

Prepared By and Return To:
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NEIGHBORHOOD DECLARATION OF COVENANTS
AND RESTRICTIONS
OF
SHINGLE CREEK RESERVE AT THE OAKS

THIS NEIGHBORHOOD DECLARATION OF COVENANTS AND RESTRICTIONS OF SHINGLE CREEK RESERVE AT THE OAKS is hereby made *this 16th day of November, 2005* by Shingle Creek Development, LTD, a Foreign Limited partnership whose address is 1605 Royal Lane S #100, Dallas, TX 75220 ("Developer").

WITNESSETH:

WHEREAS, Declarant holds title to the real property described in Exhibit "A" and Article II of this Declaration; and

WHEREAS, Declarant intends to develop the real property as a residential community with various Common Properties for the benefit of the Properties as hereinafter defined; and

WHEREAS, Declarant has deemed it desirable for the maintenance and preservation of property values and amenities established pursuant to this Declaration to establish Shingle Creek Reserve At The Oaks Homeowners Association, Inc., a Florida not-for-profit corporation (the "Association") and to delegate and assign certain powers and duties of ownership, operation, administration, maintenance and repair of certain properties within Shingle Creek Reserve At The Oaks, the enforcement of covenants, restrictions and easements contained herein and the collection and disbursement of the Assessments and charges hereinafter provided to the Association;

NOW, THEREFORE, Declarant hereby declares that all of the real property described in Article I or and that be held, sold, conveyed, leased, mortgaged or otherwise dealt with subject to the easements, covenants, conditions, restrictions, reservations, liens and charges as hereinafter set forth all of which are for the purpose of enhancing and protecting the value, desirability and attractiveness of said real property. Said easements, covenants, conditions, restrictions, reservations, liens and charges shall run with the real property described in Article II shall be binding upon all parties having

and/or securing any right, title or interest in the real property described therein or in any part thereof, and shall pass to the benefit of said and every person or entity, from time to time, owning or holding an interest in said real property.

ARTICLE I

DEFINITIONS

The following words and terms when used in this Declaration or any Supplemental Declaration hereto (unless the context shall clearly indicate otherwise) shall have the following meanings:

A. "Architectural Review Committee" or "ARC" shall refer to the committee established by the Board and described in Article VII hereof.

B. "Articles" and "Bylaws" shall mean the Articles of Incorporation and the Bylaws of the Association as they may be amended from time to time.

C. "Association" shall mean Single Creek Reserve At The Oaks Homeowners Association, Inc., a Florida nonprofit corporation, its successors and assigns. The Association is a neighborhood Association as defined in the Master Declaration.

D. "Board" shall mean the Board of Directors of the Association.

E. "Builder" shall mean a construction company, contractor or other individual or entity holding title to a Lot or Unit for the purpose of constructing a Dwelling and resale of the Lot or Unit in the ordinary course of its business.

F. "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 Common Property, Open Spaces, Surface Water Management Systems, Waste Management Tracts, Lots or Private areas, all as may be found to be reasonably necessary by the Board pursuant to the Declaration, the Bylaws, and the Articles of Incorporation of the Association.

G. "Common Property" or "Common Area" shall mean and refer to all real and personal property from the time intended to be owned, operated and maintained by the Association and devoted to the use and enjoyment of all Members of the Association, all of Common Expense. Common Property shall include, but not be limited to, easements and rights and held by the Association.

H. "Community Development District" or "CDD" shall mean that special district incorporating Single Creek Reserve At The Oaks, created pursuant to Chapter 190, Florida Statutes, and Alachua County Ordinance 00-51 (requirements for the construction and maintenance of certain infrastructure systems and services benefiting the property in

the DM.

I. "Community-Wide Standards" shall mean the standards of conduct, maintenance, or other activity generally prevailing throughout the Properties. Such standards may be more specifically described by the Board and the Architectural Review Committee (as defined in Article VI, Section 4).

J. "Conservation Easements" shall mean easements or dedications granted by the Declarant pursuant to and in compliance with Chapter 170(h) of the Internal Revenue Code of 1954, as amended, from time to time.

K. "Declarant" shall mean Chemical Development, LTD and its successors and assigns who have title to any portion of the Properties for the purpose of development and sale, but only if designated as the Declarant in a recorded instrument executed by the immediately preceding Declarant.

L. "Declaration" shall mean and refer to the Neighborhood Declaration of Covenants and Restrictions of Shingle Creek Reserve At The Oaks and include the same as it may, from time to time, be amended.

M. "Domestic Pet" shall refer to dogs, cats and other like animals generally owned or maintained by people in or about their homes.

N. "Dwelling" shall mean and refer to the building structure erected upon a lot and any extensions of said structure (i.e., garages, driveways, porches, etc.).

O. "Exclusive Common Area" or "Exclusive Common Facility" shall mean certain portions of the Common Area, which are for the exclusive use and benefit to some or all of the Owners of Shingle Creek Reserve At The Oaks. All costs associated with the maintenance, repair, replacement and insurance of any and all improvements located on the Exclusive Common Property, which may include without limitation walls, fences, gate systems, lawns, landscaping and irrigation, utilities and reserves for the repair and/or replacement of the private streets, shall be assessed against the Owners of Lots that have exclusive use and benefit of a particular Exclusive Common Area. Exclusive Common Areas shall be designated as such by the Declarant, and the exclusive use thereof shall be designated and assigned in the assessment document conveying such rights to the Association, and Owners of property within Shingle Creek Reserve At The Oaks. The initial Exclusive Common Property included Tracts R 2, F 14, F 18, F 10 and the private streets identified as Tract R2-1, all of which are depicted on the Plan and are for the exclusive use of the Owner of Lots 1 through 91 of Shingle Creek Reserve At The Oaks. The Declarant may, but is not obligated to, designate additional Exclusive Common Areas for the exclusive use and benefit of these or other Owners.

P. "Mortgage Lender" shall mean and refer to the Owner and holder of a Mortgage encumbering all or which three (3) or more of said Mortgages may be defined,

average bank, mortgage company, the insurance industry, federal or state savings and loan association, an agency of the United States government, private or public pension fund, Veterans' Administration, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, a credit union, real estate or mortgage investment fund or a lender generally recognized in the community as an institutional lender.

D. "Lakes" shall mean the water management system shown on the said Declaration conveying the Lakes to the Association as Common Property.

H. "Limited Common Areas" or "Limited Common Property" shall mean and refer to certain portions of the Excluded Common Property, including, without limitation, the driveway which serves the Unit, provided to such driveway which provides the Owner, their guests, invitees, lessees or tenants the exclusive benefit of access to the Unit, across Tracts F-1A, F-1B and F-1C from Tract BWH-1 (private road/right-of-way). The Declarant may, but is not obligated to, designate additional Limited Common Property.

S. "Initial" shall mean any survey of land shown upon any recorded subdivision map or plat of the Project not shown in the future will be located on, attached or detached single-family residential Dwelling.

T. "Master Association" shall mean The Oaks Master Property Owners Association, Inc. All Owners shall be members of the Master Association.

U. "Master Declaration" shall mean the Amended and Flipped Declaration of Master Governance, Conditions and Restrictions of The Oaks, recorded at Official Records Book 1351, Page 2032, et seq. in the Public Records of Osceola County, Florida and re-recorded at Official Records Book 1364, Page 9873 of the Public Records of Osceola County, Florida as may be amended from time to time. All of the Properties in Shingle Creek At The Oaks are subject to the Master Declaration and its amendments and restrictions.

V. "Master Plan" shall mean and refer to the most recent plat (generally the Overlooke Flats) approved by Osceola County, Florida for the development of The Oaks as may be amended from time to time. The Master Plan has the same meaning as defined by Article XVI, Section 8 of the Master Declaration.

W. "Members" shall mean and refer to all those Owners who are Members of the Association as provided in Article II hereof.

X. "Mortgage" shall mean a purchase or construction mortgage, a deed of trust, a deed to secure debt, or any other form of security deed, including any related security instrument executed in connection therewith.

Y. "Notice" shall mean delivery of any document by first class mail with postage prepaid to the last known address appearing in the records of the Association of the person

an entity who appears as Owner in the records of the Association. Notice to one of two or more co-Owners shall constitute notice to all Owners.

Z. "Oaks Master Property Owners Association, Inc." is Florida non-profit Corporation, its articles of incorporation, which governs the property developed pursuant to the Overlay Map, as amended, which may also be referred to as the Master Plan. All Owners are also Members of the Oaks Master Property Owners Association and required to pay assessments to the Oaks Master Property Owners Association as provided for in the Master Declaration.

AA. "Owner" of all interest refer to the record Owner of fee simple title to any Lot, Unit or Residential Property located within the Property. Owner shall not matter refer to the holder of a Mortgage or security deed, its successors or assigns, unless and until such holder has executed title pursuant to foreclosure or is proceeding in lieu of foreclosure. "Owner" shall mean or refer to any lessee or tenant of an Owner.

BB. "Permit" means the South Florida Water Management District Permit attached to this Declaration as Exhibit TT.

CC. "Plot" shall mean and refer to the plot of Shingle Creek Preserve At The Oaks as recorded in Plat Book 20, Page 1, Public Records of Osceola County, Florida, and any additional plots of properties annexed into the Association.

DD. "Property" or "Properties" shall mean and include the real property described in Exhibit "A" attached hereto and, when added in accordance with the terms and conditions hereof, shall also include real property which in the future subjected to this Declaration under the provisions of Article 8 hereof.

EE. "Residential Property" shall mean any parcel of land (whether or not platted) located within Shingle Creek Reserve at The Oaks intended for use as a site for Residential Units, but which has not been conveyed to one or more Owners according to occupy the approved Residential Use for residential purposes.

FF. "Residential Unit" or "Unit" shall mean and refer to: any improved Property intended for use as a residential Dwelling, including but not limited to, any single family detached or attached dwelling home, patio or zero lot line home, condominium, garden home, townhouse unit, or rental or cooperative apartment unit located within the Property. Further, any residential Dwelling shall not be deemed to be improved until a certificate of occupancy has been issued by the appropriate governmental authority for the Dwelling as provided in this section, or until said Dwelling is determined by the Association, in its reasonable discretion, to be substantially completed.

GG. "Supplemental Declaration" shall mean any document intended to supplement, amend or modify this Declaration, filed in the Public Records of Osceola County, Florida, including but not limited to any document filed in conjunction with the

recording in a report of use or reuse Future Development Tracts identified on the LUD recorded in Plat Book 20, Page 1, Public Records of Osceola County, Florida. In order to identify the various Lots, Common Areas, Limited Common Areas, and Exclusive Common Areas contained therein and such other matters as are necessary or appropriate under the circumstances.

HH. "Surface Water or Stormwater Management System" means a system which is designed and constructed or implemented to control discharges which are necessitated by rainfall events. Incorporating methods to collect, convey, store, absorb, inhibit, treat, use or reuse water to prevent or reduce flooding, water damage, environmental degradation and water pollution or otherwise affect the quantity and quality of discharges.

II. "Governor" shall mean the Director of operations of the Association by the Declaration as described in Article X hereof.

J. "Voting Member" shall mean the Declarant as to votes allocated to the Class D Member and Residential Property Owners as in the units allocated to a Class D Member, and the Class A Members.

KK. "Water Management District" or "SWMD" shall mean the South Florida Water Management District.

ARTICLE H

PROPERTY SUBJECT TO DECLARATION

Section 1. Property. The real property which is subject to this Declaration is all of the real property described in Exhibit "A" attached hereto and made a part hereof by reference and any additional property annexed as set forth below.

Section 2. Annexation and Withdrawal.

A. On or after January 1, 2012, the Declarant may, without the consent or approval of the Owners or any other person or entity, (i) annex additional real property to the Property; or (j) when necessary or desirable, withdraw from the provisions of this Declaration any of the Property which continues to be owned by the Declarant and which have not been designated or dedicated as Common Property. Annexations or withdrawals under this Subsection A shall be accomplished by filing a Supplemental Declaration describing the real property to be annexed or withdrawn, as the case may be, and shall become effective when such Supplemental Declaration is recorded in the Public Records of Osceola County, Florida. Declarant shall have the unilateral right to transfer to any other person or entity the right, privilege and option to annex additional Property which is herein reserved to Declarant.

B. Subject to the consent of the Charter thereof, the Association may annex real property to the provisions of this Declaration and the jurisdiction of the Association. Such annexation shall require the affirmative vote of Voting Members representing a majority of the Class A and Class B votes present at a meeting duly called in accordance with the Bylaws and shall require the written consent of the Declarant for so long as the Declarant owns any Property subject to this Declaration. The annexation of land under the Subsection B shall be accomplished by the recitation in the Public Records of Osage County, Missouri of a Supplemental Declaration describing the Property being annexed and signed by the President and Secretary of the Association and by the Owner of the Property being annexed. Any such annexation shall be effective upon recording unless otherwise provided herein.

D. No provision of this Declaration shall be construed to require Declarant or any other person or entity, to annex or withdraw any real property from the scope of this Declaration.

D. The Declarant shall not be required to issue any predetermined order of improvement and development within the Property.

Section 3. Acquisition of Additional Common Property. Declarant may convey to the Association real and/or real property improved or unimproved, which is or which may become common to Section 2.A. above, and subject to this Declaration, which real property, upon conveyance or dedication to the Association, shall be appropriated by the Association as Common Property and hereafter shall be maintained by the Association for the benefit of all its Members. In such event, the Association and all Members shall have easements to use and enjoy such Common Property.

Section 4. Further Restricted Covenants. The Declarant may record further Restrictive Covenants or Declarations of Covenants, Conditions and Restrictions pertaining to Homeowners Associations, or lots as to any of the Properties possessed by the Declarant.

Section 5. Amendments. This Article shall not be amended without the written consent of the Declarant for so long as the Declarant owns any Property which is subject to this Declaration.

ARTICLE III

ASSOCIATION

Section 1. Membership. Every Owner, including the Declarant shall be a mandatory Member of the Association, and by acceptance of a deed or other instrument evidencing ownership interest, with Owner accepts Membership in the Association, acknowledges the authority of the Association as here provided, and agrees to abide by and be bound by the provisions of this Declaration, the Articles of Incorporation (attached

herein as Exhibit "C"; the Bylaws (attached hereto as Exhibit "D") and other Rules and Regulations of the Association. In addition to the foregoing, the family, guests, invitees and tenants of said Owner shall, while in or on the Property, shall and be bound by the provisions of this Declaration, the Articles of Incorporation, the Bylaws and other Rules and Regulations of the Association.

Section 2. Allocation of Voting Rights.

A. The classes of voting shall be as follows:

Class A. Class A Members shall be all Owners of Residential Units that have been conveyed to such Owner(s) by a Builder or developer of Residential Property. Class A Members shall be allocated one (1) vote for each improved Residential Unit in which they take full interest required for membership by the Declaration.

Class B. The Class B Members shall be the Owners of Residential Property other than the Developer. Class B Members shall be allocated one (1) vote for each Residential Unit allocable to the Residential Property under the Master Plan owned by the Class B Member (and which has not been developed by plan, declaration of condominium or otherwise) and one (1) vote for each Residential Unit owned by the Class B Member (including rental units owned) and shown on a recorded subdivision plan, approved site plan, declaration of condominium or cooperative.

Class C. The Class C Members shall be the Decedent, or its specifically designated (in writing) executor. The Class C Member shall be allocated a number of votes equal to five (5) votes for each Residential Lot in the owned by the Class C Member and shown on a recorded subdivision plan, approved site plan or plat, provided that the Class C Membership shall cease and become converted to Class B Membership upon the death of the Association.

B. Where any Property entitling the Owner to Membership in the Association is owned of record in the name of two or more persons (in writing, whether individually, joint tenants, tenants in common, tenants in partnership, or in any other manner of joint or common ownership, or if two or more persons or entities have the same fiduciary relationship respecting the same Property, then unless the instrument or order conveying title or creating the tenancy otherwise directs and if a copy thereof is filed with the Secretary of the Association, such Owner shall select one official representative (above 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 such official representative shall be deemed to vote represent the will of all the Owners of that Property. In the event of the absence of such official representative, if the Owner fails to designate their official representative, then the Association may accept the person asserting the right to vote as the voting Owner (or if notified to the contrary by the other Owners). Upon such notification the Owner may or vote and the Owner(s) appoint their official representative pursuant to this paragraph.

Section 3. Change of Membership.

A. Change of Membership in the Association shall be established by recording in the Public Records of Osceola County, Florida, a deed or other instrument conveying record fee title to any Residential Unit or Residential Property. The Owner designated by such instrument shall, by acceptance of such instrument, become a Member of the Association, and the Membership of the prior Owner shall be terminated.

B. The interest, if any, of a Member in the funds and assets of the Association shall not be assigned, hypothecated or transferred in any manner whatsoever to the Owner's real property. Membership in the Association by an Owner shall be compulsory and shall continue, as to each Owner, until such time as such Owner or record transfer or conveyance his interest in the real property upon which his Membership is based or until said interest is transferred or conveyed by operation of law, at which time the Membership shall automatically be conferred upon the transferee. Membership shall be appurtenant to, run with, and shall not be separated from the real property interest upon which Membership is based.

Section 4. Declaration, Rights of Appointment Directors. The Declarant shall be entitled to appoint all Members of the Board until business.

ARTICLE IV

FUNCTIONS OF ASSOCIATION

Section 1. Common Area. The Association, subject to the rights of the Owners, and herein this Declaration, shall be responsible for the exclusive management and control of the Common Areas, here the Limited Common Areas, and all improvements thereon (including, without limitation, furnishings and equipment related thereto and common landscaped areas), and shall keep the Common Areas in good, clean, attractive, and sanitary condition, under and repair pursuant to the terms and conditions hereof and consistent with the Community-Use Standard. Such Limited Common Areas shall be maintained by the Owner of the Unit contiguous to the Limited Common Area. The Association shall not mortgage nor convey the Common Area or any portion thereof without the consent of land title (20) of the Owner. However, this provision shall not apply to the Declarant.

Section 2. Personal Property and Real Property for Common Use. The Association, through action of its Board, may acquire, hold and dispose of tangible and intangible personal property and real property. The Board, acting on behalf of the Association, shall acquire, own, real or personal property, household, or other property interest within the Properties conveyed to it by the Declarant.

Section 3. Services. The Association shall have the following powers and responsibilities.

A. Maintenance of all Common Property, Exclusive Common Area (but not Limited Common Area), Lawns, paths, open space, Surface Water Management Systems, outdoor furniture, recreation areas, landscaping, Irrigation systems, if any, located within or in a reasonable proximity to the Properties whose deterioration of any of the described items would adversely affect the appearance or the Properties or the operation of systems appurtenant to Single Creek Reservoir At The Oaks Homeowners Association, Inc. The Association shall adopt standards of maintenance and operation required by this and other subdivisions within this Section if such are consistent with the Community-Wide Standard.

B. Maintenance of any real property located within Single Creek Reservoir At The Oaks Homeowners Association, Inc. upon which the Association has accepted an easement for said maintenance.

C. Insect, pest and aquatic control where necessary or permitted in the judgment of the Association to supplement the services provided by the state and local governments. The Association reserves a personal right on, over and under all Properties to dispense herbicides and pesticides and to take other action which in the opinion of the Association is necessary or desirable to control insects and vermin, provided, however, the Association shall not apply herbicides or pesticides in designated conservation areas within the Property except as reasonably necessary to maintain health and safety conditions for Residents of the Property and, in such event, shall use only herbicides or pesticides used or approved by state and local governments for controlling such problems in similar conservation areas and shall use only state, federal or state certified persons to calculate such chemicals. The provisions of this paragraph shall not be construed as an obligation on the part of the Association to provide such services.

D. Taking any and all actions necessary to enforce all covenants, conditions and restrictions affecting the Properties and to perform any of the functions or services delegated to the Association in any covenants, conditions or restrictions applicable to the Properties or in the Articles of Incorporation or Bylaws.

E. Conducting business of the Association, including but not limited to administrative services such as legal, accounting and financial, and communication services including Membership activities, Notice of Meetings, and other recurring events.

F. Establishing and updating the Architectural Review Committee after approval or in the event that the Association is delegated such purposes by the Decatur.

G. Adopting, publishing and enforcing such Rules and Regulations regarding the use of the Property as the Board deems necessary.

H. Laying of roads, streets, walkways and law lines throughout the Properties as deemed necessary by the Board.

I. At the an opinion and direction of the Board, conducting educational, sport, craft, and cultural programs of interest to Members, four times each year and paying and charging admission fees for the operation thereof.

J. Constructing improvements on Common Property and easements as may be required to provide the services as authorized in this Article.

K. The Association may also provide common maintenance upon any Unit, Lot, Limited Common Area or Dwelling which, in the Association's opinion, requires such maintenance because said Property is being maintained in a manner inconsistent with the Community-Wide Standard of the Properties. The Association shall notify the Owner in writing, specifying the nature of the condition to be corrected, and if the Owner has not corrected the condition within (15) days after date of said Notice, the Association (with approval of a majority of the Board) may correct such condition. Such maintenance shall include but not be limited to painting, repairs, replacement and maintenance of roofs, gutters, downspouts, exterior masonry surfaces, fences, walkways, grass, walks, pavement and other exterior improvements. For the purpose of performing the exterior maintenance authorized by this Article, the Association, through its duly authorized agents or employees, shall have the right, after reasonable notice to the Owner, to enter upon any Lot located in Single Creek Reserve At The Oaks Homeowners Association, local residential tracts or any day provided however, the Association shall have the right of entry without notice if necessary to correct an emergency situation. The cost of such maintenance shall be assessed against the Lot upon which such maintenance is performed and shall be collected as an Assessment against the Lot.

L. Establish use laws and promulgate Rules and Regulations respecting the use of Common Property and Association facilities by Members and persons other than Members.

M. Hire professional property management.

N. The Association shall be responsible for the maintenance, operation and repair of the Surface Water or Stormwater Management System. Maintenance of the Surface Water or Stormwater Management System shall mean the expense of practices which allow the systems to provide drainage, water storage, conveyance or other Surface Water or Stormwater Management maintenance as permitted by the South Florida Water Management District. Any repair or reconstruction of the Surface Water or Stormwater Management System shall be as permitted or approved, as approved in writing by the South Florida Water Management District.

O. Except as may be specified in Agreements Specifying Covenants, Conditions, Restrictions, Easements affecting Golf Course property parcel August 4, 1994 recorded in Official Records Book 1206, Page 0877, and recorded in Official Records Book 1207 Page 0179 of the Public Records of Collier County, Florida, maintenance of waterborne facilities, Lakes and canals owned by or dedicated for the use of the Association within the

Properties, as well as maintenance of water bodies owned by the Association within the Properties if and to the extent permitted by any governmental authority having jurisdiction thereon, and include, but not be limited to, the preservation of any shorelines or beaches, (together with lakes and bodies of water) in a substantially sound condition so that they can be used for such water activities as may be determined and allowed from time to time by the Association.

F. Promulgate a Use Agreement for the use of the boat docks, boat lift and related facilities, which may include a waiver or release of liability in favor of the Association including its officers and agents. The initial Use Agreement versioned hereto as Exhibit "E". The Owner may, in modification, amend the Use Agreement.

Section 4. Conveyance by Association. The Association may convey lands or easements to the Declarant in connection with any repaving, of any portion of the Property, upon two-thirds (2/3) vote of the Owners, not including the Declarant.

ARTICLE V

MASTER ASSOCIATION

Section 1. Membership. Every Owner, including the Declarant shall be a mandatory Member of the Master Association, and by acceptance of a deed or other instrument evidencing ownership in any such Owner accepts Membership in the Master Association, and acknowledges the authority of the Master Association as stated in the Master Declaration, and agrees to abide by and be bound by the provisions of the Master Declaration, the Master Association Articles of Incorporation, the Master Association Bylaws and Regulations of the Master Association. In addition to the foregoing, the terms, goals, mission and intents of said Owners shall, while in or on the Property, abide and be bound by the provisions of the Master Declaration, the Master Association Articles of Incorporation, the Master Association Bylaws and Regulations of the Master Association.

Section 2. Representation. The Association president shall serve as the Association's Neighborhood Representative, as that term is defined by the Master Declaration, with the same rights and duties as those described by the Master Declaration.

Section 3. Assessments. Each Owner shall by acceptance of a deed instrument, regardless of whether it shall be so expressed in any such deed or other conveyance, be deemed to consent and agree to all of the terms of the Master Declaration and to pay to the Master Association the Master Association annual dues and the its special assessments and neighborhood assessments in addition to the assessments to be paid to the Association. The Master Association assessments and their collection are subject to the covenants and restrictions contained in the Master Declaration.

ARTICLE VI

EASEMENTS

Section 1. Appurtenant Easements. Declarant grants to all Owners (and their heirs, assigns and successors and to the Association as an appurtenance to and in part of the ownership held by such Owner) and subject to the Declaration, the Articles of Incorporation and Bylaws of the Association and the rules and Covenants Agreements and laws promulgated by the Association, a perpetual non-exclusive easement for ingress and egress over, across and through and for the use and enjoyment of all Common Property, except the Exclusive Common Areas designated for the benefit of some, but not of Owners, the use of which is restricted to particular Lots or Units as designated by the Declaration and/or the Declaration and the Limited Common Property, which is for the limited benefit of the Owner whose Lot or Unit is contiguous to the Limited Common Property. Such use and enjoyment to be shared in common with the other Owners, their guests, invitees and invitees as well as the guests, invitees and invitees of the Declarant. Provided, with respect to the Common Property, the Declarant reserves the right (but not the obligation) to maintain and use all rights-of-way associated therewith, and to maintain and place Declarant's signs thereon.

Section 2. Utility Easements. The Declarant reserves to itself (and its successors or assigns) for so long as the Declarant owns any of the Properties, and the Association likewise, the non-exclusive right to grant easements in any public (company, public or private utility or governmental authority providing utility and other services within the Properties and the Common Property hereinafter used and across the Properties, except that with respect to cable service, Declarant may grant exclusive rights and easements to cable service provider of its choice. Such easements shall only be given for the purpose of maintaining, installing, repairing, altering and connecting sewer lines, irrigation lines, water lines, water works, sewer works, storm sewers, fire lines, water mains, sewer mains, water distribution systems, sewage disposal systems, effluent disposal lines and systems, power lines, fiber optic lines, power lines, telephone service, gas lines, systems, valves, gates, pipelines, cable television service, alarm systems and all machinery and apparatus appurtenant thereto to all of the foregoing as may be necessary or desirable for the installation and maintenance of utility and providing services to Owners, the Properties and Common Property. All such easements to be of a size, width and location as Declarant (or the Association, if the Association owns the Common Property), in its discretion, deems best but selected in a location so as to not irreparably interfere with the use of any improvements which are now, or will be, located upon the Properties.

Section 3. Declarant Easements. Notwithstanding the easements granted to the Association, the Declarant hereby reserves to itself, its successors and assigns, and to such other persons as Declarant may from time to time designate in writing, a perpetual easement with right and so, over, under, on and across the Common Property for ingress and egress as required by its Officers, Directors, employees, agents, independent contractors, visitors and invitees, provided, however, that such access and use shall

not unreasonably interfere with the reasonable use and enjoyment of these improved and facilities by the Association and Owners. Declarant reserves the right to impose further restrictions and to grant or dedicate additional easements and rights-of-way on any of the Properties named by Declaration. The easements created by this Article shall not unreasonably restrict any improvements or measurements interfere with the enjoyment of the Properties. Declarant reserves for itself, its successors and assigns, an exclusive easement for the installation and maintenance of security and television cables and wire within the rights-of-way, Common Property, and easement areas related to this Article.

Section 4. Utility Easements. Declarant hereby grants to delivery, pickup and fire protection services, police and other authorities of the Law of the United States and its representatives of electrical, telephone, cable television and other utilities authorized by the Declaration, reasonable easements to service the Properties and to such other persons as the Declarant may from time to time designate, the maximum size perpetual right of ingress and egress easement and across the Common Property for the purposes of performing their authorized services and investigations.

Section 5. Right of Entry. The Association shall have the right but not the obligation to enter onto any Lot in case of emergency, or to perform functions related to safety or security which right may be exercised by the Board, Officers, agents, employees, managers and all personnel, firemen, maintenance personnel, and similar emergency personnel in the performance of their respective duties. Except in an emergency situation, entry shall only be during reasonable hours and after notice to the Owner. This right of entry shall include the right of the Association to enter to remove any condition which may increase the possibility of a fire or other hazard in the event an Owner fails or refuses to cure the condition upon request by the Board.

Section 6. Encroachment Easements. There shall be reciprocal easement agreements of encroachment between each Lot and Dwelling and such portion or portions of the Common Property adjacent thereto or as between adjacent Lots and/or Properties, due to the unintentional placement or setting of the improvements constructed, manufactured, or stored thereon in accordance with the terms of these restrictions to a distance of not more than three (3) feet, as measured from any position on the common boundary along a line perpendicular to such boundary if such line, provided, however, in no event shall an easement for encroachment exist if such encroachment occurred due to willful and knowing conduct on the part of an Owner, tenant, or the Association.

Section 7. Drainage Easements. Drainage that shall not be restricted or diverted from drainage easements. The Association may, but shall not be required to, install drainways for surface water whenever such action may appear to the Association to be necessary to maintain reasonable standards of health, safety and appearance. These easements include the right to cut any trees, bushes or shrubs, make any gradings of the surface to take any other action reasonably necessary to install or to maintain reasonable standards of health and appearance but shall not include the right to disturb

any improvements needed within the Property when are not located within the specific easement area designated on the plot on this Declaration. Except as provided herein or required by a governmental authority, existing drainage and drainage channels for a lot reserved for such purposes shall not be allowed so as to divert the flow of water onto adjacent parcels or into sanitary sewer lines. The Association will have the sole control over elevations and slopes within drainage easements and no Owner may alter any such elevations except upon written consent of the Association.

Section 6. Concession Easements. Declarant reserves the right to grant Concession Easements to qualified grantees over and across Common Property, Open Space, Public Areas or Surface Water Management Systems.

Section 8. Utilities and Easements. If ingress or egress to any Lot is through the Common Area, all easements in the Common Area shall be subject to any such ingress or egress easement of the Owner of such Lot(s).

Section 10. Recreational Amenities Easements. Declarant hereby grants to all Owners, and their respective successors, assigns, guests, licensees and invitees, as an appurtenance to and as part of the ownership held by such Owner, but subject to the Declaration, the Articles and Bylaws, the rules and regulations promulgated by the Association, as well as any Use Agreement and any Land Use and regulations as may be promulgated by the Declarant or the Association with respect to any Recreational Amenities from time to time, a perpetual non-exclusive easement for the use and enjoyment of such Recreational Amenities. This Recreational Amenities Easement shall constitute Common Property of the Association, and the cost of maintenance, operation, repair and replacement of the Recreational Amenities shall consist the Common Fund, which shall be collected as part of the Annual Assessment.

Section 11. Pathway and Bicycle Easement. Declarant grants to all Owners (and their guests, licensees and invitees) as an appurtenance to and as part of the ownership held by such Owner, but subject to this Declaration, the Articles of Incorporation and Bylaws of the Association, and the rules and Use Agreements and fees promulgated by the Association a perpetual non-exclusive easement for ingress and egress over, across, and through the Assoc. Maintenance and Pedestrian/Bicycle Easement located on the Common Property and depicted on the Plat. Such use and enjoyment to be shared in common with the other Owners, their guests, licensees, and invitees as well as the guests, licensees and invitees of the Owners. Not that, with respect to the Common Property, the Declarant reserves the right (but not the obligation) to maintain or discontinue rights of way associated therewith, and to maintain and place Declarant's signs thereon.

Section 12. Right of Easements. The rights and easements of enjoyment created in this Article V shall be subject to the following:

A. The right of the Declarant or the Association, in accordance with its Bylaws, to borrow money from any lender for the purpose of improving and/or maintaining the

Swiss, Buffalo Management Systems and Common Property and providing services on a proper basis;

B. The right of the Association to suspend the rights and assessments of an apartment of any Member or any tenant of any Member for any period during which any Assessment remains unpaid, and for any period, not to exceed sixty (60) days, for any infraction of the published Rules and Regulations, it being understood that any suspension for failure to pay an Assessment or breach of any Rules and Regulations by the Association shall not constitute a waiver or discharge of the Member's obligation to pay the Assessment;

C. The right of the Association to charge reasonable admission and other fees for the use of any recreational facility that may be situated on Common Property;

D. The right of Declarants of the Association or the CDU to place land remain offer notices or any reasonable notices upon any roadways owned by them, including but not limited to, speed bumps, access gates, raised curbs or other similar traffic or safety controls. The location of such restrictions on the use of such roads shall be made separate from the work of any state or local government having jurisdiction over the Properties shall not make such restrictions unenforceable;

E. The right of the Association to charge a use fee and require a Use Agreement for the use of any boat dock, boat lift or related facilities located in Tract BB of the Common Property, which may include a waiver or release of liability in favor of the Association, including without limitation, for the Association's own negligence;

F. The right of the Association to approve the practical requirements for the construction of Owners' boat docks on the Common Property. The Association through the ARC, shall have the obligation to grant easements and allow the construction of boat docks over Tract P-1 of the Common Property for every Lot bordering Tract P-1 except as limited by the covenants provided. This obligation is subject to the right of the ARC to approve the plans and the location of the construction of a boat dock connecting the Owner's Lot to the water through the Common Property. This obligation does not require the Association and ARC to grant easements and approve boat docks for Lots whose shape and location would cause the docks to unreasonably interfere with other Lot Owners' ability to access Tract P-1 in certain circumstances and build a boat dock from their lot over Tract P-1, however, such Lots whose shape and location may provide docks shall be limited to: Lots 127, 135, 156, 198, 194, 372, 373, 300 and all lots not immediately adjacent to and bordering Tract P-1. Any such boat dock is subject to all applicable government laws and regulations and the plans for each dock must be approved in writing by the ARC prior to its construction. Each Owner constructing a dock shall be solely responsible for the maintenance, insurance and repair of the boat dock and the Association and other Owners shall not be responsible for any work whatsoever for any Owner's boat dock.

Section 13. Easement for Access and Use. The Association shall have a perpetual, non-exclusive easement over all areas of the Surface Water or Stormwater Management System for access to operate, maintain or repair the system. By this easement, the Association shall have the right to use for upon any portion of any Lot which is a part of the Surface Water or Stormwater Management System, at a reasonable time and in a reasonable manner, to operate, maintain or repair the Surface Water or Stormwater Management System as required by the South Florida Water Management District permit. Additionally, the Association shall have a perpetual non-exclusive easement for drainage over the entire Surface Water or Stormwater Management System. No person shall alter the drainage flow of the Surface Water or Stormwater Management System including buffer areas or swales without the prior written approval of the South Florida Water Management District.

ARTICLE VI

ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligations of Assessments. The Declaration covenants, and each Owner of any Lot shall by acceptance of a deed thereon, 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 this Declaration and to pay the Association: (1) Annual Assessments, (2) Special Assessments, (3) Individual Assessments, (4) Initial Capital Contribution Assessments, (5) Excessive Common Area Assessments and (6) Use Agreement Fees collected from time to time as hereinafter provided. The Annual, Special, Individual, Initial Capital Contribution, Excessive Common Area Assessments, Use Fees together with each interest therein and each of collections provided herein shall be a charge and lien on the real property as provided herein on the real property and improvements to the Charge against which each such Assessment is made. Each such Assessment, together with each interest therein and each 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 Lot, all of such co-owners shall be jointly and severally liable for the entire amount of the Assessment.

The liability of Assessments may not be avoided by either 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 other actual or claimed or allowed by reason of any alleged failure of the Association or Board or any other person or entity to perform some function required to be taken or performed by the Association or Board under this Declaration or the Covenants, or for discontinuance of dissection arising from the making of repairs or improvements which are the responsibility of the Association, or from any neglect or action taken to comply with any law, ordinance or with any order or directive of any municipal or other governmental authority.

Section 3. Purpose of Annual Assessments. The Annual Assessments levied by the Association may be used for the improvement, maintenance, enhancement and operation of the Surface Water Management Systems and Common Property and so provide herefor with the Association authorized or required to provide, including, but not limited to, the payment of taxes and insurance charges, construction, repair or replacement of improvements, payment of the costs of acquisition (e.g. permits, materials, management and operation necessary to carry out its authorized functions, and for the payment of principal, interest and any other charges contracted with third parties to or assumed by the Association for the purpose of enabling the Association to perform its authorized or required functions.

Section 4. Annual Assessments. The Board or the duly authorized Board of least thirty (30) days before the beginning of each fiscal year, to prepare a budget covering the estimated Common Expenses of the Association during the coming year. The budget shall include those items which may be determined to be necessary by the Board.

The Annual Assessment to be levied for the coming year against each Unit subject to assessment shall not be less than shall be computed by dividing the budgeted Common Expenses by the sum of (i) the number of Residential Units which have actually received a certificate of occupancy from applicable governmental authority plus (ii) one-half (1/2) of the Units at least on the basis of the Parcel-Identified Property after its development. The resulting figure shall be the Assessment per Parcel-Identified Unit. Class A and Class B Members shall pay the assessment per Residential Unit as set forth below, and shall bear an responsibility for Units which have not received said certificates of occupancy. Except as provided in Section 5, the assessment with respect to the Decedent, Class C Members shall have no responsibility to pay assessments on any Residential Unit, Lot, or Residential Property.

For the purposes of this assessment procedure, "allowable Residential Units" shall mean the number of Residential Units permitted by the Master Plan for that portion of the Member's remaining Residential Property which does not have said certificates of occupancy, or the number of Residential Units permitted by a site plan approved by the Decedent for that portion of the Member's remaining Residential Property for which certificates of occupancy have not been issued.

In the event that the Board fails for any reason to approve the budget for any year, then and until such time as a budget shall have been determined as provided herein, the budget in effect for the immediately preceding year shall continue for the current year.

Section 4. Special Assessments. In addition to the Annual Assessments authorized by Section 3 hereof, the Association may levy in any Assessment year a Special Assessment. Special Assessments shall be payable in such manner and amount times as determined by the Board, and may be payable in installments extending beyond the fiscal year in which the Special Assessment is approved, if the Board so determines.

Section 5. Excess Assessments of Declarant. Notwithstanding any provision of this Declaration or the Association's Articles of Incorporation or Bylaws to the contrary, for as long as there is Class C Membership in the Association, the Declarant may, at its sole option, with respect to any Lot owned by the Declarant, fund the difference between the amount of Assessments levied on a Lot in respect to Assessments and the amount of actual expenditures required to maintain the Association during the fiscal year. This elective payment may be set off in the form of a cost subsidy or by "in kind" contributions of services or materials, or a combination of these. The Association is specifically authorized to enter into supply contracts or contracts for a wide procurement of services or materials or a combination of any and all such with Declarant or other entities for the payment of some portion of its Common Expenses.

Section 6. Date of Commencement of Annual Assessments; Lien Status. The Annual Assessments provided for herein shall commence as to each Lot on the next day of following an Owner's acquisition of title. Notwithstanding anything to the contrary to the contrary, Rules and Class B Members shall not be responsible for the payment of any assessments or fees herein.

Section 7. Individual Assessment. In addition to the Annual and Special Assessments authorized by Sections 3 and 4 hereof, the Association may levy an Individual Assessment against any individual Owner and his or her Unit to recover any charges or costs incurred by the Association as a result of the notice or exercise of a lien pursuant to Section 6 resulting from an individual Owner's failure to comply with the terms of this Declaration or the Association's governing documents. Individual Assessments shall be payable in such manner and at such times as determined by the Board.

Section 8. Initial Capital Contribution Assessment. In addition to the Annual, Special and Individual Assessments authorized by Sections 3, 4, and 7 hereof, each Owner, at the time he or she takes title to a Lot or Unit, shall pay to the Association a one-time Initial Capital Contribution Assessment in the amount of \$200,000. The Initial Capital Contribution Assessment shall be levied at the time a Buyer transfers title of the Lot to an Owner who intends to either occupy the Lot as the residence or lease the Lot to a transferee for residential purposes. Said Assessment shall be due and collectible from the Owner at the time of transfer of record title of the Lot or Unit. Said Assessment shall apply to each and every title transfer and in addition to and shall not be an excuse or advanced payment of any other Assessment.

Section 9. Exclusive Common Area Maintenance Assessments. In addition to the Annual, Special, Individual and Initial Capital Contribution Assessments, each Owner who is entitled to the exclusive use and benefit of Exclusive Common Areas shall pay the Association an Exclusive Common Area Maintenance Assessment for its maintenance, repair, replacement and improvement. Owners have Units and Exclusive Common Areas in the exclusive use and benefit of Lots 1 through 81, and each of those Lots shall pay to the Association an equal pro-rata share of the Exclusive Common Area Maintenance Assessment for Tracts B-2, B-1A, B-1B, B-1C and the private streets identified as Tract

R/N-1, into the United Common Property. It is to be used exclusively for the use of the Declarant, but is not obligated to designate additional Exclusive Common Areas for the use of these or other Owners by recording a Supplemental Declaration. In the event additional Exclusive Common Areas is designated by Declarant, the Owners who are entitled to such areas shall own such Particular Common Area shall also pay an Exclusive Common Area Assessment for the costs associated with such use. Expenses for different Exclusive Common Areas may be different; therefore, the Exclusive Common Area Assessment may be different for different Lots and Units based on the differences in costs of services, taxes, and other factors.

Section 10. Effect of Non-Payment of Assessment: The Payment/Default of the Owner. The Lien, Priority of Assessments. If any Assessment is not paid on the date due, then such Assessment shall be deemed delinquent and the entire Association shall, together with interest thereon and cost of collection thereof as hereinafter provided, become due and payable and be a continuing lien on the Lot which shall first attach to and Unit in the hands of the then Owner, the Owner's heirs, devisees, personal representatives and assigns. In addition, the Association shall have the right to charge a late fee in addition to interest as determined by the Board of Directors. The obligation of the Owner to pay such Assessment, however, shall remain a senior obligation. The Association may record a notice of lien for delinquent assessments in the public records and bookends if a lien in the same manner as a mortgage. Upon recording, the lien shall secure the amount of the delinquency stated therein and all unpaid Assessments thereafter until said debt is recorded.

If the Assessment is not paid within thirty (30) days after the delinquency date, the Association shall begin interest from the date of the delinquency at the highest rate allowed by Florida law, 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 said Assessment all reasonable attorneys' fees and costs incurred in the collection process.

The Association, acting on behalf of the Owners, shall have the power to better the Lien or Unit or to encumber said and to acquire and hold, lease, mortgage, and convey the same.

Section 11. Subordination of the Lien to the Mortgage; Mortgagee's Right. The Lien of the Assessments provided for herein is subordinate to the lien of any first Mortgage given to an Institutional Lender now or hereafter placed upon a Lot, provided, however, that such subordination shall apply only to the Assessments which have become due and payable prior to a sale or transfer of such Property pursuant to a decree of foreclosure, or any other proceeding in rem of a mortgagee. Such sale or transfer shall not relieve such Property from liability for any Assessments heretofore becoming due, nor from the Lien of any such delinquent Assessment.

The Association shall, upon demand at any time, furnish to any Ownerable for any type of Assessment a certificate in writing signed by an Officer or management agent of the Association setting forth whether such Assessment has been paid on any particular Lot. Such certificate shall be conclusive evidence of payment to the Association of such Assessment if the certificate is not stated to have been paid. The Association may require the advance payment of a processing fee not to exceed One Hundred and Fifty Dollars (\$150.00) for the issuance of such certificate.

Section 12. Exempt Property. The following Property subject to this Declaration shall be exempted from all Assessments, charges and fees created herein: (a) all Property to the extent of any assessment or other liability then collected and accepted by the local public authority and devoted to public use; (b) all Common Property; (c) all Property reserved for recreational use; (d) Property which is used to for Surface Water Management Systems.

Section 13. Assessments shall also be used for the maintenance and repair of the Surface Water or Stormwater Management Systems including but not limited to work within retention areas, drainage structures and drainage easements.

Section 14. Builder Exemption. Notwithstanding the provisions of this Article VI, Builders, as that term is defined by Article I, Section E, are not obligated to pay Assessments unless the Builder occupies or leases their Lot or Unit for residential purposes, or otherwise the Builder shall pay all Assessments and Use Fees applicable to the occupied or leased Lot or Unit. Lots or Units used by Builders as model homes, whether owned by Builder or leased from a third party, are specifically excluded from the payment of all Assessments and Use Fees.

ARTICLE VIII

ARCHITECTURAL CONTROL

Section 1. Enforcement of Architectural Standards. The Devo shall have the authority and standing on behalf of the Association, to enforce in courts of competent jurisdiction provisions of the covenants established in Sections 2 and 3 of this Article VII. This Article may not be amended without the Devo's written consent.

No construction, which work shall include within its definition, clearing, clearing, excavation, grading, and other site work, no exterior alterations or modification of existing improvements; no plantings or removal of plants, trees, or shrubs; no painting and no installation of lawn ornaments shall hereinafter be undertaken unless compliance with this Article and the requirements of each have been fully met, and with the approval of the appropriate entities has been obtained.

All structural work construction on any portion of the Property shall be designed by and constructed in accordance with the plans and specifications of a licensed architect or other person

found to be qualified by the Architectural Review Committee ("ARC");

Section 2. Architectural Review Committee. There is hereby constituted a Architectural Review Committee ("ARC") which shall have management jurisdiction with the Master Association Architectural Review Committee over all construction on any portion of the Properties. The Master Association Architectural Review Committee may delegate any portion or all of its powers reserved under the Master Declaration to the Association's ARC. The Association's ARC rules, powers and responsibilities shall be as follows:

A. The ARC shall consist of two (2) or more persons designated by the Declarant. As such time as Declarant no longer owns any real property within the Properties (hereafter the Declarant shall surrender this right in a written instrument in recordable form pursuant to Declaration), the Declarant shall assign to the Association the rights, powers, duties and obligations of the ARC, whereupon the Board shall appoint three (3) or more persons as the members of the ARC.

B. The ARC shall have the right of specific approval or veto of all architectural, engineering, painting, painting and landscaping designs of any improvement or development of individual Dwellings or buildings or use as the general plan for development of any individual lot or subdivision, tract or parcel of land within the Properties. All construction and development within the Properties is subject to local governmental jurisdiction; however, the ARC may, in its sole discretion, impose standards of appearance and landscaping, design, or the general plan for development, which standards are greater or more stringent than standards prescribed in applicable building, zoning and planning or other local governmental codes.

C. No building, sign, decorative or ornamental sculpture, outside lighting, fence, hedge, wall, walk, rock or other structure or planting shall be constructed, erected, planted, painted, altered or removed without the plans and specifications showing the color, kind, shape, design, trade size, floor plans, color scheme and the location of same shall have been submitted to and approved in writing by the ARC. Failure of approval of plans, specifications or improvements may be based upon any grounds, including purely aesthetic considerations, which the ARC, in its sole discretion, deems sufficient.

D. All plans for the construction of any improvements within the Properties shall include a drainage plan which shall be consistent with a Master Drainage plan for the property governed by The Oakley Master Property Owners Association, Inc.

E. As part of the application process, three (3) complete sets of plans and specifications prepared by an architect or other person found to be qualified by the ARC shall be submitted for approval by written application in such form as may be provided or required by the ARC. In the event the information submitted to the ARC is, in its opinion, incomplete or insufficient in any manner, it may request and require the submission of additional or supplemental information.

F. The ARC shall have the right to refuse to approve any plans and specifications which are not suitable or not in its sole discretion, for evaluation or any other reasons. In approving or disapproving such plans and specifications, the ARC shall consider the suitability of the proposed building, improvements, and structure or landscaping and materials of which the same are to be built, the site upon which it is proposed to be erected, the harmony thereof with the surrounding area and the effect thereof on adjacent or neighboring Property.

G. Unless specifically excepted by the ARC, all improvements for which approval of the ARC is required under this Declaration shall be completed within a reasonable time from the date of measurement of such improvements or within the time set by the ARC in the event that the approval is so conditioned.

H. In the event the ARC shall fail to specifically approve or disapprove the plans and specifications submitted in their completed form or to request additional information reasonably required within thirty-two (32) days after receiving a complete written submission, such plans and specifications shall be deemed approved.

I. There is specifically reserved unto the ARC the right of entry and inspection upon any Lot for the purpose of determination by the ARC whether there exists any construction of any improvement which violates the terms of any approval by the ARC or the terms of this Declaration or any other covenants, conditions and restrictions to which its deed or other instrument of conveyance makes reference. The Association is specifically empowered to enforce the provisions of this Declaration by any legal or equitable remedy, and in the event it becomes necessary to need litigation to determine the propriety of any construction improvements, or to remove any unapproved improvements, the possibility shall be without limitation of all court costs, expenses and reasonable attorney fees incurred in connection therewith.

J. The Association shall indemnify and hold harmless the ARC from all costs, expenses and liabilities including attorney fees incurred by or for any Member of the ARC's service as Member of the ARC.

K. A majority of the ARC may take any action of the committee and may designate a representative to act for it. In the event of death, disability or resignation of any Member of the ARC, the Board shall designate a successor. The ARC shall be selected by and shall remain in the presence of the Board of Directors.

L. The ARC may adopt such further Rules and Regulations as it deems necessary to carry out its functions and purposes hereunder.

M. The ARC has the right, but not the obligation, to grant waivers for minor deviations from infractions of this Declaration. The granting of any waiver for any portion of the Properties may be given or withheld in the ARC's sole discretion and prior grant of a

shall neither shall it impose upon the AFO the duty to grant new and additional requests for such waivers.

N. The Association, Declarant, AFO or any Officer, employee, Director or Member thereof shall not be liable for damages to any persons including guards and special nature for approval, or to any other Owner, by reason of mistake in judgment, negligence or nonfeasance arising out of or in connection with the approval, disapproval or failure to approve any plans and specifications. Every owner who submits plans and specifications for approvals agrees, by submission of such plans and specifications, that it will not bring any action to suit against the Association, Declarant, AFO or AFO Members to recover any such damages.

Section 3. Regulations. The AFO shall promulgate detailed standards and procedures governing modifications to existing lots or structures, conform with local government standards and codes. In addition thereto, the following shall apply. Plans and specifications showing the lot, lot, shade, color, size, materials, and location of such modifications, additions, or alterations shall be submitted to the AFO for approval as to quality of workmanship and design, and as to harmony of exterior design with existing structures, location in relation to surrounding structures, topography, and finish grade elevations.

ARTICLE IX

RESTRICTIONS

Section 1. Compliance by Owners; Initial Rules and Regulations. Every Owner shall comply with the restrictions and covenants set forth herein and any and all Rules and Regulations and Use Agreements adopted by the Board as well as any and all Restrictions and Covenants contained in the Amendments and Restated Declarations of Master Covenants, Conditions and Restrictions of The Lots recorded at Official Records Book 1881, Page 8022 Plats, Records of Osceola County Florida, as may be amended from time to time.

A. Residential Use. All lots shall be used for residential Dwellings and related accessory facilities only and for no other purposes. No residential unit or lot may be occupied by more persons per lot than is permitted by the City of Kissimmee zoning and ordinances. In addition, uses which do not conform to the City of Kissimmee zoning and ordinances are prohibited. Notwithstanding anything herein to the contrary, Declarant shall be entitled to build and maintain case models and offices there which do not conform to Osceola County zoning ordinances will not be permitted.

B. Temporary Buildings. No tents, trailers, sheds, docks, tanks, or temporary or auxiliary buildings or structures shall be erected or permitted to remain on the Property however the foregoing shall not prevent or hinder the construction and maintenance of temporary sales models and such other temporary facilities as are essential to the development, construction, and sale of the housing facilities created,

provided that such use is compliance with appropriate governmental requirements applicable thereto.

D. Trash and Debris. No lumber, metals, bulk materials, refuse or fresh stable liquid, stored, or allowed to accumulate on the Properties without building thereon during the course of construction of any approved structure. If fresh weather refuse will be disposed of by being picked up and carted away on a regular and recurring basis, containers may be placed in the open after dark on the day before the pick-up is to be made or on such day and at such place as will be acceptable to persons making such pick-up. Such containers may not be placed in the open on the day preceding the pick-up. At all other times, such containers shall be stored so that they cannot be seen from surrounding property. The Architectural Review Committee in its discretion may adopt and promulgate reasonable Rules and Regulations relating to the size, shape, color and type of containers permitted, taking into consideration the requirements of the waste services provider and the manner of storage of the same.

E. Form of Pipes and Fittings. No water pipe, gas pipe, sewer pipe, drainage pipe or downspout shall be installed or maintained on the Properties above the surface of the ground, except inside. No Property shall be used for the purpose of storing, mixing, quarrying, melting or in removing oil and other hydrocarbons, minerals, gravel or earth. Provided, however, that nothing contained herein shall prohibit or restrict removal of dirt or earth materials to construct or create approved drainage structures or landscaped berms.

F. Nuisance. Nothing shall be done on the Properties which is illegal or which may be unlawful because an annoyance or nuisance to the abutment and its residents.

G. Weeds and Undergrowth. No weeds, undergrowth, or other unwanted growth including unkempt lawns, shall be permitted to grow or remain upon the Properties and no refuse piles or unsightly objects shall be allowed to be placed or suffered to remain anywhere thereon.

H. Vehicle Parking. The Board may promulgate rules which restrict, limit or prohibit the use of any driveway or unimproved area which may be in front or adjacent to or part of any lot or dwelling as a parking place for private automobiles or vehicles, commercial vehicles, trucks, motor homes or vehicles, off-property motor homes, motorcycles and boats. Such rules if and when promulgated, shall have the same force and effect as if promulgated and fully incorporated into this Declaration. No unregistered or inoperable motor vehicles may be parked in such a manner as from any point on adjacent property to the street. No vehicle of any kind may be disassembled, serviced or repaired on the Properties.

I. Adjacent Property. As to all portions of the Properties which have a boundary contiguous to any lot or other body of water, the following additional restrictions and requirements shall be applicable:

1. No dockhouse, dock or wharf shall be erected, placed, altered or maintained on the shores of the Lake unless approved by the APLC as set forth in Article VI, Section 12 F.
2. Use of the bank slope or shore crests for the purpose of parking boats, boat trailers and vehicles shall be governed by the rules and regulations of the Association as promulgated from time to time.
3. No solid or liquid waste, litter or other materials may be discharged into any bay lake or other body of water or the tanks thereof.
4. Each applicable Owner shall be responsible for the maintenance of such Owner's Lot on the western side of the Lake, whatsoever that Line may be located from time to time, depending on changes in the water level of the Lake, as well as any Common Property lying between the Owner's Lot Line and the edge of the water.
5. No landscaping (other than that initially installed or approved by the Developer) towers, structures or other improvements (regardless of whether one or some are permanently attached to the land or in other improvements) shall be placed within any lake maintenance or utility easements around the shores or other bodies of water.

1. Prohibited Vehicles. No "Prohibited Vehicle" shall be parked or stored on any of the Common Properties or Common Areas or parked or stored on any part of Lot 114 of the Property, except that a commercial vehicle may be parked in a garage. For purposes of this Section, a "Prohibited Vehicle" is:

1. a truck, delivery van, service van or bus (except that trucks and in excess of 24 feet are permitted, provided they have no canopy top, bed enclosure, or other appendage attached to it);
2. a commercial vehicle (i.e., one not designed and used for normal personal/family transportation) and any vehicle bearing lettering, graphics or other commercial messages (but not including the make and model of the vehicle);
3. a recreational vehicle (RV), including a camper, mobile and motor home, all terrain vehicle (ATV or ATO), or snow buggy;
4. a trailer of any type;
5. a boat; or
6. a derrick vehicle, including a vehicle with no normal floor space or a vehicle

incapable of self-propulsion.

For purposes of this section, a "registered vehicle" shall not be deemed to be any commercial or public service vehicle present on the property while performing services for or on behalf of residents, the Association or the District.

J. Guest Parking All vehicles must be parked on the driveway or in the garage at all times. Street parking is specifically prohibited, except as permitted below.

Non-residents and visitors to the Properties shall not be permitted to park within the Properties for longer than six (6) continuous hours on any weekday except in driveway or designated parking areas associated with units owned by the person(s) such visitor or non-resident is visiting. Non-residents and visitors shall not park overnight on the streets within the Properties. When parking within the Properties, all accidents and visitors shall follow all parking rules and regulations. Exceptions to the provisions of this Section may be by the Board in its sole discretion.

K. Antennas Any Owner desiring to receive either Direct Broadcast Satellite (DBS), Direct Satellite System (DBS), Multichannel Multipoint Distribution (very new cable) providers (MMDS), and Terrestrial Broadcast Stations (TVBS) must notify the Association no less than seven (7) days before installation. Such antennas are restricted to the placement of a satellite dish no more than one (1) meter in diameter, parallel and equal to the Dwelling as reasonably feasible. The dish shall be reasonably screened from view from surrounding properties. All other types of antennas or satellite distributions are prohibited except those reception devices that are processed under federal law or regulations.

L. Drainage No changes in elevations of Property subject to these restrictions shall be made which will cause undue hardship to adjoining property or be inconsistent with the approved drainage plan for Property or any part thereof.

M. Garages No garage shall be converted to living space. All garages at all times shall be capable of housing the number of vehicles that if a garage was originally intended to house. For example, a "two car garage" must be capable of housing two standard sized automobiles.

N. Underground Wires No lines or wires for communication or the transmission of electrical current or electromagnetic pulses shall be constructed, placed or permitted to be placed on a Lot, unless the same shall be underground.

O. Animals No horses, cattle, swine, goats, poultry or bear and no animals not commonly considered household pets shall be kept on the Property. Under no circumstances shall any commercial or pleasure enterprises involving the care or treatment of animals be conducted on the Properties without the express prior written consent of the Board. All pets shall be kept on a leash when not on the pet Owner's lawn.

This unit shall be allowed to remain unattended. The Association may, from time to time, publish and impose reasonable regulations setting forth the type and number of animals that may be kept on the Properties. There shall be a limit of three (3) household pets per unit, excluding birds and fish. Owners shall be responsible to clean up all pet waste on the Properties.

F. Business. No trade or business will be conducted or carried on upon the Properties or in conducting or other activities except that an Owner or occupant may conduct business activities within the Dwelling, an garage, (a) the existence or operation of the business activity is not apparent or detectable by sight, sound or smell from outside the Unit; (b) the business activity conforms to all zoning requirements for the Properties; (c) the business activity does not require persons coming onto the Properties who do not reside in the Properties or do so for the collection of residents of the Properties; and (d) the business activity is consistent with the residential character of the Properties and does not constitute a nuisance, or a hazardous or otherwise use, or threaten the security or safety of other residents of the Properties, as may be determined in the sole discretion of the Board.

The terms "business" and "trade," as used in this provision, shall be construed to have their ordinary, generally accepted meanings, and shall include, without limitation, any occupation, work or activity undertaken or an ongoing commercial venture the provision of goods or services to persons other than the provider's family and for which the provider receives a fee, compensation, or other form of consideration, regardless of whether: (i) such activity is engaged in full or part time; (ii) such activity is intended to or does generate a profit or (iii) a license is required therefore. Notwithstanding the above, the term "business" shall not be considered a trade or business within the meaning of this Section. This Section shall not apply to any activity conducted by the Declarant with respect to its development and sale of the Properties or to use of any Unit which it owns within the Properties.

G. Maintenance of Driveways, Awnings, Etc. All setback areas, yards, walkways, driveways and parking areas and drainage systems shall be maintained and kept in a neat and clean condition free of refuse and debris. All paved driveways located on Lots 1 through 51 are considered Limited Common Elements, reserved for the exclusive use of the Owner of the adjoining Lot or Unit, for which the driveway crosses the Exclusive Common Area and surrounding the Lot or Unit, and shall be maintained by the Owner in good order and repair at the Owner's expense.

H. Maintenance of Landscaped Areas. All landscaped areas on the edge of the paved road within the public right of way shall be maintained as live, healthy and growing vegetation, properly watered and irrigated. Any planting of grass and other plants, herbaceous or woody, or other shall be replaced with similar, suitable plants as needed.

I. Maintenance of Landscaping on Driveway, Right of Way or Water's Edge. Any Owner shall be responsible for the maintenance responsibility for Property adjoining any