offensive activity shall be carried on, in or upon any Unit, nor shall anything be done thereon which is illegal or which may be or become an annoyance or nuisance to the neighborhood. No flammable, combustible or explosive fluid or chemical substance shall be kept in or upon any Unit except such as are required for normal household use and same shall be kept within the Unit. No Owner shall permit or suffer anything to be done or kept in or upon his Unit which will increase the rates of insurance as to other Owners, other Units and the Common Area.

Section 7: Garages shall be maintained as garages and shall not be converted to other uses. No enclosure of garages or other structural modifications will be allowed. Garages are intended for the parking of automobiles, motorcycles or bicycles only. Parking of all vehicles shall be within the garage or driveway. Under no circumstance shall vehicles be parked on sodded areas not intended for parking.

The Paved Driveway is a Limited Common Element, reserved for the exclusive use of the Owner of Property for which the driveway crosses the Common Property (Tract "B") to Owner's Unit.

Traffic Control shall be enforced by Osceola County Sheriff's Department and all cost shall be borne by the Association.

Section 8: Commercial Trucks, Trailers and Boats.

In order to maintain the high standards of the subdivision with respect to residential appearance, no trucks or commercial vehicles, boats, house trailers, unlicensed or inoperable vehicles, boat trailers or trailers of every other description, including campers or any vehicle registered RV, shall be permitted to be parked or stored at any place on the Property except during the period of construction by the Declarant, nor shall any motor vehicles be parked on any portion of the Property for the purpose of repairing or maintaining the same. The prohibitions in this Section shall not apply to the temporary parking of trucks and commercial vehicles for pick-up, delivery and other commercial services, or to pick-up trucks for personal use of any Owner to a maximum of three-quarter (3/4) ton capacity. Overnight parking or storage of trucks or commercial vehicles in excess of one-half ton rated capacity is prohibited.

Non-resident/visitor parking. While parking within the Property, non-residents and visitors shall follow all parking rules and regulations.

Section 9: Antennas.

Without the prior approval of its location by the Board or its Committee, no television or radio antenna, satellite dish or similar device, or tower shall be constructed on or be attached or connected in any manner to any portion of any structure constructed on the Property.

Section 10: Real Estate Offices.

No Unit shall be used for a real estate office unless written approval of the Declarant or the Committee has been received, except that Declarant shall be able to build and maintain sales models and offices.

Section 11: Signs.

In order to insure a harmonious effect as to the overall appearance of the Property, no signs of any type shall be displayed on any Unit where same is visible to the outside thereof, or on any

portion of the Property. This shall include, but not be limited to advertisements and solicitations. "For Sale" or "For Rent" signs will be permitted provided they do not exceed two (2) feet by two (2) feet and are placed in windows or on doors of Units. No free standing signs are allowed. Notwithstanding anything to the contrary contained herein, this prohibition shall not apply to the Declarant, its successors or assigns, so long as the Declarant retains title to any Unit.

Section 12: Outdoor Clothes Drying.

Outdoor clothes drying activities are hereby prohibited and no such activities shall be conducted on any portion of any Unit or the Common Area.

Section 13: Change of Elevation.

No sod or topsoil shall be removed from any portion of a Lot or Unit without permission from the Declarant, the Board of Directors or the Committee. No change in elevation of any Lot shall be made without protecting adjoining Lots from surface water drainage caused by the change.

Section 14: Landscaping.

No modification to the initial landscaping installed by Declarant shall be commenced unless approved in writing by the Board of Directors of the Association or its designated review committee. Notwithstanding, this approval shall be necessary in the removal of any sod, placement of additional landscaped beds or ornamental lawn fixtures. All materials used in landscaping shall consist of living plant material. All landscaped areas, including without limitation, lawns (to the paved public roadway), shall be maintained in live, healthy and growing condition, properly watered and trimmed by the Association. Any planting of grass, shrubs or trees, which become dead or badly damaged shall be replaced with similar, sound, healthy plant materials. Removal of Trees or Shrubs from any Lot shall not be permitted.

Section 15: Lighting.

No exterior lighting fixtures shall be installed on any Unit without adequate and proper shielding of fixtures. No lighting fixtures shall be installed that may be or become an annoyance or a nuisance to the residents surrounding Units.

Section 16: Guns.

The discharge of firearms within the Property is prohibited. The term "firearms" includes BB guns, pellet guns, and other firearms of all types, regardless of size.

Section 17: Enforcement.

In addition to the enforcement provisions provided in Article IX - Section 4 above, the Association is hereby granted an easement over the Unit of each Owner for the purpose of enforcing the provisions of this Article, and may go upon the Unit of said Owner to remove or repair any violation of these provisions. In the event that the Association, after notice to the Owner of any violation and the Owner's failure to cure the same, does in fact exercise its right to cure said violation, all costs incident to said action by the Association shall become the personal obligation of the Owner and shall be imposed as a lien against his Unit in the same manner as if said sums represented monies due for unpaid assessments.

Section 18: Drainage and Utility Easements.

Easements for installation and maintenance of utilities and drainage facilities are reserved as shown on the Plat. Within these easements, 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 change the direction of flow of drainage channels in the easements, or which may obstruct or retard the flow of water through drainage channels in the easements.

Section 19: HUD/VA.

For so long as there is a Class B membership, the following actions will require the approval of either the Federal Housing Administration or the Veterans Administration if any mortgage encumbering a Lot within the Property is guaranteed or insured by either such agency: (a) annexation of additional properties; (b) mergers and consolidations; (c) mortgaging or dedication of Common Area and (d) dissolution or amendment of these Articles. Such approval, however, shall not be required where the amendment is made to correct errors, omissions or conflicts or is required by any institutional lender so that such lender will make, insure or guarantee mortgage loans encumbering the Lots, or is required by any governmental authority. Such approval shall be deemed given if either agency fails to deliver written notice of its disapproval of any amendment to the Declarant or to the Association within twenty (20) days after a request for such approval is delivered to the agency by certified mail, return receipt requested, or equivalent delivery, and such approval shall be conclusively evidenced by a certificate of Declarant or the Association that the approval was given or deemed given.

Section 20: Skate Board Ramp.

No skate board ramp shall be allowed on the Property.

Section 21: Basketball Hoop.

No basketball hoop shall be allowed on the Property.

Section 22: Air Conditioners.

No window air conditioning units shall be permitted.

Section 23: Fences.

No fences may in installed on any Lot in the Property

Section 24: Swimming Pools and Tennis Courts.

No Swimming Pools or Tennis Courts may be constructed on any Lot within the Property.

Section 25: Tract "A".

Tract "A" as shown on the Plat of EAGLES NEST is reserved for ingress/egress, utilities and drainage purposes and is dedicated to and maintained by the Association .

Section 25: Tract "B".

Tract "B" as shown on the Plat of EAGLES NEST is reserved for Common Area for ingress/egress driveways (Limited Common Element), pedestrian access, utilities, drainage, open space and landscaping purposes and is dedicated to and maintained by the Association, except for said driveways which shall be maintained by the Owner of the Unit for which the driveway is constructed.

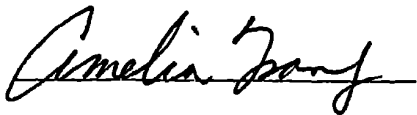
Section 26: Tracts "C".

Tracts "C" as shown on the Plat of EAGLES NEST is reserved for recreation facilities and is dedicated to and maintained by the Association.

IN WITNESS WHEREOF, the undersigned Declarant has hereunto set its hand and seal this 6th day of Feb, 2002.

WITNESSES:

Overoaks Development, Ltd., a Texas Limited Partnership
By N-K Oaks, Inc. a Florida corporation, its sole general partner



Amelia Tsang

Print or Type Name

Donna White

Bonnie White
Print or Type Name

By: Andrew Kidd

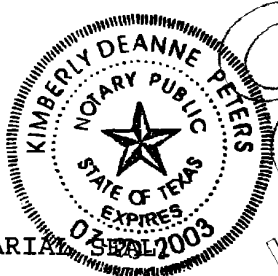
Name: Andrew Kidd, Overoaks Development, Ltd.

Title: by N-K Oaks, Inc. general partner

Address: 10610 Metcalf Suite 190, Dallas, Tex 75243

STATE OF TEXAS)
COUNTY OF DALLAS)

The foregoing Declaration of Covenants and Restrictions was acknowledged before me this 6 day of Feb., 2002, by Andrew Kidd, as Partner of Overoaks Development, Ltd., a Texas Limited partnership, by N-K Oaks, Inc., a Florida corporation, its sole general partner. He is personally known to me.



[NOTARIAL SEAL]

2002

Kimberly Peters
NOTARY PUBLIC, State of Texas
at Large

Kimberly Deanne Peters
Print or Stamp Name of Notary

My Commission expires: 7-20-2003