

DECLARATION OF PROTECTIVE
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
OSPREY POINTE
LAKE COUNTY, FLORIDA

BOOK 1338 PAGE 1449

THIS DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS AND RESTRICTIONS FOR OSPREY POINTE, (hereinafter referred to as the "Declaration"), is made on the date hereinafter set forth by ROBERT A. DAVIS, Trustee, whose address is 1311 S. Vineland Road, Winter Garden, Florida, (hereinafter referred to as the "Declarant").

W I T N E S S E T H:

WHEREAS, Declarant is the owner of certain real property located in Lake County, State of Florida, which is more particularly described in Exhibit "A" attached hereto, hereinafter referred to as the ("Property"); and

WHEREAS, Declarant desires to develop within Osprey Pointe (as defined herein), a residential community of single family residences; and

WHEREAS, the Declarant desires to provide for the preservation of the values and amenities in Osprey Pointe and for the maintenance of entryway features including entrance gates and their equipment, perimeter wall, perimeter landscaping, street lighting, recreation areas, including nature walk and dock, common landscaping, lake access, sidewalks, private streets, stormwater management system areas as described on the Master Plan, drainage areas and other common facilities as may be specifically designated on the above referenced plat and any subsequent plat of the property and, to this end, desires to subject the Property to the covenants, restrictions, easements, charges and liens hereinafter set forth, each and all of which is and are for the benefit of the Property and each subsequent owner of all or party thereof; and

WHEREAS, the Declarant has deemed it desirable for the efficient preservation of the values and amenities in Osprey Pointe to create a homeowner's association to which should be delegated and assigned the power of maintaining and administering the common area properties and facilities, administering and enforcing the covenants and restrictions, and collecting and disbursing the assessments and charges hereinafter created; and

WHEREAS, the Declarant has incorporated or will incorporate under the laws of the State of Florida, a non-profit corporation called Pointe of Osprey Homeowner's Association, Inc. (hereinafter referred to as the "Association"), which Association is not intended to be a "Condominium Association" as such term is defined and described in the Florida Condominium Act (Chapter 718 of the Florida Statutes), for the purposes of exercising the functions described herein.

NOW, THEREFORE, Declarant hereby declares that all of the residential properties described above shall be held, sold, conveyed, leased, mortgaged, and otherwise dealt with subject to the following easements, restrictions, covenants and conditions, which are for the purpose of enhancing and protecting the value and desirability of, and which shall run with, the real property and be

binding on all parties having and/or acquiring any right, title or interest in the Property (as defined herein) or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

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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 meaning:

A. "Architectural Review Committee" or "ARC" shall mean and refer to the committee established by the Board of Directors of Pointe of Osprey Homeowner's Association, Inc. and described in Article VII hereof.

B. "Articles" shall mean and refer to the Articles of Incorporation filed with the office of the Secretary of State of the State of Florida for Pointe of Osprey Homeowner's Association, Inc., as the same may be amended from time to time.

C. "Association" shall mean and refer to Pointe of Osprey Homeowner's Association, Inc., a Florida non-profit corporation, its successors and assigns.

D. "Board" or "Board of Directors" shall mean and refer to the Board of Directors of the Association.

E. "Bylaws" shall mean and refer to the Bylaws of the Association, as the same may be amended from time to time.

F. "Common Area" or "Common Property" shall mean and refer to all real property (including any improvements thereto) owned by the Association for the common use and enjoyment of the Owners (as the term is hereinafter defined), as reflected on the Plat of Osprey Pointe.

G. "Conservation Easements" shall mean and refer to easements or dedications granted by the Declarant pursuant to and in compliance with Section 170(h) of the Internal Revenue Code of 1986, and as required by Lake County and the St. Johns River Water Management District, as their requirements are amended from time to time.

H. "Declarant" shall mean and refer to Osprey Pointe, a Florida limited partnership and its successors and assigns.

I. "Declaration" shall mean and refer to this Declaration of Protective Covenants, Conditions and Restrictions for Osprey Pointe, as it may from time to time be amended.

J. "Eligible Member" shall mean and refer to a member of Association who is in good standing and entitled to vote, not delinquent in payment of association dues, and has no action pending against them for delinquent dues or violations of the provisions of this Declaration, the requirements of the Architectural Review Committee, or any other rules and regulation promulgated by the Association.

K. "Lot" shall mean and refer to any plot of land shown upon which any recorded subdivision map or plat of the

right to establish reasonable opening and closing times for The Park Lot.

Section 2. Delegation of Use. Any Owner may delegate his right of enjoyment to the Common Area and facilities located thereon to a member of his family, his tenants or contract purchasers who reside in the Residential Unit located on his lot. Such delegation must be in writing, addressed to the Board of Directors and must be in accordance with the Bylaws of the Association.

Section 3. Damage or Destruction of Common Area by Owner. In the event any part of the Common Area is damaged or destroyed by an Owner or any of its guests, tenants, licensees, agents or members of its family, such Owner does hereby authorize the Association to repair the damaged area at the Owner's expense. The Association shall repair the damaged area, adhering to sound construction safety practices and in conformance with the latest approved construction and/or building plans. The cost of the repairs shall be deemed a special assessment against the Owner due and payable upon being assessed against the Owner and in the event such special assessment is not paid when due, the Association shall have the right to place a lien on the Owner's Lot for payment of the assessments and to otherwise proceed to collect same in accordance with Florida law. Enforcement of any assessment lien against an Owner shall be consistent with the enforcement of these covenants and restrictions as set forth herein.

Section 4. Title to Common Area. The Declarant shall convey legal title to the Common Area to the Association free and clear of encumbrances and such conveyance shall be subject to the terms of the Declaration and any Supplemental Declaration pertaining to the Property, including any easement and licenses set out therein and easements for such utility services as the Declarant deems appropriate, and may be subject to the terms of a mortgage. The Declarant, in the conveyance of the Common Area to the Association, shall also reserve to itself, its successors and assigns, a non-exclusive, perpetual easement for ingress and egress through the platted roads of the property for the purpose of obtaining access to any public highways. The Property shall be subject to a perpetual easement in gross being granted to Pointe of Osprey Homeowner's Association, Inc., and its successors for ingress and egress on the Property for the purpose of having its employees and agents perform all obligations and duties of the Association set forth herein.

ARTICLE III

ASSOCIATION MEMBERSHIP AND VOTING

Section 1. Membership. Every Owner of a Lot which is subject to assessment by the Association shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association.

Section 2. Allocation of Voting Rights. The Association shall have two (2) classes of voting membership:

Class A: Class A Members shall be all Owners with the exception of the Declarant, and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be Members and the person entitled to cast the vote for the Lot shall be designated by a certificate filed with the Secretary of the

Association at any time before the vote is cast, signed by all record Owners of the Lot. If any Lot is owned by a corporation or partnership, a similar certificate shall be required designating the person entitled to cast the vote for such Lot. In the event such certificate by multiple Owners or a corporation or partnership is lacking, then the vote for that Lot shall not be considered in determining the requirement for a quorum or any other purpose until such certificate is filed with the Secretary of the Association. Except, however, when title to a Lot is held by a husband and wife, they may, but shall not be required to designate a voting member. If they do not designate a voting member, and if both are present at a meeting, only one may vote on any given matter. If they are unable to agree on who shall vote their vote shall not be counted. If no voting member is designated and only one spouse is present at a meeting, the spouse may cast the vote for the Lot without establishing the concurrence of the absent spouse. In no event shall more than one vote be cast with respect to any Lot.

Class B: The Class B Member shall be the Declarant, its successor or assigns, and shall be entitled to ten (10) votes for each Lot owned by Declarant. The Class B Membership shall cease and be converted to Class A Membership upon the earlier occurrence of the following events:

- (1) Upon the sale of 75% + 1 of Declarant's ownership interest in all Lots; or
- (2) On January 1, 2000; or
- (3) Within thirty (30) days after Declarant sends to the Association and to each Member notice that Declarant voluntarily wishes to turn over its control to the Association (hereinafter referred to as the "Turnover Date").

Section 3. Declarant's Rights in the Association. Declarant reserves the right to designate the initial members of the Board of Directors of the Association. Then the Board shall be elected by the Members of the Association in accordance with the terms and provisions of this Declaration and the Articles and Bylaws, except that the Declarant shall be entitled to elect one (1) member of the Board for so long as Declarant owns any Lots in the Property.

Section 4. Change of Membership of Class A Members. Change of Class A Membership in the Association shall be established by recording in the Public Records of Lake County, Florida, a deed or other instrument establishing a record fee simple title to a Lot in the Property. The Owner designated by such instrument thus becomes a Class A Member of the Association and the membership of the prior owner is terminated. The new Owner shall notify the Association in writing of the recording of the deed or other instrument establishing record title and shall furnish the Association a copy of such instrument with recording information thereon if required by the Association.

ARTICLE IV

FUNCTIONS OF HOMEOWNER'S ASSOCIATION

Section 1. Services. The Association shall have all power permitted by Florida law, including, but without limitation, the following powers and may, but is not obligated to, provide all

services permitted by Florida law, including, without limitation, the following services:

A. Maintenance of all parks, Open Space, Surface Water Management Systems, Master Storm Water Management System, conservation areas, water wells, Common Property, fences (wooden), recreation areas, buildings, street lights, landscaping, walls, irrigation systems, nature walk and dock, entranceway landscape berm, mail boxes and street signs, and private streets and other lands covered by the Master Plan and all city, county, district or municipal properties and rights of way (to the extent permitted by any governmental authority) which are located within or in a reasonable proximity to the Properties where deterioration of any of the described items would adversely affect the appearance of the properties or the operation of systems appurtenant to the Properties. The Association shall adopt standards of maintenance and operation as required to effectuate the purposes of the Declaration and to operate a first-rate residential community. With respect to the maintenance of the surface water or storm water systems, maintenance shall mean the exercise of practices which allow the systems to provide drainage, water storage, conveyance or other surface water or storm water management capabilities in compliance with the Lake County Land Development Regulations as permitted by the St. Johns Water Management District. The Association shall also be responsible for such maintenance and operation. Any repair or recondition shall be as permitted, or if modified as approved by the District and Lake County.

B. Maintenance of any real property located within the Property upon which the Association has accepted an easement for maintenance.

C. Maintenance of water bodies, if any, owned by or dedicated for the use of the Association within the Properties, as well as maintenance of water bodies not owned by the Association within the Properties if and to the extent permitted by any governmental authority having jurisdiction thereof.

D. Insect, pest and aquatic control where necessary or desirable in the judgment of the Association to supplement the service provided by the state and local governments. The Association reserves a perpetual right on, over and under all Properties and any Additional Properties to dispense pesticides and take other action which, in the opinion of the Association, is necessary or desirable to control insects and vermin. Provided, however, that this paragraph shall not contradict the requirements of the St. Johns River Water Management District and Lake County.

E. 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 in the Articles or Bylaws.

F. Conducting business of the Association including, but not limited to, administrative services such as legal, accounting and financial and communications services, which include informing Members of activities, and preparing and delivering or mailing notices of Meetings and other important events. The Association shall have the right to enter into management agreements with any companies in order to provide

its services and perform its functions. Any professional management contract entered into by the Association shall contain reasonable term and termination provisions. Any contracts or leases entered into by the Association prior to the Turnover Date, including any professional management contract, shall provide a right of termination without cause, which is exercisable without penalty at any time after the Turnover Date, upon not more than ninety (90) days notice to the other party thereto.

G. Purchasing general liability and hazard insurance covering improvements and activities on the Common Property at a current cost basis in an amount of no less than one hundred percent (100%) of the insurable value; directors and officers liability insurance; workers compensation as may be applicable; and such other insurance as the Board deems necessary. Hazard insurance proceeds for losses to any Common Property may not be used other than for repair, replacement or reconstruction of such property unless otherwise determined by a majority vote of the Board.

H. Establishing and operating the Architectural Review Committee, in the event that the Association is delegated the responsibility for such purposes thereof by the Declarant.

I. Adopting, publishing and enforcing such Rules and Regulations as the Board deems necessary.

J. Lighting of roads, sidewalks, walking and bike paths throughout the Properties.

K. Constructing improvements on Common Property and granting easements as may be required to provide the services as authorized in Section 1 of this Article.

L. In addition to maintenance herein provided, the Association may provide exterior maintenance upon any Residential Unit which, in the Association's opinion requires such maintenance because the Residential Unit is being maintained in a substandard manner. The Association shall notify the Owner of any such Unit or Units in writing, specifying the nature of the conditions to be corrected and, if the Owner has not corrected the same within thirty (30) days after the date of the notice, the Association (after approval of a majority affirmative vote of the Board) may correct such condition. Such maintenance shall include, but not be limited to, painting, repairs, replacement and maintenance of trees, shrubs, grass, walks 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 or exterior of any Residential Unit or other structures or improvements located in the Properties at reasonable hours on any day, except Saturday and Sunday.

The cost of such maintenance shall be assessed against the Lot upon which such maintenance is performed and shall be considered a special assessment against the Lot. Any such special assessment or charge shall be a lien upon the Residential Unit and a personal obligation of the Residential Unit Owner and shall become immediately due and payable in all respects, together with attorneys' fees, court costs, interest

and other fees or costs of collection as provided for other assessments of the Association.

M. The Association may carry out any of the functions and services in Section 1 of this Article to the extent such maintenance and services can be provided with the proceeds first from annual assessments and then, if necessary, from special assessments. The functions and services permitted in Section 1 of this Article to be carried out or offered by the Association at any particular time shall be determined by the Board taking into consideration proceeds of assessments and the needs of the Members of the Association. The functions and services that the Association is authorized to carry out or to provide may be added to or reduced at any time upon the affirmative vote of the majority of the Board. The Association may provide the permitted services by contract with third parties, including agreements with applicable governmental agencies. Any professional management contracts entered into by the Association shall contain reasonable terms and termination provisions. Any contracts or leases entered into by the Association prior to the Turnover Date, including any professional management contract shall provide a right of termination without cause, which is exercisable without penalty at any time after the Turnover Date, upon not more than ninety (90) days notice to the other party thereto.

N. Establish use fees and promulgate rules and regulations respecting the use of Common Property and Association facilities by Members and persons other than Members.

O. Perform any other functions the Association deems appropriate for the maintenance and enjoyment of the Property.

P. Each owner shall be responsible for providing to the Association a current list of service contractors which such owner regularly employs, and for updating such list as needed.

Section 2. Conveyance to Association. The Association shall be obligated to accept any and all conveyances to it by Declarant of fee simple title, easements or leases to Open Space, parks, lakes, Surface Water Management System, conservation areas, easements or Common Property.

Section 3. Conveyance by Association. Subject to the provisions of Article VI, the Association shall be empowered to delegate or convey any of its functions or properties to any governmental unit or public utility or for other public purposes consistent with the intended use of such property. In addition, the Association may convey lands or easements to the Declarant in connection with replatting of any portion of the Property.

Section 4. Dissolution of Association. The Association may not be dissolved without the assent given in writing signed by not less than one hundred percent (100%) of each class of Members. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be distributed in accordance with the adopted plan of dissolution, or if there is none, the assets shall become vested in the then Owners as tenants in common, each owning an undivided 1/74 interest therein.

ARTICLE V

COVENANTS FOR MAINTENANCE ASSESSMENTS

Section 1. Purpose of Assessments. The assessments levied by the Association (hereinafter referred to as "Assessments") shall be used for the purpose of promoting the recreation, health, safety and welfare of the residents in the Property in accordance with services provided by the Association in Article IV, including, but not limited to maintaining, operating and improving drainage, landscaping within the Common Area, easement areas and private streets, entranceway, and landscape beams; the payment of taxes and insurance on the Common Area; repair, replacement; and additions to the drainage Storm Water Management and other improvements; cost of basic cable television service and boat ramp access fees; and for the costs of labor, equipment, materials, management and supervision thereof. The annual assessment may also provide reasonable reserves for deferred maintenance, replacements and betterments as further set out in the Association Bylaws.

Section 2. Creation of the Lien and Personal Obligation of Assessments. Each Owner of any Lot by acceptance of a deed therefore, whether or not it shall be so expressed in such deed or other conveyance, hereby covenants and agrees to pay to the Association: (1) initial assessments; (2) annual assessments or charges; and (3) special assessments for capital improvements and other expenditures that the Association deems appropriate, including special assessments for violations or damages as provided in this Declaration, the Articles and Bylaws; such assessments to be fixed, established and collected from time to time as hereinafter provided. Until the Turnover Date, the Developer shall have the obligation to fund the operating deficit of the Association. The Developer shall, commencing on the Turnover Date, pay the prorated current annual or special assessments as to the Lots that it owns, and thereby its obligations to fund deficits of the Association shall automatically terminate. Late fees, the annual and special assessments, together with interest thereon (as hereinafter provided) and costs of collection thereof, including, without limitation, reasonable attorneys' and paralegal fees incurred by the Association incident to the collection of such assessment whether or not judicial proceedings are involved and appeals, if any, shall be a charge on the land and shall be a continuing lien upon the Lot against which each such assessment is made. The lien shall be effective from and after the time of recording a claim of lien, pursuant to Florida law, in the Public Records of Lake County, Florida, and the lien shall continue in effect until all sums secured by the lien shall have been fully paid. Upon full payment, the party making payment shall be entitled to a recordable satisfaction of lien. Each such assessment, together with interest thereon and cost of collection, including, without limitation, reasonable attorneys' and paralegal fees incurred by the Association incident to the collection of such assessment whether or not judicial proceedings are involved, and appeals, if any, shall also be the personal obligation of the person who is the owner of such Lot at the time the assessment is due and payable.

Section 3. Initial Assessment. The Initial Assessment for each Lot shall be Five Hundred and NO/100 Dollars (\$500.00) per Lot and shall be due at the time title to the Lot is transferred from the Declarant, his successors or assigns, to an Owner, including any builder, even though a builder intends to acquire the Lot solely for construction of a single family residence for resale, provided, however, that at the conveyance by the Builder to the original Owner the Initial Assessment paid by the Builder shall be refunded by the Association upon receipt of the said Owner's Initial Assessment. An Initial Assessment shall also be collected

each time a lot is transferred thereafter. The Initial Assessment shall be a one time assessment and shall be due in addition to the annual and special assessments as provided therein. The Declarant shall be exempt from the Initial Assessment.

Section 4. Commencement and Maximum Annual Assessments.

A. The Board of Directors of the Association shall fix the date or dates on which the annual assessments and installments thereof are due, the amount of the annual assessment against each Lot, at least thirty (30) days prior to the commencement of the annual assessment. Annual assessments shall be due on January 1 of each year in the amount of Nine Hundred Dollars (\$900.00) per year until changed as provided hereinafter. Special assessments shall be subject to the same payment procedures as stated above.

B. From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased or decreased by the Board of Directors without a vote of Class A and Class B Members to reflect the actual operating expenses experienced in the initial year of operation. Thereafter, the maximum annual assessment may be increased by the Board of Directors without a vote of the Class A and Class B by a sum not more than ten percent (10%) above the sum of: (i) the maximum assessment for the previous year, adjusted to reflect price increases based on the U.S. Department of Labor's current Consumer Price Index ("All Items") or such other or successor index as the Board may decide if said Consumer Price Index is discontinued; plus (ii) increases mandated by governmental agencies and/or increased costs incurred to obtain services from utility entities.

C. From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased above the amount described in section 4(B) above by a vote of a majority of Class A and Class B Members who are voting in person or by proxy, at a meeting of the Members of the Association duly called for this purpose.

Section 5. Special Assessments for Capital Improvements.

In addition to the annual assessments authorized above, the Association may levy, in any assessment year, special assessments applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto or for any other purposes deemed appropriate by the Association, provided that any such special assessment shall have the assent of a majority of the votes of Class A and Class B Members who are voting in person or by proxy at a meeting of the Members of the Association duly called for this purpose. The due date of such special assessment shall be as provided by the resolution adopting the special assessment. The Declarant shall pay the current special assessment as to the Lots that it owns and thereby its obligations to fund deficits levied against an Owner or Owners by the Association for violations or damages as provided in the Declaration, the Articles of Incorporation and Bylaws, and any such special assessment shall be due and payable when levied by the Association. The provisions of this Declaration relative to the assessment of late charges and interest, and the provisions of this Declaration relative to the enforcement and foreclosure of the lien for annual assessments shall also apply to special assessments levied pursuant to this

Section 5.

Section 6. Determination of Annual Assessments. The Board shall determine the total annual assessment for the Properties. Written notice of any meeting of the Board at which the Board shall consider determination of the annual assessment or any special assessment shall be sent to all voting Members not less than thirty (30) days nor more than sixty (60) days in advance of the Board Meeting. At the first such meeting called, the presence of voting Eligible Members or proxies entitled to cast a majority of all of the votes of each class of Membership shall constitute a quorum. If the required quorum is not present, another meeting may be called of the Board subject to the same notice requirements, and the required quorum at the subsequent meetings shall be one-half of the required quorum at the preceding meeting. At such subsequent meeting of the Board, if the required Membership quorum is not present, but there is a quorum of the Board present, the Board shall be authorized to act with respect to determining the total annual assessments or any special assessments.

Section 7. Uniform Rate of Assessment. The allocation of annual and special assessments, other than special assessments incurred as a result of damage by Owner or violations of the Declaration, Articles of Incorporation or bylaws, shall be set so that all Lots shall be assessed at an equal rate. The Developer shall be obligated to pay expenses properly incurred by the Association in excess of amounts collected from Owners of Lots (other than the Developer) for the assessments. The Developer shall pay the prorated current annual and special assessments as to the Lots that it owns in the year of Turnover, and thereafter shall pay the full amount.

Section 8. Date of Commencement of Annual Assessment: Due Dates. The annual assessments provided for herein shall commence to accrue at the time title to the Lot is transferred from the Declarant, his successors or assigns, to an Owner, which for purposes of this provision shall include any builder, even though a builder intends to acquire the Lot solely for construction of a single family residence for resale, and shall be prorated on a daily basis for the number of days remaining in the calendar year. Thereafter, each calendar year shall constitute the annual assessment period. The first annual assessment shall be based upon an estimate of the operating expenses for the year plus adequate reserve for anticipated expenses. 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. The Board shall fix the amount of the annual assessments against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be established by the Board. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of its issuance.

Section 9. Effect of Nonpayment of Assessments: Remedies of the Association. Any assessment not paid within fifteen (15) days after the due date shall bear interest from the due date at the maximum rate allowed by law or a lower rate set by this Association per annum. The Board of Directors of the Association may accelerate the remaining installments and declare the entire assessment as to that delinquent Owner due and payable in full as

if the entire amount was originally assessed, with interest accruing on any unpaid amount at the highest rate allowed by law. The Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the Owner's Lot. 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 provided herein and reasonable attorneys' fees to be fixed by the Court, together with the costs of the action. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

Section 10. Subordination of Assessment Lien to First Mortgages. The lien of all assessments provided for herein and all assessments, late fees, interest, costs, expenses and attorneys' fees secured by the lien shall be subordinate to the lien of any first mortgage recorded prior to the time of recording the claim of lien by the Association. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to foreclosure of the first mortgage, or any proceeding in lieu thereof or the acceptance of a deed given in lieu of foreclosure of the first mortgage, shall extinguish the lien of such assessment as to payments which became due prior to such sale or transfer. The extinguishing of the lien shall not affect the personal inability of the Owner at the time such assessment came due for payment of same. No sale or transfer shall relieve such Lot from liability for any assessment coming due after such sale or transfer or from a lien therefore. No provision of this Section 10 may be amended without the joinder of all record owners of first mortgages encumbering Lots within the Property. However, any such delinquent assessments which were extinguished pursuant to the foregoing provision may be reallocated and assessed to all Lots.

Section 11. Exempt Property. The following property subject to this Declaration shall be exempted from the assessments, charges and liens created hereby: (a) any parcel of the Property (excluding platted easements within Lots) which serves as an easement or which is dedicated and accepted by a local public authority, and devoted to public use; and (b) all Common Area as defined in Article I(G), hereof.

ARTICLE VI

EASEMENTS

Section 1. Appurtenant Easement. Declarant reserves unto itself and hereby grants to all Owners (and their guests, lessees and invitees) as an appurtenance to and as part of the ownership held by such owner, but subject to this Declaration, the Articles and Bylaws of the Association and the rules and regulations 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, which Common Property is an intrinsic and appurtenant part of the value of the Lots; such use and enjoyment to be shared in common with the other Owners, their guests, lessees and invitees as well as the guests, lessees 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) the right to grant easements

of any private company, public or private utility or governmental authority providing utility and other services within the Property and the Common Property upon, over, under and across the Property; provided, however, the right to grant easements pursuant to this section upon, over, under and across any Lot shall be limited to the utility easements applicable to each Lot as shown on the Plat. Said easements shall be given only for the purpose of maintaining, installing, repairing, altering and operating sewer lines, irrigation lines, water lines, waterworks, sewer works, force mains, lift stations, water mains, sewer mains, water distribution systems, sewage disposal systems, effluent disposal lines and syphons, 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 utilities and providing services to Owners, the Property and Common Property. All such easements are to be of a size, width, and location as Declarant, in its discretion, deems best but selected in a location so as to not unreasonably interfere with the use of any improvements which are now, or will be, located upon the Property.

Section 3. Declarant Easements. The Declarant hereby reserves to itself, its successors and assigns, and to such other persons as Declarant may from time to time designate, a perpetual easement, privilege and right in and to, over, under, on and across the Common Property for ingress and egress as required by its officers, directors, employees, agents, independent contractors, invitees and designees; provided, however, that such access and use does not unnecessarily interfere with the reasonable use and enjoyment of this property and these facilities by the Owners. Declarant reserves the right to impose further restrictions and to grant or dedicate additional easements and rights of way on any part of the Property owned by Declarant. The easements granted by Declarant shall not structurally weaken any improvements or unreasonably interfere with enjoyment of the Owners.

Section 4. Service Easements. Declarant hereby grants to delivery, pickup and fire protection services, police and other authorities of the law, United States mail carriers, representatives of electrical, telephone, cable television and other utilities authorized by the Declarant, its successors or assigns to service the Property, and to such other persons as the Declarant from time to time may designate, the non-exclusive, perpetual right of ingress and egress over and across the Common Property for the purposes of performing their authorized services and investigation.

Section 5. Drainage Easements. Each Lot shall have a non-exclusive easement for storm drainage on, over, under and across that portion of each Owner's Lot so designated on the Plat of Osprey Pointe, and that portion of the Common Property designated as Easement Type E on the Plat of Osprey Pointe; provided, however, any rights reserved herein regarding use of such drainage easement shall only be exercised by the Declarant or the Association, except the right of access and maintenance described in Article VIII, Section 9 below. Drainage flow shall not be obstructed or diverted from drainage easements created herein, or by authority established herein or by the Plat, nor shall the established drainage pattern over any Lot as described in Article VIII, Section 9 be impeded. The Association may, but shall not be required to maintain and repair drainways for surface water wherever and whenever such action may appear to the Association to be necessary to maintain a reasonable standard of health, safety and appearance. The rights reserved hereunder shall extend to reasonable use of drainways on a Lot. These easements include the right to cut any trees, bushes

or shrubbery, make any gradings of the soil, or to take any other action reasonably necessary to install utilities and to maintain reasonable standards of health and appearance but shall not include the right to disturb any improvements erected within the Property which are not located within the specific easement areas designated on the Plat or in this Declaration. Except as provided herein, existing drainage and drainage channels (or areas reserved for such purposes) shall not be altered so as to divert the flow of water onto adjacent parcels or into sanitary sewer lines.

Section 6. Conservation Easements. Declarant reserves the right to grant Conservation Easements to qualified grantees over and across Common Property, Open Space, or Surface Water Management Systems as may be required by state or local law, ordinance, rule or regulation, including but not limited to, any such easement required by Lake County, Florida.

Section 7. Establishment of Easements. All easements, as provided for in this Article, shall be established by one or more of the following methods, to-wit:

A. By a specific designation of an easement on any recorded Plat of the Property;

B. By a reservation or specific statement providing for an easement in the deed of conveyance of a given Lot or Residential Unit;

C. By a separate instrument referencing this Article VI, such instrument to be subsequently recorded by the Declarant; or

D. By virtue of the reservation of rights set forth in this Article VI.

Section 8. Extent of Easements. The rights and easements of enjoyment created in this Article VI shall be subject to the right of the Association to give, dedicate, mortgage or sell all or any part of the Common Area (including leasehold interests) to any public agency, authority or utility or private concern for such purposes and subject to such conditions as may be determined by the Association; provided that no such gift or sale or determination of such purposes or conditions (2) shall be effective unless the same shall be authorized by the affirmative vote of two thirds (2/3) of the votes cast by Members at a duly called meeting of the Members of the Association, and unless written notice of the meeting and of the proposed agreement and action thereunder is sent at least thirty (30) days prior to such meeting to every Member of each class entitled hereunder to vote, nor (2) shall be inconsistent with the purposes and uses of the Common Area as may be shown on the Plat. A true copy of such resolution, together with a certificate of the results of the vote taken thereon, shall be made and acknowledged by the President or Vice President and Secretary or Assistant Secretary of the Association and such certificate shall be annexed to any instrument of dedication or transfer affecting the Common Area, prior to the recording thereof. Such certificate shall be conclusive evidence of authorization by the Members.

ARTICLE VII

ARCHITECTURAL CONTROL

Section 1. Establishment of Architectural Review Committee. The Declarant, upon the recording of the Declaration

shall immediately form a committee known as the "Architectural Review Committee" ("ARC").

Section 2. Duties and Functions of the ARC. The duties, powers and responsibilities of the ARC shall be as follows:

A. The ARC shall consist of three (3) or more persons designated by the Declarant. At such time as Declarant no longer owns any real property within the Properties (or earlier at the Declarant's option), the Declarant shall assign to the Association the rights, powers, duties and obligations of the ARC, whereupon the Board shall appoint the members of the ARC and shall provide for the terms of the members of the ARC. Members of the ARC need not be officers, directors or members of the Association.

B. Prior to obtaining building permits or commencing construction of any building, fence, wall, pool, landscaping or other structure upon the Property, the ARC shall have the right of specific approval or veto of all architectural, engineering, platting, planning and landscaping aspects of any improvement or development of individual units or buildings as well 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 control; provided, further, that the ARC may, in its sole discretion, impose standards of architectural and landscaping design, building setback lines or the general plan for development, which standards are greater or more stringent than standards prescribed in applicable building, zoning, planning or other local governmental codes.

C. No building, sign, outside lighting, fence, hedge, wall, walk, dock or other structure or planting shall be constructed, erected, removed, planted or maintained nor shall any addition to or any change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, materials, floor plans, color scheme and the location of the same shall have been submitted to and approved in writing by the ARC. Any change in the outward appearance of any improvement, including, but not limited to, repainting the same in a different color, adding decorative sculptures, wrought iron grills, or the like, shall also require approval in writing by the ARC before any work is commenced. Refusal of approval of plans, specifications or location may be based upon any grounds, including purely aesthetic considerations, which the ARC, in its sole and uncontrolled discretion deems sufficient.

D. All plans for the construction of any improvements within the Properties shall contain a drainage plan which shall be consistent with the stormwater management drainage plan for Osprey Pointe as set forth in the Master Plan.

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 on 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 desirable, in its sole discretion, for aesthetic or any other reasons, providing such approval is not unreasonably withheld. In approving or disapproving such plans and applications, the ARC shall consider the suitability of the proposed building, improvements, 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 thereon with the surrounding area and the effect thereon on adjacent or neighboring property.

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

H. The ARC shall in all cases have the right to determine and designate building set back lines necessary to conform to the general plan of Osprey Pointe, in order to preserve the integrity of the Properties. In this respect the ARC's judgment and determination shall be final and binding.

I. The ARC will make every effort to complete its review of the plans and specifications submitted in final and complete form, within fifteen (15) days, after written request for approval by the Owner or Builder. The ARC may notify the applicant that it will need additional time to complete its review, in which case, the ARC may extend its time for review for an additional fifteen (15) day period.

J. 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 or any improvement which violates the terms of any approval by the ARC or the terms of this Declaration or of any other covenants, conditions and restrictions to which its deed or other instrument of conveyance makes reference. The ARC is specifically empowered to enforce the provisions of this Declaration by any legal or equitable remedy, and, in the event it becomes necessary to resort to litigation to determine the propriety of any constructed improvement or to remove any unapproved improvements, the substantially prevailing party shall be entitled to recovery of all court costs, expenses and reasonable attorneys' fees in connection therewith. The Association shall indemnify and hold harmless the ARC from all costs, expenses and liabilities, including attorneys' fees, incurred by virtue of any member of the ARC's service as a 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 Declarant or its successors or assigns shall designate a successor.

L. The ARC may adopt such further rules and regulations as it deems necessary to carry out its functions and purposes hereunder, provided all such rules and regulations shall be filed with and made a part of the Association's minutes and provided to Owners.

M. In each instance where a structure has been erected,

or the construction thereof is substantially advanced, in such manner that the same violates the restrictions contained in this Declaration or any other covenants which the ARC has the power to enforce, or in such manner that the same encroaches on any easement area or setback line, the ARC reserves the right to release the property from the restriction which it violated and to grant an exception to permit the encroachment by the structure over the setback line, or on the easement area, so long as the ARC, in the exercise of its sole discretion, determines that the release or exception will not materially and adversely affect the health, safety and appearance of the Properties.

N. The ARC has the right, but not the obligation to grant waivers for minor deviations and infractions of the covenants set forth herein. The granting of any waiver for any portion of the Properties may be given or withheld in the ARC's sole discretion and a prior grant of similar waiver shall not impose the ARC the duty to grant new or additional requests of such waivers.

O. The Association, Declarant, ARC, or any officer, employee, director or member thereof shall not be liable for damages to any persons submitting plans and specifications for approval 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 person who submits plans and specifications for approval agrees, by submission of such plans and specifications, that it will not bring any action or suit against the Association, Declarant, the ARC or any officer, employee, director or member thereof to recover any such damages.

ARTICLE VIII

GENERAL RESTRICTIONS

Section 1. General Restrictive Covenants. The general restrictive covenants contained in this Article shall apply uniformly to all Lots and Residential Units on the Property. Every Owner shall comply with the restrictions and covenants set forth herein and any and all rules and regulations adopted by the Board. The following are the initial Rules and Regulations of the Association which may be amended, modified or added to from time to time as provided herein.

Section 2. Residential Use Only. No Lot shall be used for any purpose except residential. The term "residential" is intended to prohibit any commercial use, including professional office use, on any portion of any Lot or Residential Unit. No building shall be erected, altered, placed or permitted to remain in any Lot other than Residential Units designated for residential use and private garages. The foregoing shall not prohibit the Declarant or a builder authorized by Declarant from using the Residential Units as models or sales offices.

Section 3. No Temporary Structure. No structure of a temporary nature or character, including, but not limited to, a trailer, house trailer, mobile home, camper, tent, shack, shed, boat, barn or other similar structure or vehicle, shall be used or permitted to remain on any Lot as a storage facility or residence or other living quarters, whether temporary or permanent, unless approved by the ARC for use during construction only; provided, however, that this prohibition shall not apply to shelters used by

The contractor or Declarant during the construction and/or sales of any Residential Units.

Section 4. Parking and Storage Restrictions. No automobile or truck, motorcycle, house trailer, mobile home, camper, boat, boat trailer, watercraft or other similar vehicle shall be parked for any period of time in excess of ten (10) consecutive hours, or thirty-six (36) hours in any one (1) week period or stored or otherwise permitted to remain on any Lot except in a closed garage attached to a Residential Unit. Further, the parking or storage of all recreational vehicles, house trailers, mobile homes, campers, boats, boat trailers, watercraft, trailcraft or other similar vehicles shall comply in all respects with the laws and ordinances of Lake County or other applicable zoning laws or ordinances, as the same may from time to time be amended. Furthermore, no vehicle which contains lettering or commercial activity, or truck or other commercial vehicles shall be parked for any period of time in excess of four (4) consecutive hours or stored or otherwise permitted to remain on any Lot except in an enclosed garage attached to a Residential Unit with the garage door closed.

Section 5. Livestock and Animal Restrictions. No livestock, poultry or animals of any kind or size shall be raised, bred or kept on any Lot or in any Residential Unit, provided, however, that dogs, cats, or other common domesticated household pets may be raised and kept provided such pets are not kept, bred or maintained for any commercial purposes. Domesticated household pets are limited to three (3) pets per Lot. Such permitted pets shall be kept on Owner's Lot and shall not be allowed off the premises of Owner's Lot except on a leash. Pet owners are responsible for cleaning up after their pets when pets defecate other than on Owner's Lot. Failure to clean up after a pet may subject Owner to penalties as outlined in Article VIII, Section 38. The Association shall have the right to revoke the Owner's right to have a pet on the Property in the event of repeated violations of this provision. No permitted pet shall be allowed to make noise in such manner or such volume as to annoy or disturb other Owners.

Section 6. Restriction on Activity. No illegal, obnoxious or offensive activity shall be conducted or permitted to exist upon any Lot, or in any Residential Unit, nor shall anything be done or permitted to exist on any Lot or in any Residential Unit that may be or may become an annoyance or private or public nuisance. No Lot, driveway or Common Area shall be used for the purpose of vehicle repair or maintenance. In the event of any questions as to what may be or become a nuisance, such questions shall be submitted to the Association for a decision in writing and its decisions shall be final.

Section 7. Restrictions on Walls, Fences and Hedges. No wall, fence, columns, or hedge shall be erected on the front, side or back of any Lot unless specifically approved by the ARC. In no event shall chain link fences be permitted. Fences must be set back not less than twenty (20) feet from the front corner of the Residential Unit. In no event shall this section contradict any Lake County or other applicable zoning code ordinance.

Section 8. Garage and Garage Doors. In order to maintain a harmonious and aesthetic appearance, the garage doors affixed to each Residential Unit shall remain closed except when in actual use to allow ingress and egress. Additionally, garage doors may be open during periods when the garage is being utilized because of yard work or related usage. At all other times, garage doors are required to be closed. Each residential unit shall be designated

and constructed to include, at the minimum, a two car garage, the entrance to which shall be on the side or back of the Residential Unit. No garage doors made of fiberglass construction shall be permitted. All garages must remain limited to automobile storage and may not be used at any time as additional residential or office space.

Section 9. Drainage. No Owner of a Lot shall in any way interfere with the established drainage pattern over his Lot from adjoining or other Lots or obstruct or divert drainage flow from the drainage easements described in Article VI, Section 5 herein; provided, however, each Owner will make adequate provisions for proper drainage over his Lot. For the purposes hereof, "established drainage" is defined as the drainage which occurred at the time the finish grading of the Lot was completed by Declarant. Each Lot Owner shall permit free access by Owners of adjacent or adjoining Lots to slopes or drainageways located on his Lot which such access is necessary by the maintenance or permanent stabilization on the slopes or of the drainage facilities to protect property other than the Lot on which the slope or drainageway is located.

Section 10. Insect and Fire Control. In order to implement effective insect, reptile and woods fire control, the Association shall have the right, but not the duty, to enter upon any Lot, such entry to be made by personnel with tractors or other suitable devices, for the purpose of mowing, removing, clearing, cutting or pruning underbrush, weeds or other unsightly growth which, in the opinion of the Association, detracts from the overall beauty, setting and safety of the Property. Such entrance for the purpose of mowing, cutting, clearing or pruning shall not be deemed a trespass but shall be deemed a license coupled with an interest. The Association and its agents may likewise enter upon such land to remove any trash which has collected on any Lot without such entrance and removal being deemed a trespass. The provisions in this Section shall not be construed as an obligation on the part of the Association to mow, clear, cut or prune any Lot, nor to provide garbage or trash removal services. The costs incurred by the Association in exercising its rights under this Section shall constitute a special assessment against the Owner of the Lot or Residential Unit as would any assessment or special assessment. However, the items outlined above shall be the primary responsibility of the Owner. The Association shall notify the Owner, in writing, of any required maintenance by Owner. Only if the Owner does not comply within fifteen (15) days of receipt of said notice shall the Association have the right, but not the duty, to perform the specified maintenance.

Section 11. Signs. No commercial signs, or other signs shall be erected or maintained on any Lot or any residential unit except as follows:

1. All signs for real estate sales, resales, construction, etc. will be painted on approved sign stock provided by the Declarant/Association and paid for by the user. In addition, all sign content or language must be approved by the Architectural Review Committee and/or Declarant.

2. Any other sign that users desire to display must be approved in advance by the Architectural Review Committee.

3. If permission is granted for any other signage, other than the approved signs for Osprey Pointe, the Association shall have the right to restrict size, color or content of said signs.

4. These restrictions shall not restrict the Declarant or its agents from erecting such signs as the Declarant in its sole discretion deems to be necessary to assist the Declarant or builder authorized by the Declarant in selling any Lot or designated unit.

Section 12. Exterior Maintenance. The Association shall have the right, but not the duty, to provide all exterior maintenance, including repairs to walls and roofs, painting, landscaping and lawn maintenance for any areas not walled or fenced in for use as a patio. The Association shall have the right to make reasonable repairs and perform reasonable maintenance, in its sole discretion, after notice to Owner of a Residential Unit to perform maintenance and failure by the Owner to perform such maintenance. Any and all costs incurred by the Association in performing repairs and maintenance under this Section shall be paid by the Owner, and if the Owner fails to pay, then the Association shall have the right to impose a special assessment against said owner to pay for the cost of repairs and replacements. Such assessment shall in every respect constitute a lien on the Lot or Residential Unit as would any other assessment or special assessment by the Association. The Association shall have the right to enter upon any Lot or upon the exterior or any Residential Unit for the Purpose of providing repairs and maintenance as provided in this Section, and such entry by the Association, or its agent(s) shall not be deemed a trespass. However, the items outlined above shall be the primary responsibility of the Owner. The Association shall notify the Owner, in writing, of any required maintenance. Only if the Owner does not comply within fifteen (15) days of receipt of said notice, shall the Association have the right, but not the duty, to perform the specified maintenance.

Section 13. Allowable Trim. No Owner or tenant of an Owner shall install shutters, awnings, or other decorative exterior trim, except small exterior decorations, unless approved by the ARC.

Section 14. Window Coverings. No reflective foils or other material shall be permitted on any window except for tinted glass, and any such installation shall require approval of the ARC.

Section 15. Interior Maintenance. Each individual Owner shall have the responsibility to maintain the interior of his/her respective Residential Unit. In the event the interior of said residential unit is damaged in such fashion as to create a health or safety hazard to adjoining Residential Units or to create a nuisance and such damage is not repaired within thirty (30) days from the occurrence of the date then, in such event, the Association shall have the right, but not the duty, to make reasonable repairs to the interior of such Residential Unit and shall be entitled to make a special assessment against the Owner of the Residential Unit for the costs of such repairs. Such assessment shall in every respect constitute a lien on the Lot or Residential Unit as would any other assessment or special assessment by the Association.

Section 16. Access at Reasonable Hours. For the sole purpose of performing any maintenance or repairs authorized by this Declaration, the Association, through its duly authorized agents, contractors or employees, shall have a license which shall be exercisable, after reasonable notice to the Owner, to enter upon any Lot or exterior or any Residential Unit, or to enter any Residential Unit at reasonable hours on any day of the week except Saturday and Sunday.

Section 17. Tree Removal Restrictions. Trees situated on

any Lot between setback lines and the property lines having a diameter of three (3) inches or more (measured three (3) feet from the natural grade) may not be removed or destroyed except where necessary for construction of a house, pool or screened enclosure, without prior approval of the ARC; provided, however, all such houses, pools or screened enclosures must be constructed in conformity with all laws and ordinances of Lake County and all other applicable laws and ordinances, as the same may from time to time be amended. All requests for approval of tree removal shall be submitted to the ARC along with a plan showing generally the location of such tree or trees. The ARC may condition its approval of such plan based on such adjustments as the ARC may deem necessary to save trees.

Section 18. Replacement of Trees. Anyone violating the provisions of Section 17 will be required to replace such tree with trees of like kind, size and condition within thirty (30) days after notification by the ARC. If the Owner fails or refuses to replace the trees as requested, the ARC shall cause suitable replacements to be planted and the cost thereof shall be a lien against the Lot of the Owner. The Owner grants to the ARC, its agents and employees an easement for ingress and egress over and across said Lot to enable it to comply with Section 17 and this Section 18.

Section 19. Aerial Restrictions. No tower or transmitting or receiving aerial, or any aeriels or antennas whatsoever, shall be placed or maintained upon any Lot or any building or structure thereon. The installation of a satellite receiving dish in excess of 24" across is not permitted.

Section 20. Swimming Pools, Spas and Screen Enclosures. No above-ground swimming pools or spas shall be permitted. Installation of an in-ground pool or spa and any screened enclosures shall require prior written approval of the ARC.

Section 21. Clothes Drying Area. No portion of any of the properties shall be used as a drying or hanging area for laundry of any kind.

Section 22. Air Conditioning. No window air conditioning units or permanently mounted wall air conditioning units shall be permitted. No exceptions shall be permitted unless first approved by the ARC.

Section 23. Lighting. No exterior lighting fixtures shall be installed on any Residential 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 of adjacent Residential Units, as determined by the ARC. Lighted tennis courts on any Lot will not be allowed.

Section 24. Trash and Garbage. No lumber, metals, bulk materials, refuse or trash shall be kept, stored or allowed to accumulate on the Properties 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 in the open on any day that a pick-up is to be made at such place as will be accessible to people making such pick-up. At all other times, such containers shall be stored so that they cannot be seen from surrounding property. The ARC, in its discretion, may adopt and promulgate reasonable rules and regulations relating to the size, shape, color and type of containers permitted and the manner of storage of the same.

Section 25. Minimum Sizes of Residences. No Residential Units shall be constructed on any Lot that does not contain the following minimums:

Lots 1 through 26	Minimum 3,000 square feet
Lots 27 through 49	Minimum 2,250 square feet (2 story - 2,500 square feet)
Lots 50 through 74	Minimum 2,000 square feet (2 story - 2,500 square feet)

Space counted toward minimum square footage shall be defined as air conditioned space only. No more than one (1) single family residence may be constructed on any Lot. No building or structure shall be placed on any Lot closer than twenty-five (25) feet to the front lot line, nor closer than twenty-five (25) feet to the rear lot line, nor closer than fifteen (15) feet to any side lot line.

Section 26. Mailboxes. All original mailboxes erected on any Lot must be of common design approved by the ARC and provided by the Declarant to the Owner at the Owner's expense; shall only include the surname and house number of the resident; and shall be located at the street front of each Lot as prescribed by the United States Postal Service. The Owner shall maintain the mailbox as specified by the ARC. All replacement mailboxes must be purchased from the Association, which will supply them to Owners at its cost.

Section 27. Lease or Rentals. The lease or rental of any residential unit or Lot shall require the review and approval of the Association, as follows, and which approval shall not be unreasonably withheld:

1. Short term rentals/Leases: Short term rentals/leases of less than seven (7) months are not permitted.

2. Long term rentals/Leases: Long term rentals/leases are defined as greater than seven (7) months and must be approved in advance by the Association and prior to occupancy. Such approval shall consist of reviewing the proposed lease and lease application including credit and personal references provided. An application fee of \$100.00 is required and must accompany the lease and application. Said fee will not be refunded if approval is withheld.

Section 28. Time Shares. No Lot or Residential Unit shall be owned or used in multiple or time share ownership requiring the registration pursuant to the provisions of Chapter 721 of the Florida Statutes, as amended from time to time.

Section 29. Sidewalks. Each Owner shall be responsible for design, installation, and maintenance of the sidewalk in front of their Lot. Sidewalks shall comply with regulations of Lake County and shall be five (5) feet in width along the property line. Sidewalks must be designed so as to connect to already existing sidewalks and must be approved by the ARC prior to construction.

Section 30. Roofs. All roofs or additions shall be pitched 5/12 or greater pitch and composed of tile, thirty (30) year architectural shingle, cedar shake shingles, slate construction or such other special roofing materials or designs as may be approved by the ARC.

Section 31. Exterior Materials. All exposed concrete block must be stuccoed or finished with an approved covering except where decorative blocks may be permitted by the ARC.

Section 32. Lot and Sod Maintenance. Prior to occupancy, the Lot upon which the residential unit is located must be sodded with St. Augustine grass from the rear corners of the lot to the curb at the front of the lot, subject however to the provisions of Section 35 of this Article. In addition, all vacant lots must be maintained as follows:

1. Cut, edge and or trimmed no less than once monthly from November through march.

2. Cut, edged and or trimmed no less than once every fifteen (15) days from April through October.

In the event of abnormal dry or wet conditions which change the normal requirements of cutting, due to excessive or non-growth, all Lots must be cut, edged and/or trimmed as needed to present a neat appearance on a continual basis.

Section 33. Irrigation. The Owner of the Residential Unit must install an outdoor irrigation system for the Lot upon which said Residential Unit is located. The irrigation system must be on a timer device, the controls for which device must be on the exterior of the Residential Unit and accessible to the ARC and the Association.

Section 34. Game and Play Structures. No basketball backboards or any other temporary fixed game and play structures, treehouses or platforms of a like kind or nature shall be constructed on any part of the Lot or public or private property unless approved by ARC and located within the side or rear yards.

Section 35. Lakefront Lot Landscape Buffer. Each lake front lot shall have a landscape buffer extending from the St. Johns River Water Management District wetlands jurisdictional line landward thirty-five feet (35'), which landward extent shall be marked by monuments. This buffer area shall be left in its natural state so as to serve as a filter for run off from the lot.

Section 36. Further Restrictions. These restrictions are intended to be minimum restrictions, applying to the Properties, as supplemented from time to time. The Declarant or the Association will have the right to subject property to further restrictions and covenants by way of an amendment to the Declaration. Provided, however, that the ARC must approve such restrictions prior to recording, and such restrictions will be deemed of no force and effect and unenforceable, unless a recordable instrument is executed by the Chairman of said Committee indicating the required approval.

Section 37. Non-Waiver. No delay in enforcing these covenants and restrictions as to any breach or violation thereof shall impair, damage, or waive the right of the Association to enforce the same, to obtain relief against or recovery for continuation or repetition of such breach or violation or of any similar breach or violation thereof at a later time or times.

Section 38. Enforcement. Failure of the Owner to comply with any restrictions, covenants, or rules and regulations provided herein or promulgated under authorized established pursuant hereto shall be grounds for action which may include, without limitation, an action to recover sums due for damages, injunctive relief, or any combination thereof, including costs and attorneys' fees incurred in bringing such actions and, if necessary, costs and attorneys' fees for appellate review. The Association shall have

the right to suspend voting rights and use of Common Area for any Owner violating the covenants and restrictions provided herein or promulgated pursuant hereto for a period of time which is the longer of sixty (60) days or the term of continued violation. The Association shall have the right to enforce the provisions of this Declaration. In addition, The St. Johns River Water Management District shall have the right to enforce, by a proceeding at law or in equity, the provisions contained in this Declaration which relate to the maintenance, operation and repair of the Surface Water or Storm Water Management System.

Section 39. Fines. In addition to all other remedies, in the sole discretion of the Board of the Association, a fine or fines may be imposed upon an Owner for failure of an Owner, his family, guests, invitees, tenants, or employees to comply with any covenant, restriction, rule or regulation contained herein or promulgated pursuant to this Declaration, providing 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 the next Board meeting at which time the Owner shall present reasons why a penalty or penalties should not be imposed.

B. Hearing: The noncompliance shall be presented to the Board after which time the Board shall hear reasons why a penalty or penalties should not be imposed. A written decision of the Board shall be submitted to the Owner by not later than twenty-one (21) days after the Board's meeting.

C. Penalties: The Board may impose special assessments against the Residential Unit or Lot owned by the Owner as follows:

1. First noncompliance or violation: a fine not in excess of One Hundred and NO/100 Dollars (\$100.00).

2. Second noncompliance or violation: a fine not in excess of Five Hundred and NO/100 Dollars (\$500.00).

3. Third subsequent noncompliance or violation or violations that are of a continuing nature: a fine not in excess of One Thousand and NO/100 Dollars (\$1,000.00) for each week of continued violation or noncompliance.

D. Payment of Penalties: Fines shall be paid not later than thirty (30) days after notice of the imposition or assessment of penalties.

E. Collection of Penalties: Fines not paid within thirty (30) days after notice of the imposition or assessment of the penalties shall become subject to collection by the Association.

F. Application of Penalties: Fines shall be treated as an assessment otherwise due to the Association, and as such will be a lien against the Owner's Lot.

G. Non-Exclusive Remedy: These finds 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 penalty paid by the offending Owner shall be deducted or offset against any

damages that the Association may otherwise be entitled to recover by law from such Owner.

ARTICLE IX

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INSURANCE

Section 1. Risk of Loss. The Association shall keep (i) any buildings in the Common Area insured against loss by fire and the risks covered by a Standard All Risk of Loss Perils Insurance Policy under an extended coverage casualty policy in the amount of the maximum insurable replacement value thereof, and (ii) all personal property owned by the Association insured with coverage in the maximum insurable fair market value of such personal property as determined annually by an insurance carrier selected by the Association. Insurance proceeds for improvements in the Common Area and any personal property owned by the Association shall be payable to the Association. In the event of any loss, damage or destruction in the Common Area, the Association shall cause the improvements or property so lost, damaged, or destroyed to be replaced, repaired or rebuilt as the case may be. In the event the cost of such replacement, repairs or rebuilding of improvements on the Common Area (i) exceeds the insurance proceeds available therefore, or (ii) no insurance proceeds are available therefore, the deficiency or full cost thereof, as the case may be shall be assessed to the Owners.

Section 2. Public Liability. The Association shall procure and keep in force public liability insurance in the name of the Association and the owners against any liability for personal injury or property damage resulting from any occurrence in or about the Common Area, in an amount not less than One Million Dollars (\$1,000,000) for damage to property in one (1) accident or event.

Section 3. Officer and Director Liability. The Association shall have the power, but not the duty, to procure and keep in force officer and director liability insurance for the protection of the members of the Board of Directors and officers of the Association.

Section 4. Proof of Insurance. Copies of all such insurance policies (or certificates thereof showing the premium thereon to have been paid) shall be retained by the Association and open for inspection by Owners at any reasonable time. All such insurance policies shall (i) provide that they shall not be canceled by the insurer without first giving at least thirty (30) days prior notice in writing to the Association, and (ii) contain a waiver of subrogation by the insurer(s) against the Association, Board of Directors and Owners.

ARTICLE X

TURNOVER

Section 1. Time of Turnover. The Turnover of the Association by the Declarant shall occur at the time specified in Article III, Section 2 hereof.

Section 2. Procedure of Calling Turnover Meeting. No more than sixty (60) days and no less than thirty (30) days prior to the turnover meeting, the Association shall notify in writing all Members of the date of the turnover meeting and its purpose, which is the election of a new Board of Directors of the Association.

Section 3. Procedure for Meeting. The procedure for the

election and turnover meeting shall be conducted in accordance with the most recent revision of Robert's Rules of Order.

Section 4. Declarant's Rights. For as long as the Declarant shall own any of the properties, it shall have the right to appoint one (1) member of the Board.

ARTICLE XI

BOOK 1338 PAGE 1475

GENERAL PROVISIONS

Section 1. Severability. Invalidation of any one of the covenants or restrictions of this Declaration by judgment or court order shall in no way affect the full force and effect of any other provision of this Declaration.

Section 2. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended during the first twenty (20) year period by an instrument signed by not less than ninety percent (90%) of the Lot Owners, and thereafter by an instrument signed by not less than ninety percent (90%) of the Lot Owners. Any such amendment must be recorded in the Public Records of Lake County, Florida. Any Amendment to this Declaration which alters the Surface Water or Storm Water Management System, beyond maintenance in its original condition, including the water management portions of the common areas, must have the prior approval of the St. Johns River Water Management District.

Section 3. Right of Association to Merge. The Association shall have the right to merge with any other homeowners' association. This right shall be exercised by recordation of an amendment to this Declaration among the Public Records of Lake County, Florida, which amendment shall further have attached to it a resolution of this Association and the homeowners' association with which a merger is to take place, and such resolution shall be certified by the corporate secretary thereof and shall state:

A. That a meeting of the homeowners' association and the Association was held in accordance with their respective Bylaws; and

B. That a two-thirds (2/3) vote of all classes of members of the homeowner's association and the Association approved the merger.

The foregoing certificates, when attached to the Amendment, shall be deemed sufficient to establish that the appropriate procedure was followed in connection with the merger.

Section 4. Enforcement. Notwithstanding anything herein to the contrary, the Declaration, the Association, the ARC, or any Owner 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 existing. Any such party who or which brings and substantially prevails, in an action under this Section against a party found to be in violation of any of the restrictions, conditions, covenants, reservations, liens and charges imposed by this Declaration (hereinafter referred to as the "Party Seeking Enforcement") shall be entitled to and shall recover an award of attorneys' fees and costs incurred in connection with such action both at the trial and appellate court levels. Said

award of attorneys' fees and costs shall reimburse the Party Seeking Enforcement for the attorneys' fees and cost actually incurred by the Party Seeking Enforcement in the prosecution of an action brought under this Section. Such an award of attorneys' fees and costs, plus any interest due pursuant to said award, shall be a charge on the land and shall be a continuing lien upon the Lot(2) and Residential Unit(s) of the conditions, covenants, reservations, liens and charges imposed by this Declaration, until such award is paid in full to the Party Seeking Enforcement. Failure by any of the aforesaid to enforce any restriction, condition, covenant, reservation, lien or charge herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 5. Notices. Any notice required to be sent to any Member or Owner under the provisions of this Declaration, shall be deemed to have been properly sent when mailed, postpaid, to the last known address of the person who appears as a Member or Owner on the records of the Developer, or after the Turnover Date, on the records of the Association.

Section 6. Headings. The headings contained in this Declaration are for convenience only and shall have no significance in the interpretation of the body of this Declaration and shall be disregarded in construing the provisions of this Declaration.

Section 7. Declarant's Right to Assign. The Declarant reserves the right to assign the rights, powers, duties and obligations of the Declarant under this Declaration. Each assignee shall accept such assignment in writing and shall, from and after the date of such assignment, have the same rights and power of the Declarant under this Declaration and thereupon shall be liable for the performance of all of the duties and obligations of the Declarant under this Declaration. From and after such assignment, the Declarant shall be released from all duties, obligations and liabilities imposed upon or assumed by it under this Declaration.

Section 8. Gender. The use herein of the singular number includes the plural number and the use herein of any gender includes all genders. The use herein of the word "person" and "persons" included individuals, firms, associations, joint ventures, partnerships, estates, trusts, business trusts, syndicates, fiduciaries, corporations, and all other groups or combinations.

Section 9. Governing Law. This Declaration shall be governed by and interpreted in accordance with the laws of the State of Florida.

Section 10. Joint Venture/Partnership. Nothing herein shall be deemed to create or constitute a partnership or joint venture between the Association and the Declarant or between the Association and the Owner or Owners of Lot or between the Declarant and the Owner or Owners of a Lot.

Signed, sealed and delivered
in the presence of:

"DECLARANT"

Print: PAMELA A. ROSS

Print: DOROTHY J. LAWHORN

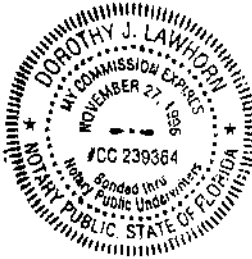
Print: Robert A. Davis, Trustee

STATE OF FLORIDA
COUNTY OF ORANGE

The foregoing instrument was acknowledged before me this 21st
day of December, 1994, by ROBERT A DAVIS, who is
personally known to me and who did not take an oath.

(NOTARY SEAL)

My Commission Expires



Dorothy J. Lawhorn
Notary Public

DOROTHY J. LAWHORN

Print/Type Name of Notary

DESCRIPTION:

That portion of the North 1/2 of the Northwest 1/4 and the North 1/2 of the Northeast 1/4 all in Section 1, Township 23 South, Range 25 East and a portion of Section 36, Township 22 South, Range 25 East, Lake County, Florida being more particularly described as follows:

BEGINNING at the Southwest corner North 1/2 of the Northeast 1/4 of Section 1, Township 23 South, Range 25 East; thence run N 00°48'59" E along the West line of said North 1/2 for a distance of 506.30 feet to a point on the southerly shoreline of Lake Minnehaha, said point hereby being designated as Point "A"; Begin again at the POINT OF BEGINNING; thence run S 89°35'29" E along the south line of said North 1/2 for a distance of 24.77 feet to a point on the Northerly right of way line of Harder Road, said point also being on a non-tangent curve concave to the Southeast and having a radius of 365.25 feet and a chord bearing of N 78°08'14" E; thence leaving said south line of the North 1/2 run Northeasterly along the arc of said curve and said Northerly right of way line for a distance of 156.46 feet through a central angle of 24°32'34" to the end of said curve; thence run S 89°35'29" E along said Northerly right of way line for a distance of 624.05 feet to the Northwesterly right of way line of Lake Shore Drive; thence leaving said Northerly right of way line of Harder Road run along the Northwesterly right of way line of Lake Shore Drive the following courses and distances: N 34°55'18" E for a distance of 186.14 feet to the beginning of a tangent curve concave to the Southeast and having a radius of 987.93 feet; thence run Northeasterly along the arc of said curve for a distance of 600.06 feet through a central angle of 34°48'03" to the end of said curve; thence run N 69°43'21" E for a distance of 152.31 feet to the beginning of a tangent curve concave Northwesterly and having a radius of 1604.02 feet; thence run Northeasterly along the arc of said curve for a distance of 286.84 feet through a central angle of 10°14'45" to the end of said curve; thence run N 59°28'36" E for a distance of 244.10 feet to the beginning of a tangent curve, concave to the Southeast and having a radius of 988.37 feet; thence run Northeasterly along the arc of said curve for a distance of 14.64 feet through a central angle of 00°50'56" to a point on said curve; thence run N 29°40'36" W for a distance of 7.00 feet to a point on a non-tangent curve concave to the Southeast and having a radius of 1313.57 feet and a chord bearing of N 66°13'38" E; thence run Northeasterly along the arc of said curve for a distance of 343.43 feet through a central angle of 14°58'48" to a point on said curve; thence leaving said Northwesterly right of way line of Lake Shore Drive run N 00°46'00" E for a distance of 283.97 feet; thence run N 50°55'45" E for a distance of 147.14 feet to the shoreline of the Palatlahaha River; thence run Northwesterly, Westerly, Southwesterly, Southerly, and Southeasterly along said shoreline and the aforesaid southerly shoreline of Lake Minnehaha to the aforesaid Point "A".